

Summary of the Lease Transfer Process

Leases cannot be transferred without the prior written consent of the Board of Trustees, and the Real Estate Trustee must coordinate all lease transfers.

Transfers generally occur when someone is doing Estate Planning, a leaseholder passes away, or a cottage is sold to another party.

Leases can only be transferred to members of the Heidelberg Beach Association. If a lease is to be transferred to someone who is not a current member of the Association, they must be accepted into membership *prior* to the completion of the transfer paperwork using the process outlined below.

- When a sale is involved, current leaseholders should alert the Board when they have reached agreement on a price with a buyer. Most times this means they have signed a “Purchase Contract”. Because of the requirements of our lease (paragraph below), it is advisable that the Purchase Contract include a contingency for receiving Board approval.

*“Lessee shall use and occupy said premises in a careful, safe and proper manner, will not allow said premises to be used for any purpose or in any way other than that hereinbefore specified, will not sublet said premises or any part thereof, **nor assign this Lease without in each case the written consent of the Lessor first had**, will not permit any transfer by operation of law of Lessee’s interest in the demised premises, and will maintain the yard and improvements thereon in good condition and repair.”*

- The Board will set up a meeting with the prospective member. In advance of the meeting, the Real Estate Trustee will give the prospective member information to study.
- The prospective member will then request membership into the Association by signing an “Acknowledgment and Agreement to Abide by the Heidelberg Beach Association Documents,” which states they’ve reviewed copies of our Association’s By-Laws and other documents, and met with the Board for an Orientation. Two originals are signed, one is returned to the prospective member, one is given to the Real Estate Trustee.
- The prospective member will also be asked to sign a Disclosure Statement confirming they are aware of the state of our infrastructure, potential repair and replacement plans, and current estimated costs. Two originals are signed, one is returned to the prospective member, one is given to the Real Estate Trustee.
- After the prospective member is excused from the meeting, the Board will then vote on accepting them into membership and give their approval in writing (a statement in the meeting’s minutes) as required by the lease. The rest of the sale closing and/or lease transfer process can then take place. Note that 2/3 of the whole Board (not an Executive committee) must be present and vote affirmative to accept someone into membership per Article 1 of the Heidelberg Beach By-Laws.