



Bennett  
Village

Bennett Centre Long Term Care  
The Gallery Active Living

*Frequently Asked Questions about  
Life Lease Housing and The Gallery*

# The Life Lease Concept

## What is Life Lease Housing?

Life Lease is a form of real estate tenure (conditions under which a land or building are held or occupied) that has been in existence throughout North America and Europe for many years, and in Canada for nearly 50 years.

There are an estimated 150 Life Lease projects now operating in Ontario, representing some 12,000 residential suites. These communities are geared to mature adults and seniors.

Under a Life Lease arrangement, there is a single owner of the property who is responsible for operating and maintaining the property and buildings in accordance with an agreement signed with the purchasers and residents. The residents purchase an exclusive interest in the suite of their choice from these owners, and have the right to sell or transfer this interest when they wish to vacate their suite. This is similar to purchasing a suite within a condominium; however, the resident is acquiring a Life Lease interest as opposed to a freehold interest. Also, similar to a condominium, residents share in the use and operating costs associated

with the common areas and amenities. At the heart of every Life Lease community is an agreement or contract with the property owner which governs how the residential suites are acquired, subsequently sold or transferred, and the ongoing relationship and responsibilities of both the owner and the residents.

In Ontario, there are three primary Life Lease structures, the most common and popular model being based on the market value of the residential suite. Under this model, residents acquire their Life Lease interest based on the market value of the suite, and sell or transfer this interest at the market value when they wish to sell, like buying a single-family home or condominium. The Life Lease agreement used at The Gallery is based on market value, has no termination date, and the interest can pass to a resident's family upon death. Therefore, residents can protect their investment and earn a return similar to the equity growth in a home or condominium.

## What are the benefits of Life Lease Housing?

There are numerous benefits of living in a Life Lease community. The most important benefit is that residents retain the equity in their home or suite – unlike typical “retirement”

communities where residents pay a monthly rent with no opportunity to preserve their equity. When the suite is sold, the equity (the appreciated value of the property) belongs to the resident or their estate. In addition, the Life Lease structure ensures residents that the community will remain age-exclusive and focused on mature adults and seniors. Life Lease is more about creating a community of people with shared interests and values than it is about bricks and mortar. Life Lease communities are designed for active adults with similar interests and backgrounds enabling them to fully enjoy their retirement years without the headaches associated with maintaining a single-family home.

Life Lease developments also have more extensive amenity areas than condominium projects which creates a stronger sense of community and provides more age-specific programs and activities for residents. As residents age, support services may also be provided allowing residents to maintain their independence for a longer period. These communities are designed to enhance the resident's quality of life through facilities such as wellness and fitness centers and easy-living features such as wider doorways, walk-in shower stalls with molded seats and grab bars. In summary, under a Life Lease arrangement, residents have exclusive

use of their suite, an opportunity for market value return, and many of the same benefits as traditional home ownership. Life Lease enables active adults and seniors to acquire a suite and live in communities designed to meet their changing needs.

## **Who can live in a Life Lease community?**

The actual age criteria may differ slightly between communities; however, most are geared to individuals 60 years of age and older. This is the age requirement for The Gallery. There are no medical assessments or other criteria which restrict the purchase. In cases where one spouse or partner is not yet of the required age, the spouse of the partner is still able to reside in the suite. However, he or she can only appear on the Life Lease Agreement as a "Purchaser" until attaining the age of 60 years. This occupancy restriction is intended to maintain a harmonious environment for mature adults and seniors, and create a stronger, more supportive community. Children may also purchase a Life Lease interest for their parents; however, they may not occupy it until they reach the prescribed age.

## Does Life Lease really mean for “life”?

No. The name Life Lease is misleading but this was the name given to this form of tenure when it arrived in Canada from Europe where the leases were actually based on the resident's lifetime in a suite. When the concept was introduced in Ontario, it was modeled after condominiums. The Market Value Life Lease model selected for The Gallery has no termination date, and this interest can be sold. Upon the death of one spouse or partner, the Life Lease interest automatically transfers to the surviving spouse or partner, at no cost. Upon death of the second spouse or partner, the Life Lease interest automatically transfers to his or her Estate. The resident's Will then describes how the Life Lease interest or suite is to be disposed of or held by the beneficiaries. The beneficiary may retain the suite as an investment, and lease to individuals who qualify for residency until the beneficiary's retirement, when the beneficiary may decide to take up residency or, may sell the Life Lease interest at the current market value.

## Who sponsors and finances a Life Lease community?

Life Lease owners or “sponsors” have included churches, cultural organizations, nursing and retirement home operators, hospitals, private developers and municipalities. These owners develop the communities and provide the necessary equity and financing, and, in most cases, continue to own and manage the community for the benefit of all parties. The financing for construction and subsequent operation ultimately comes from the people who purchase Life Lease interests in the community. However, it is the sponsor, in this case Bennett Village, that creates the vision and incurs the financial risks involved with development.

## Who owns and operates the community?

Bennett Village is a not-for-profit, charitable corporation which owns title to The Gallery and has responsibility for the day-to-day operation. It is Bennett Village's responsibility to administer the Life Lease arrangement and operate and maintain the building and common areas of The Gallery.

## Can I register my Life Lease Agreement on title?

Yes, in fact, Bennett Village encourages purchasers to register a “Notice of

Agreement” or “Notice of Lease” on title to the property. Registration will ensure that your interest in the community is formally acknowledged on title and, once registered, you will receive notice of any future easements, encumbrances, liens, financing, etc. which might affect the property. Therefore, registration will protect your investment like registering a deed on title to a house or condominium. It is also important to note that title to The Gallery is held separately so that the purchasers and residents will not be impacted by the operations of Bennett Village.

## **Do Life Lease communities come under the Condominium Act?**

No. However, Bennett Village has incorporated many provisions outlined under the Condominium Act into its Life Lease Agreement. In addition, the Ontario Ministry of Municipal Affairs and Housing published a Life Lease Resource Guide (February 2014) and these best practices have also been incorporated into the agreements used for The Gallery. The Life Lease Agreement being utilized for The Gallery is now being used by most communities in Ontario and incorporates the disclosure and protection provisions recommended

by the Ministry of Municipal Affairs and Housing.

## **Purchase and Sale**

### **Where is The Gallery located?**

The Gallery is situated in Georgetown, which is located on the Credit River about 45 Kilometers from Toronto and 60 Kilometers from Hamilton. The Gallery is located on Halton Hills Drive, running south off of Princess Anne Drive, immediately across from the Georgetown Campus of Halton Health Care and the existing Bennett Centre Long Term Care Home. Bennett Village purchased this 18-acre parcel to develop The Gallery and, in future, other components of Bennett Village. Residents of The Gallery, the first phase of development, enjoy ravine views plus the established stream-side walking trails of Halton Hills. The convenience of being just minutes from parks, banking, restaurants, shopping and the GO Train make The Gallery ideally located.

### **What type of building is The Gallery?**

The Gallery has been designed as a multi-residential apartment complex consisting of an 11-story

building comprised of 105 one- and two-bedroom suites. The building offers two elevators and two levels of underground parking. This non-combustible concrete building form provides for quiet enjoyment where sound transfer between suites does not disturb neighboring residents.

## **What is Bennett Village?**

Bennett Village is a not-for-profit, charitable corporation which acquired the property on which The Gallery is situated in order to develop services for mature adults. Bennett Village was incorporated in 1984 and was originally known as the Bennett Health Care Centre. The name was changed in 2016 to Bennett Village to align with the organization's mission and vision. The Bennett Centre Long Term Care home, comprised of 66 beds, was opened in 1999 and The Gallery in 2009.

## **What happens to our Life Lease interest upon death?**

Upon death of one spouse or partner, the Life Lease interest automatically passes to the surviving spouse or partner. Upon the death of both spouses or partners, your market value Life Lease interest transfers to your Estate in accordance with your

Will. Your beneficiaries may decide to retain the Life Lease interest and suite, or transfer or sell this to another party at the current market value. It is up to your Estate to establish the selling price and negotiate the final transfer price, the same as establishing an asking price for a home or condominium. Bennett Village will maintain a waiting list of interested buyers and their sales team will assist in every way possible to find a suitable purchaser for your Life Lease interest when you wish to sell.

## **Can I purchase a suite in the names of my children?**

Yes, you can note any family member you wish on your Life Lease Agreement as the "Purchaser" or owner of the Life Lease interest, however, only those noted as "Residents" can occupy your suite. Whoever is noted as 'Resident' must meet the age requirement of 60 years or older and be approved by Bennett Village.

You may wish to place your Life Lease interest and agreement in the names of your children with yourselves as the 'Residents' thereby avoiding the Ontario estate administration tax (probate fees). A Life Lease suite qualifies as a principal residence for capital gains purposes under the Income Tax Act and, for that reason, purchasers should



consult their estate planning advisors before adding the names of children to their occupancy agreements. It is important to note that the savings that a purchaser attempts to realize in reduced probate fees by adding their children as joint tenant purchasers may be outweighed by adverse income tax consequences to the children, unless appropriate legal structures are put into place. Please consult your lawyer or accountant if you wish to pursue this option.

## **How much does my estate or I pay on sale or transfer?**

Purchasers may sell or transfer their Life Lease interest at any time at an asking or selling price established by them. This asking or selling price is based on the market value of the suite at the time of sale or transfer. The Life Lease Agreement stipulates that Bennett Village receives an administration fee equal to 5% of the sale or transfer price. This fee, which is like a real estate commission, will provide funds to Bennett Village to co-ordinate the sale or transfer of the Life Lease interest and suite, as well as funds for the ongoing marketing of The Gallery. This fee is paid from the closing proceeds received from the new purchaser, with the selling resident

retaining the remaining 95%.

Unlike a typical real estate transaction, it is Bennett Village (the owner), that must co-ordinate the transfer of the Life Lease interest on behalf of the resident, and deal with the new purchaser and/or their lawyer to ensure all documentation is provided. The 5% administration and transfer fee is used to cover these costs. Any surplus portion of the administration and transfer fee becomes an asset of Bennett Village and can be expended on other facilities and services for mature adults and seniors as dictated by its mandate.

## **Management and Operation**

### **Are pets permitted?**

Bennett Village has adopted a “no replacement” pet policy that permits Residents to house their pets (cats, dogs, birds, fish) upon initial occupancy on every floor except floors 6 and 7 which have been designated “pet free”. Such pets are permitted in the Unit with the written approval of the Corporation. This written approval must be obtained prior to occupancy and the Resident must execute and agree to the terms

of the Corporation's pet policy. This policy is to ensure that those who have allergies or dislike pets, can be housed on pet-free floors. The only exception to this policy is service animals used by those with a visual or other impairment. Any resident wishing to house a pet, should ask to review a copy of this pet policy. In the event of the death of a resident's pet, the resident will not be allowed to replace that pet, as per the Life Lease Agreement.

## **What is the Monthly Occupancy Fee and is H.S.T. included?**

Each resident pays a Monthly Occupancy Fee based on the size of their selected suite. The Monthly Occupancy Fee includes H.S.T. and is calculated in the same manner as a condominium fee. The Monthly Occupancy Fee for The Gallery includes: interior and exterior common area cleaning, repair and maintenance; common area hydro, gas and water; gas and both hot and cold water for your suite; insurance on the building and property; management and administration; repair, maintenance and replacement of heat pumps and mechanical systems; and, a reserve fund for future capital improvements. Bennett Village has also arranged for a bulk service contract for basic

television, which is also included in the Monthly Occupancy Fee. The items not covered under the Monthly Occupancy Fee and paid separately by residents of The Gallery include: hydro for the suite; content and liability insurance; and, property taxes.

## **What happens to my Monthly Fees when operating costs increase?**

The Monthly Occupancy Fees are set at the break-even cost of operating The Gallery. The actual operating costs are reviewed annually by Bennett Village, in conjunction with the Residents' Advisory Association, comprised of residents of The Gallery, with the goal of maintaining the monthly fees as low as possible while responding to cost-of-living increases. With assistance from residents, the goal is to keep the monthly costs as low as possible so that future increases can be minimized.

## **Who is responsible for management and maintenance?**

The Monthly Occupancy Fee paid by each resident covers the cost of administration and maintenance which will be overseen by Bennett Village. A Replacement Reserve Fund is established within the Occupancy



Fee to cover the replacement of major capital building components at The Gallery. Repairs, maintenance and replacement of finishes and fixtures within each suite are the responsibility of the resident.

## **Who is responsible for repairs within my suite?**

Similar to a condominium corporation, purchasers and residents are responsible for all repairs and maintenance within their individual suite, except those components that are common to the building (i.e. exterior doors, windows, heat pump units and mechanical systems, etc.). A Replacement Reserve Fund has been established within the Occupancy Fee to cover the replacement cost of these common components of the building.

## **Who is responsible for repair and replacement of appliances?**

Each suite contains six (6) quality appliances and residents are responsible for repairs and maintenance associated with these appliances. All appliances are owned by the purchasers and can be transferred or sold with the suite or upgraded at the purchaser's discretion.

## **Can I rent my Suite?**

Yes, subject to the written approval of Bennett Village, and the renter meeting all eligibility and admission criteria for The Gallery. The renter and the "Purchaser" of the suite would enter into a rental lease agreement and are considered to have a landlord/tenant relationship as described under the Residential Tenancies Act of Ontario. Bennett Village requires the renter to enter into a separate agreement or execute the Life Lease Agreement as "Resident".

## **What type of heating/air-conditioning system is at The Gallery?**

The heating and cooling source for each suite is a central, high-efficiency, natural gas boiler and chiller system located on the roof. The utility costs associated with this central system are included as part of the Monthly Occupancy Fee for each suite. Each suite has its own independent thermostat to control the desired temperature through a heat pump located in each suite. This heat pump is like a forced-air furnace that distributes the heating or cooling throughout your suite through a network of air ducts located along the perimeter walls. There is no switchover date for this modern, energy efficient

system so you can have heat or cooling 12 months a year. Annual maintenance of the heat pump and other mechanical systems is included in the Monthly Occupancy Fee for each suite.

## **Is there security for The Gallery and the underground parking area?**

The parking for residents of The Gallery is secure and residents must utilize a remote transmitter, which is like a garage door opener, when entering the garage. The garage door closes immediately after your car is in the garage. The parking garage meets or exceeds municipal standards for underground parking with surveillance cameras and security access systems to the lower lobbies for maximum security. Anyone wishing to enter the building from the parking level must either have a fob or building pass card, or must gain access from a resident by using the security-controlled entrance phone system in the main lobby. The main building access doors are also equipped with power door openers for the residents' convenience. There is also additional lighting provided in the underground parking to ensure a safe and secure environment for residents.

## **Can I rent my underground parking space and what if I have two cars?**

Yes. Any resident who does not have a vehicle and wishes to rent their space to another resident of The Gallery is free to do so, subject to approval by Bennett Village and execution of a parking space rental agreement. Underground parking spaces cannot be rented or otherwise used by non-residents, and cannot be sold separately. Residents who have two vehicles may be able to rent a second space from other residents of The Gallery or find surface parking on the surface parking lot.

## **Are there storage lockers outside of my suite and what are the sizes?**

Each suite at The Gallery includes a storage locker which is located on the parking levels in secure rooms. These lockers are numbered and assigned to each suite. The locker sizes may vary; however, the approximate size is 4 feet wide, 6 feet deep and 8 feet tall. The locker rooms will be keyed for resident access only, and each resident can place their own lock on their individual locker cage.

## How are underground parking spaces assigned?

Underground parking stalls are owned by Bennett Village and may be assigned based on residents' need. These spaces are assigned based on three (3) categories of parking: a) handicapped spaces for physically handicapped residents requiring a wheelchair; b) mobility impaired spaces for those residents who have difficulty walking; and, c) regular parking spaces. However, residents do not own their parking space and these may be reassigned by Bennett Village from time-to-time for the benefit of all residents. For example, if a resident was assigned a handicapped parking space and no longer has a car, it is only reasonable to reassign this space to another resident who requires such a space. Despite the assignment and reassignment of underground parking spaces, each suite and resident is assured of an indoor parking stall.

## What if I have a motorcycle?

Motorcycles are treated the same as passenger vehicles. Residents must use their underground parking space, rent another underground parking space, or locate surface parking for motorcycles.

## What resident amenity areas are included at The Gallery?

The amenity areas at The Gallery include a spacious entrance lobby, lounge and library, a large multi-purpose room with kitchen facilities and large exterior patio area, exercise room/gym, craft/hobby room, woodworking shop, games/hobby room, board room, bike/scooter storage room, storage locker rooms, move-in room, and guest suite.



**The Gallery Active Living**

T (905) 877-8600 • F (905) 877-8980  
200 Halton Hills Drive  
Georgetown, ON L7G 0C4

April, 2019  
Contents subject to change without notice  
E.&O.E.