

Legislative
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of Ontario



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Bill 71

An act respecting life leases

Mr. J. Racinsky

Private Member's Bill

1st Reading November 19, 2025

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

The Bill enacts the *Life Leases Act, 2025* which establishes a legislative framework for life leases in Ontario. A life lease is a written agreement that entitles a person to occupy a residential unit for life or for a fixed term of not less than a prescribed minimum period.

The Act defines key terms, including “life lease”, “life lease community”, “life lease holder”, and “life lease sponsor”. It provides that the Act applies to life leases despite any agreement or waiver to the contrary and renders void any provision in a life lease that is inconsistent with the Act or its regulations.

The Act prohibits a life leaser sponsor from providing false or misleading information in relation to any matter governed by the Act or its regulations.

The Act creates offences for contraventions of the prohibition against false or misleading information and for contraventions of prescribed regulatory provisions. It provides for penalties upon conviction, including fines of up to \$50,000 for individuals and \$250,000 for corporations. Directors and officers of corporations may also be held liable if they knowingly concur in an offence. A two-year limitation period applies to the commencement of proceedings.

The Act grants the Lieutenant Governor in Council broad regulation-making powers, including powers to govern financial disclosures, reserve funds, meetings of life lease holders, terms of life leases and other matters necessary for the effective administration of the Act.

The Act comes into force on a day to be named by order of the Lieutenant Governor in Council.

An act respecting life leases

His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

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Interpretation

1 (1) In this Act,

“life lease” means a written agreement for occupancy of a residential unit in respect of which a person is entitled to occupy the unit for life or for a fixed term of not less than such period as may be prescribed, but does not include,

- (a) a tenancy agreement under which the owner of a dwelling leases the land used or intended for use as the site for the dwelling, or
- (b) an interest in a leasehold condominium corporation; (“bail viager”)

“life lease community” means a building or related group of buildings in which one or more life lease units are located and includes all common areas and services and facilities available for the use of its residents; (“communauté de location viagère”)

“life lease holder” means a person who is a party to a life lease and is entitled to occupy the life lease unit under the life lease; (“titulaire de bail viager”)

“life lease sponsor” means a person, other than a life lease holder, who grants or has granted a right to occupy a life lease unit or such other person as may be prescribed; (“parrain de location viagère”)

“life lease unit” means a residential unit that is provided under a life lease; (“logement en location viagère”)

“Minister” means the member of the Executive Council to whom responsibility for the administration of this Act is assigned or transferred under the *Executive Council Act*; (“ministre”)

“prescribed” means prescribed by the regulations; (“prescrit”)

“regulations” means the regulations made under this Act; (“règlements”)

“residential unit” means any living accommodation used or intended for use as a residential premises. (“habitation”)

Estates

(2) If a life lease holder dies, the life lease is deemed to form part of the personal estate of the life lease holder,

- (a) in such circumstances as may be prescribed; or
- (b) for the purposes of such provisions of this Act or the regulations as may be prescribed.

Application

2 This Act applies with respect to life leases, despite any agreement or waiver to the contrary, unless the regulations provide otherwise.

Conflict

3 Except as otherwise provided in the regulations, a provision in a life lease that is inconsistent with this Act or the regulations is void.

False or misleading information

4 A life lease sponsor shall not knowingly provide false or misleading information under this Act.

Offence

5 (1) A person who contravenes section 4 or any prescribed provisions of the regulations is guilty of an offence.

Same, directors and officers

(2) Every director or officer of a corporation who knowingly concurs in an offence under this Act is guilty of an offence.

Penalty

6 (1) A person, other than a corporation, who is guilty of an offence under this Act is liable on conviction to a fine of not more than \$50,000.

Same, corporation

(2) A corporation that is guilty of an offence under this Act is liable on conviction to a fine of not more than \$250,000.

Limitation

7 No proceeding shall be commenced respecting an offence under this Act more than two years after the day on which the offence was or is alleged to have been committed.

Regulations

8 (1) The Lieutenant Governor in Council may make regulations,

- (a) governing audited financial statements in respect of life lease sponsors, including requiring life lease sponsors to ensure audited financial statements are prepared, specifying the requirements that the statements must satisfy and specifying who is entitled to receive copies of the statements;
- (b) establishing and governing requirements respecting the financial management of life lease sponsors and life lease communities;
- (c) governing the disclosure of information by life lease sponsors and prospective life lease sponsors, including requiring life lease sponsors and prospective life lease sponsors to give reports, documents and other information to life lease holders or prospective life lease holders, prescribing the form and manner in which the information is to be disclosed or given and providing rules and limits in relation to fees and other charges respecting such reports, documents and other information;
- (d) prescribing record-keeping requirements that apply to life lease sponsors;
- (e) governing reserve funds in respect of life lease communities, including,
 - (i) requiring life lease sponsors to establish and maintain a reserve fund,
 - (ii) prescribing requirements that must be satisfied in respect of a reserve fund,
 - (iii) prohibiting reserve funds from being used for any purpose other than specified purposes, and
 - (iv) requiring life lease holders to contribute to a reserve fund and setting out requirements with respect to such contributions;
- (f) governing meetings of life lease holders, including,
 - (i) requiring life lease sponsors to convene life lease holder meetings and establishing rules concerning how such meetings are convened, including meeting notice requirements, and
 - (ii) prescribing requirements with respect to the conduct of life lease holder meetings, including the rights and responsibilities of life lease sponsors and life lease holders at such meetings;
- (g) governing the attendance by representatives of life lease holders at meetings of the board of directors of a life lease sponsor, in circumstances where a life lease sponsor is governed by a board of directors, including,
 - (i) prescribing rules respecting the selection of representatives,
 - (ii) providing that representatives are entitled to receive, and that life lease sponsors or other specified persons are required to give to representatives,
 - (A) notice of meetings of the board of directors and specifying rules with respect to such notice, and

- (B) specified reports, documents and other information,
- (iii) governing the attendance of representatives at meetings of the board of directors, including providing that representatives may attend any meeting of the board of directors, may place matters on the agenda of such meetings and may speak to any matter on the agenda, and
- (iv) permitting representatives to share documents or other information that they receive in their role as a representative with other life lease holders in the life lease community, and specifying whether any restrictions, conditions or limitations apply to the sharing of such information;
- (h) governing the terms of life leases relating to any matter mentioned in clauses (a) to (g), including,
 - (i) deeming certain terms to be included in life leases, and
 - (ii) prohibiting life leases from including certain terms;
- (i) prescribing anything in this Act that is described as being prescribed or provided for in the regulations, including governing anything described as being prescribed or provided for in the regulations;
- (j) exempting any person or class of persons from this Act or the regulations or a specified provision of this Act or the regulations;
- (k) exempting any class of life leases from this Act or the regulations or a specified provision of this Act or the regulations;
- (l) governing transitional matters that, in the opinion of the Lieutenant Governor in Council are necessary or advisable to facilitate the implementation of this Act or the regulations.

Regulations, application to existing life leases

(2) A regulation made under subsection (1) may, if it so provides, apply to life leases that were entered into before the day the regulation is filed, including a life lease that was entered into before the day the *Life Leases Act, 2025* received Royal Assent.

Same

- (3) For greater certainty, if a regulation provides that it applies to life leases as described in subsection (2),
 - (a) the provisions of this Act also apply to those life leases; and
 - (b) the application of the regulation and the Act to those life leases may have the effect of modifying or extinguishing any right, obligation or interest acquired or accrued under the life lease.

No compensation

(4) Except as otherwise provided for under this Act, no life lease sponsor or other person is entitled to compensation as a result of the enactment of this Act or any regulation made under this Act.

No expropriation or injurious affection

(5) Nothing done or not done in accordance with this Act or the regulations under it constitutes an expropriation or injurious affection for the purposes of the *Expropriations Act* or otherwise at law.

Commencement

9 This Act comes into force on a day to be named by order of the Lieutenant Governor in Council.

Short title

10 The short title of this Act is the *Life Leases Act, 2025*.