



## Frequently Asked Questions About Tan-Tar-A Estates

### ***What is a land lease?***

A land lease gives the tenant the right to occupy the land described in the lease and use the land for a residence in compliance with the terms and conditions of the lease. The tenant's interest in the leased land is called a leasehold estate.

### ***What is the term of a Tan-Tar-A Estates land lease?***

Typically, the initial term of a Tan-Tar-A Estates land lease is 20 years, with 3 renewal periods of 10 years each, for a total of 50 years. If requested by the tenant and approved by the developer of Tan-Tar-A Estates, the initial term can be 40 years with one renewal period of 10 years, or the initial term can be 45 years with one renewal period of 5 years.

### ***How is the rent under a Tan-Tar-A Estates land lease paid?***

The annual rent under a Tan-Tar-A Estates land lease is payable quarterly at the beginning of each calendar quarter, in advance. The annual rent is adjusted every three years from the date of closing. The amount of the adjusted rent is tied to a nationally recognized index, the Consumer Price Index.

### ***Besides rent, what other expenses does a tenant pay under a Tan-Tar-A Estates land lease?***

The tenant pays an annual assessment for common area expenses billed annually (billed within the first three months of the calendar year). In addition, there is a trash service fee, billed quarterly by the manager of Tan-Tar-A Estates (the current amounts are available upon request). The tenant pays directly real estate taxes, insurance premiums, sewer fees to the City of Osage Beach, and other utility fees, such as electric, telephone, cable TV and high-speed internet service. Presently, water is supplied by Tan-Tar-A Resort to houses in Tan-Tar-A Estates at no charge.

### ***What is involved in purchasing a house in Tan-Tar-A Estates?***

The transaction has two parts: (1) the house is purchased from the current owner of the house, and (2) the land on which the house is located is leased from the developer of Tan-Tar-A Estates, either by entering into a new land lease or, with the developer's and current tenant's consent, assuming the existing land lease of the seller of the house.

### ***How do I purchase a house on a Tan-Tar-A Estates lot?***

The seller and buyer sign a real estate contract for a house in Tan-Tar-A Estates, just like any other house sale and purchase. The difference is that the purchase price is only for the house and does not include the land. At the closing, the seller signs a Quit Claim Deed to convey title to the house to the buyer, and the deed is recorded in the real estate records of Camden County, MO.

### ***What documents are required for a new Tan-Tar-A Estates land lease?***

For a new land lease, the seller of the house and the developer of Tan-Tar-A Estates execute a "Termination of Lease by Mutual Agreement" to terminate the existing lease. Then the buyer of the house and the developer execute a "Land Lease" and a "Memorandum of Lease" (this document is recorded in the real estate records of Camden County, MO).

### ***What documents are required for the assumption of an existing Tan-Tar-A Estates land lease?***

If the current tenant and developer of Tan-Tar-A Estates consents to the assignment of an existing land lease, an "Assignment of Land Lease" is signed by the seller and buyer of the house and the developer signs a "Consent to Assignment of Lease."

### ***If the purchase of a house in Tan-Tar-A Estates is financed, can the leasehold estate be mortgaged?***

The buyer of a house in Tan-Tar-A Estates can mortgage his leasehold interest under the land lease if the loan amount for the purchase of the house does not exceed 80% of the fair market value of the house based on a current appraisal of the house. The developer of Tan-Tar-A Estates, the buyer of the house and the buyer's lender must execute an "Agreement to Mortgage Leasehold Estate."

### ***What is the Restrictive Agreement of Tan-Tar-A Estates?***

The Restrictive Agreement of Tan-Tar-A Estates sets out the covenants and restrictions for the development of Tan-Tar-A Estates, such as land use and building type, architectural control, assessments and the powers and duties of the Trustees of Tan-Tar-A Estates. Property leased under a land lease is subject to the covenants and restrictions of the Restrictive Agreement.

### ***Is there a rental program for houses in Tan-Tar-A Estates?***

There are several companies that will handle the rental of houses in Tan-Tar-A Estates.

### ***What amenities are available to Tan-Tar-A Estates homeowners?***

Amenities include two swimming pools that are open from Memorial Day to Labor Day, a community dock with boat and personal water craft slips for lease, and a picnic and fishing area. The amenities at Tan-Tar-A Resort are available for a fee, and include an indoor water park, golf, spa, restaurants and meeting facilities.