

Life lease living has many advantages

When the 'chicks have fledged' and your house develops echoes, the yard work is just not fun anymore, or the winter snows are coming early and staying too long, many Manitobans are faced with the dilemma - "Where do we go from here?"

Going south for twelve months a year isn't a viable option for most. Fortunately, there are quite a few life lease buildings in Manitoba and they have been the answer to this quandary for many people.

The Manitoba Life Lease Occupants Association (MLLOA) conducted an informal survey of its member buildings to get an idea of why people chose to downsize and why they decided on a life lease over a condominium or a regular rental property.

The number one reason given by people who chose to downsize was that the housekeeping and/or yard maintenance was too much work. Stairs were another issue for many respondents. For others, the death of a spouse was also a factor in moving out of their home.

As I explained in my first article, a life lease is just that - 'a lease for your life'. These apartments are not condominiums and they are not ordinary rental properties. While some life lease buildings are 'market value', the majority operate as non-profit corporations. Tenants are required to pay an entrance fee (refundable) and a monthly rental fee which covers the operating and capital expenses. The entrance fee is secure and protected by law, so you will get it back when you leave.

Entrance fees vary from project to project, depending on the age of the building, size and amenities offered. To my knowledge, fees can range from as low as (or lower) \$15,000 to over \$180,000 on newer builds; others can be anywhere in between. The same goes for monthly rent prices, a wide price range depending on suite size, amenities, age of the building and maybe even the location.

Many people mentioned the huge investment of buying a condominium and the added monthly condo fees as a deterrent to purchasing one. A few cited the hassle and politics of an in-house condominium board. Monthly condo fees can range from less than \$300 to more than \$1400 depending on the building. In addition, as owners, they are responsible for the day-to-day management and decisions regarding major projects should there be issues with the building. Furthermore, market variability is a risk for condominiums that doesn't affect life leases, unless it is a market value life lease. (more on this topic in a later article).

Madeleine and Ray L. recently sold their condo of 12 years and moved into Colorado Estates, a life lease on Ferry Road. They are ecstatic about the 'no responsibility,

worry-free living'. Madeleine is delighted that they no longer have to concern themselves about appliances breaking down, plumbing or electrical issues or washing exterior windows. Laughing, she said, "They even change the furnace filter for us."

Often, the monthly rental fees for life leases, with all their added features and amenities are lower than regular rental properties. "I tried to find rentals with comparable amenities and suite size to my life lease and I found that I would be paying more for a much smaller apartment with less amenities and no social activities or sense of community" reported Ann B.

When asked why they chose life lease living over a regular rental, the majority of respondents indicated the sense of community and social activities offered in life leases as a big factor. Suite size and location of the building were also high on the list of reasons for their choice. Amenities such as in-suite laundry, underground parking and the fact that most life leases are restricted to a 55+ population were also a priority.

The survey also asked respondents if they thought they fully understood what a life lease was before committing to one. A number of people, including Dave Kennedy from Glendale Courts, said "definitely not" or "not really". Many residents confess they still don't fully understand the nuances of life leases or the legalities and legislation involved. Government officials, insurance companies and some property management companies struggle with the life lease concept and related rules and regulations.

Education is one of the tenets of the MLLOA and we are working to do just that. The Association holds 'round tables' / information sessions for residents of member buildings on topics related to life lease living. Also, the MLLOA has been working collaboratively with the Manitoba Government to have the Life Lease Act changed to be more consumer friendly.

Stay tuned for future articles which we hope will help you better understand the legislation and related regulations.

If you are interested in the life lease option, feel free to contact us at the Manitoba Life Lease Occupants Association (MLLOA). We are a non-profit organization that represents more than twenty-eight life lease member complexes in Manitoba. We also provide education, and monitor legislation, governance and resources. For more information, visit our website at [www.mlloa.ca](http://www.mlloa.ca)

Lori Blande

Member at Large, MLLOA and  
Resident of Colorado Estates, life lease  
Winnipeg, MB