

# THOUSAND ISLAND PARK CORPORATION

## LEASE TRANSFER PROCESS & REQUIREMENTS

It is important to understand the specific requirements, steps, and responsibilities involved in the transfer of an existing leasehold from one party to another. Here are some initial points to consider:

- TI Park Corporation (TIPC) Cottage site leases typically have a term of 99 years, and Boathouse site leases have a term of either 5 or 10 years. When a transfer occurs, the buyer is assigned the existing lease for the remainder of its term and the transfer is executed with an Assignment of Lease document.
- TIPC archives original lease documents and provides a second original to the leaseholder at the time a new lease is established, when an existing lease is renewed, and when a transfer occurs. It is the responsibility of the seller to provide all prior original lease documents to the buyer at the time of closing.
- TIPC is not responsible for ensuring the leasehold has a "marketable title". The Corporation strongly recommends that the buyer/seller engage the services of a local realtor and attorney.
- Once the transfer process is completed, it will be the buyer's responsibility to ensure the lease transfer is recorded with Jefferson County.

From a TIPC perspective, several steps must occur in a specific sequence to initiate and execute a transfer. This list describes the requirements to assist you with the transfer process:

- **Request for Lease Transfer Form:** Complete and mail or deliver to the TIPC Office
- **Transfer Fee:** The cost is \$200 per parcel.
- **Assignment of Lease Form (2 forms per parcel):** Complete, sign in front of a Notary (in duplicate), and return.
- **NYS TP-584 Form:** For each conveyance of real property from a grantor/transferor to a grantee/transferee.
- **NYS RP-5217 Form:** Any party seeking to convey or assign any interest of a TIPC lease, or any structure within TI Park, is to complete and execute a current NYS RP-5217 form and submit the same to TIPC within thirty days. TIPC will submit the form to the Town of Orleans Assessor within 7 days of receipt.
- **Cottage Safety Compliance Certification Form 1-A:** Cottages and/or any applicable boathouse sites involved in transfers must pass an electrical inspection conducted by a Certified Electrical Inspector. This form must be completed, signed, and returned to the office. Please check with our office staff to see if we already have a completed inspection form on file.
- **Leaseholder Contact Information Form:** For new Lessee's contact information or changes to existing contact information.

Additional documents may be required to be submitted with your forms package as follows:

- **Property Survey:** If the property is being transferred to a party who is not a member of the current owner's or lessee's family, a new survey must be conducted by a licensed surveyor and included with the Assignment Package. A previous property survey may be used if it is less than ten (10) years old and there have been no significant changes to the property's structures. In this case, the survey must also be accompanied by an acceptable affidavit of "no change," approved by the TIPC General Manager. For referrals to a local surveyor, please contact TIPC.



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- **Acknowledgement of Leasehold Mortgage:** If the property being transferred is being mortgaged, the Acknowledgement of Leasehold Mortgage document must be completed, notarized, and submitted with the Assignment Package.
- **Boathouse-Dock Site Lease Addendum:** If a Boathouse or dock site is a part of the transfer, an inspection will be conducted by a TIPC representative who must deem the structure(s) to be in acceptable condition before the transfer, and the Boathouse-Dock Lease Addendum document must also be completed.
- **Entity Documents:** If the property is to be acquired by a Trust, Partnership, LLC, or other form of entity, a copy of the documents establishing the entity must be submitted with the Assignment Package and must be acceptable to the TIPC General Manager.
- **Death Certificate / Estate documents:** If a current Owner/Lessee has passed away, the Assignment package must include a copy of the Death Certificate and a document that provides evidence of the official designation of the Executor or Estate Administrator who will sign the assignment documents on the behalf of the deceased.

Once the appropriate documents are properly completed, signed, and returned to our office, they will be reviewed by the TIPC Board of Directors. When the transfer is approved by the Board, an officer will sign both Assignment of Lease documents for each parcel, and we will return one of the original documents to the new leaseholder for record-keeping purposes. Please note that the list above refers to the specific requirements of the T I Park Corporation regarding leasehold transfers. There will likely be some additional steps and requirements from a legal perspective. For your reference, here is a sample checklist from a local attorney who regularly handles TI Park lease transfers:

## SAMPLE CHECKLIST (TRUST TO PARTNERSHIP)

1. Contract to purchase
2. Property Condition Disclosure Agreement (PCDS) & other disclosures
3. Request for Lease Transfer & TI Park Corporation approval
4. Electrical Inspection
5. Survey map and certifications
6. Abstract of Leasehold Title
7. Assignment of Lease for each parcel
8. NY State Form TP-584 for each parcel
9. License agreements to address any boundary discrepancies
10. Real Property Tax Receipts
11. TI Park Corporation Rent, Tax & Services Invoice & proof of payment
12. Town of Orleans Sewer Invoice & proof of payment
13. Trust Agreement – Irrevocable Trust & Trust EIN
14. Memorandum of Trust
15. Partnership agreement & EIN
16. Bill of Sale – contents (not including personal items)
17. Closing statement
18. Payables list
19. Insurance
20. Transfer Utilities
21. Keys

Other items that may be included: Estate proceeding(s), death certificate, unpaid taxes, water/sewer charges or TIPC Rent/Tax/Services, encroachments, and license agreement, closing adjustments, personal property allocation, and payment of sales tax, rental adjustments and review of subleases, required repairs after inspections, etc.

