

For more information contact us on Freecall 1800 240 080
www.retirementvillagesaust.com.au

Your questions answered
Your retirement, your choice.



This booklet has been compiled to answer the most frequently asked questions from people considering the lifestyle choices offered by retirement villages.

The Retirement Village Association Ltd (RVA) believes that senior Australians should continue to exercise choice in every aspect of their lives. This booklet provides an overview of the services, facilities and opportunities provided by our members. Should more general information be required, you are invited to contact our offices in each state toll free on 1800 240 080.

Our member villages provide a broad range of facilities and services to cater for all lifestyles and budgets, so specific information on what each village has to offer should be obtained directly from our members.



What are other questions I should ask?

When enquiring with villages it is a good idea to prepare a list of questions specifically of interest to you. This may include issues such as accessibility, wheelchair access, insurance and so forth.

We trust that reading these questions and answers will add to your insights and assists in planning for your retirement.

The RVA extends a warm welcome to you and encourages you to visit our member villages, where management and staff will be pleased to show you around and to answer your questions.

Choices

What is a retirement village?

A retirement village is a housing development designed specifically to cater for the needs and lifestyle of the over 55s. There are many styles of villages and the accommodation options, services and facilities offered vary from village to village. However, there are some common elements and terms that are generally used in the industry and we have included a short explanation here to assist you.

Unit or Villa is generally used to describe a retirement village residence. This can be a one, two, three or even a four bedroom dwelling that may form part of a high or medium-rise complex, a terrace, be semi-detached or completely stand-alone depending on the nature of the development. Units or Villas are designed for active retirees who choose to live independently within the village environment.

Serviced Apartments provide supported accommodation for residents who require some assistance with daily living. These are generally one or two bedroom apartments, where services such as cleaning and laundry assistance is offered. Meals are provided in a communal dining room setting, although a small kitchenette is usually included within your apartment.

Resident Funded Village is where a resident purchases their own unit or apartment under any number of financial arrangements including, for example, a loan/lease or a loan/licence. The resident, through recurrent charges, contributes to the ongoing management of the village and the provision of services with some services being on a user pays basis. The operator is normally responsible for capital replacement, and ongoing maintenance is met through the resident's recurrent charges. This unique funding arrangement usually results in residents sharing in facilities and services that would otherwise be beyond their reach.

Communal Facilities is the generic term for a wide range of amenities and services offered to retirement village residents. Villages are vibrant communities of older Australians with shared interests and a desire to live life to the full. To serve this community, villages provide a number of recreational, service and social facilities. Each village is unique and a full list of communal facilities will be provided in individual sales kits.

It is important to note that the **Management Agreement** signed upon purchase of a unit is a legally binding agreement between the prospective residents and the village management. The Management Agreement stipulates the terms and conditions of the agreement.

The first steps

What is the best time of life to make such a move?

Retirement is likely to be the longest leisure period of your life, so it should be enjoyed to the fullest.

Retirement villages are specifically designed to meet your accommodation, social and recreational needs. Village residents often report a revival of energy as they discover and explore a range of new possibilities.

Only you can decide when the time is right for the move into a retirement village, but don't wait too long. The most frequent remark we hear from residents is 'I wish I had made the move years ago!'

Will our lives be more enjoyable in a retirement village?

It is widely acknowledged that village residents enjoy many benefits that are not available in a family home. Some of these include:

- The reassurance of knowing that assistance can be a phone call away. Many villages have an emergency call system that is monitored 24 hours a day by staff who are trained in first aid.
- The burden of routine home and garden maintenance can be eased as your surroundings are designed for comfort and convenience – whether you attend to them yourself or use services made available by your village. Your unit can even be cared for while you are away.

- The economy of sharing costs and the ability to budget fixed outgoings for the year takes much of the uncertainty out of financial planning.
- The benefit of companionship that thrives in the village environment. You have access to facilities and a variety of activities that you can enjoy with like minded people.
- Within your own private residence you can enjoy as much privacy as you desire and continue to welcome the company of family and friends in your own home.
- The ability to live independently and be an active part of the resident community enables you to control what you choose to incorporate into your lifestyle.
- As with any home, the selection of a village is motivated by personal and other priorities. It is ultimately you who determines what value the village has in your life.

How can we be sure we are choosing the right village with a lifestyle that will suit us?

We recommend that you take your time considering all options before deciding on the village that most appeals to you and suits your needs – then visit it frequently before making a commitment. During these visits, talk to sales staff, obtain written information and ask for past and current copies of the village newsletter.

You might take a friend or relative with you if you value their opinion.

Devote one visit to enjoying the positive atmosphere and lovely surroundings of the village. It can be arranged for you to meet residents at some of their recreational and social activities. All of them have been through this process of decision-making and selection, and you will find many who will be happy to share their experiences with you and talk openly and honestly about the village.

How close is the village to shopping facilities and other services?

Many village residents enjoy the use of a bus dedicated to transporting them to and from shops at convenient times. The frequency of these trips can depend on whether the bus is shared with other community groups or owned by the village and driven by a member of staff. Ask what the arrangements are at your village of choice.

If you don't have your own car, make sure to check whether the nearest shopping centre is within reasonable walking distance or on a public transport route.

You should also consider how many facilities and services you can use within the village. Sometimes these include a village shop for many day-to-day needs.

The purchase (and sale) of a unit, villa or apartment

We have seen a village that appeals to us, but we wish to consult our solicitor and talk the decision over with our family. Can we reserve a unit against a refundable deposit?

Most villages require a nominal deposit to reserve a unit and their policy specifies how long the unit can be held. If later you enter into a binding arrangement, the deposit will form

part of the purchase price. If you change your mind within the specified time most, if not all, of your deposit will be refunded. Some States have legislation giving purchasers the right to a refund during a 'cooling off' period following the signing of a retirement village residency contract, provided the purchaser has not taken up residence. You should enquire about this and also be aware that some villages may require an administration fee to refund monies.

Should we seek advice? From whom?

It is useful to discuss your decision with relatives and friends. Your solicitor can give you independent advice and it is likely, if the village is already well established in the locality, that they are familiar with its documentation.

Will we own our unit or serviced apartment?

Tenure is the term used to describe the different legal basis for the various forms of occupation or ownership rights used in the industry. All forms of tenure are controlled by specific legislation in each State to ensure your right to occupy is secure.

Different villages use different legal forms of tenure such as strata title ownership, leasehold estates, licences to occupy or company share arrangements with related residency entitlements.

All tenure types include provision for residents to be consulted about the ongoing management of the village. This ensures that the character of the village you have chosen cannot be changed without the approval of the residents. The quality of life you enjoy at the village is part of what you are buying and contributes to the future value of your unit.

It is not uncommon for villages to have different types of tenure for different types of accommodation, but you should consult your solicitor to ensure you fully understand the particular tenure arrangements at the village of your choice.

What changes can we make to our unit's design, décor or furnishings?

When starting afresh in a bright new modern home, it's a pleasure to create your own personal setting. Buying a unit in a retirement village is very much the same as buying a new home anywhere else. If you select a unit 'off the plan' or one that is under construction you may be able to choose from a range of interior colour schemes and customisation may also be possible (although this may impact on the price).

Units are not normally sold fully furnished but fixtures, fittings and soft furnishings such as carpets and curtains are usually included as is

the norm with any home purchase. If you plan to replace some or all of these items you should take this additional cost into account.

While you can decorate and furnish the interior of your unit to suit yourself, villages usually have a policy to ensure that external alterations harmonise with the overall appearance and amenity of the village.

Many villages will also require you to 'make good' any damage to your unit, particularly where you wish to remove major items you have installed such as air conditioners or window awnings.

Must we be retired or can we still continue to work while living in a village?

It is not unusual for residents to continue to work where there is no prohibition in doing so. But many village residents enjoying the full range of social and recreational opportunities offered by village living wonder how they ever found time to work, despite having reduced household and gardening work.

If you intend to work from home you should obtain the rules of the village of your choice and also ask the management what the policy is. One reason for this is possible council restriction on residential dwellings used for places of business. Increased visitor traffic may also inconvenience other residents, as will any noise associated with a trade. As many residents will be spending much of their day at the village, the pleasant and peaceful environment must be maintained.

What would happen to our unit if the village is sold to another organisation?

When you choose to live in a village you will be asked to enter into a residency contract that sets out your rights and obligations and those of the proprietors and managers of the village. If another organisation takes over as proprietor, they are obliged to honour these arrangements. The Retirement Villages Act and memorial on the title obliges the new owners to honour the residents' agreements.

May we rent or sub-let our unit or apartment?

Most villages do not permit sub-letting or rental of a unit as it is contrary to the philosophy of village living, which promotes a constant and secure environment. It is comforting to know that all residents are permanent occupants of their units and that your neighbours are not going to change repeatedly.

What happens to our unit or apartment when we leave? How is the resale price of our unit determined and are there any restrictions on who may buy it?

As with all residential property, prices are determined by market forces. However, in a retirement village there are additional factors that add value to the resale potential of your unit including stable management, the preservation of attractive and relevant services and amenities.

Another advantage of village life is that management will either take responsibility for, or will assist you or your estate in the resale process. The terms of any repayment due to you or your estate will vary from village to village and should be fully understood by you and your family prior to purchase.

Most villages stipulate that residents must have reached the age of 55 and that the purchaser must be capable of independent living.

What kind of storage is available at villages?

You should inquire at the village about storage if this is a consideration for you. Many villas come with their own private storage areas, but this depends on the location, size and age of the village. Some villages offer communal storage facilities.

Some aspects of village life

What communal or recreational facilities are offered by the village?

Residents treat the delightful facilities of villages as an extension of their own personal living space. They enjoy the convenience of a variety of facilities that may include a library, dining room, swimming pool, clubhouse or leisure area including billiard and card rooms, internet café and more on their doorstep.

Many villages also offer services such as doctors, physiotherapists, hairdressers and banking.

Some villages have bowls facilities, workshop areas, vegetable gardens, craft-rooms, gymnasiums, caravan parking and a variety of other features.

Can family and friends be our guests and use the communal facilities while staying with us or visiting?

Friends and family are generally welcome to stay with you in your unit for a time and may use the communal facilities while in your company.

However, you should let management know when you are expecting house guests so staff and other residents don't have security concerns when they see strangers in the village.

Naturally, as in any caring community, residents expect not to be disturbed or inconvenienced by others, whatever their age. In the village it is especially important for children to consider the safety of other residents.

What about car parking arrangements for our own vehicle and for visitors? What if we own a boat or caravan?

Most villages offer a choice ranging from common car park areas to private carports or individual, lockable garages. All villages provide visitor parking.

A number of villages have boat and caravan secure parking areas, often at no charge. Naturally, as space may be limited, always inquire about availability.

Are pets welcome?

Most villages recognise the value of pets and the companionship they provide. However, they also recognise that domestic animals must not intrude on anyone's quiet enjoyment of their home and village amenities. Some villages may exclude pets completely, so please inquire.

May we come and go as we please and leave our unit unattended if we are away on holiday?

Village life brings security and freedom to travellers. You can go on a holiday knowing that your home and garden will be watched and cared for while you are away. Villages recommend that you notify management of a planned absence, but there is no other requirement and you are completely free to make your own private arrangements.

Health concerns and first-aid

Do villages provide medical facilities? Can we keep our own doctor?

Many villages will have consulting rooms to allow a local doctor to see residents at the village. However, the choice of a medical practitioner remains yours, and you are not pressured to transfer to any village doctor. The reason so many residents eventually do so is simply for convenience.

For medical emergencies, many villages offer call systems in residents units and apartments, and larger villages can offer a 24-hour monitoring services where any emergency call is attended by a person whose experience may range from first-aid certification to full nursing experience.

Most villages offer to confidentially keep on file a record of the resident's medical history. This may include details supplied by you of chronic conditions, current known medications, doctor, specialists, next of kin, health fund and Medicare details, as well as a preferred hospital

in the event of an admission. The resident authorises the release of this information to the appropriate medical services in an emergency.

You may also expect easy access in the village to such services as a doctor, physiotherapist, podiatrist and chiropractor. Inquire at the villages you visit for specific details.

If the need arises are we assured of an automatic move to a serviced apartment in my village?

Residents in a larger, self-care unit who need to move to a smaller one or to a serviced apartment in the village can usually do so subject to availability and having regard to the financial procedure. It is a good idea to get clear written information about terms of transfer before finalising your decision to live at the village.

Management's experience and assistance in these situations will help to make the move as smooth and easy as possible for you.

How is moving to a hostel or nursing home different from moving to a serviced apartment in the village?

Because village management cannot influence admissions to public funded hostels or nursing homes, you will need to be independently assessed to determine eligibility and the level of care required.

An advantage of living in the village is that experienced staff are on hand to help you and your family in this process and to support you

with assistance in the village if there is a waiting period before the transfer.

Many villages offer ongoing personal care and home help services to residents in their own private units. This is on a fee-for-service basis and you should inquire at the outset about your chosen village's philosophy about long-term care at home.

Where a village also offers private hostel or nursing home care you should obtain details of eligibility criteria.

Responsibilities and rules

What are our responsibilities as residents?

All villages adopt a set of rules which generally relate to the use of the common facilities and the maintenance of a positive living environment for the common benefit of all residents. These are usually contained in the Management Agreement and/or other documentation which is signed upon the purchase of a unit, but which should be read fully prior to purchase.

Additional rules may be adopted by a village from time to time, depending on changing circumstances that arise, and a copy of these is readily available to existing residents or prospective purchasers from village management.

Are there village rules and will we feel restricted by them?

Ask for a copy of the village rules before you make a commitment. They are a good way to gauge the village's character – only you can be the judge of whether they are compatible with your expectations.

Village rules are based on common sense and courtesy. They define a mutual understanding between residents, and between management and residents, about the use of the village common areas. Appropriate rules help residents and their guests enjoy the village facilities and lifestyle to the full.

What is the Village Manager's role?

It is usual for the Village Manager (or Managers) to have direct responsibility for the day-to-day administration of the village, the maintenance of a friendly environment within the village, engagement and supervision of both staff and contractors, the maintenance and upkeep of the exterior of buildings and the common-use facilities and common property, arranging for an adequate number of leisure and social activities to be held, ensuring rules are adhered to for the common benefit of all residents, maintaining effective contact with residents, and also for a number of other matters.

Depending upon the person or company owning and operating the village in question, the Village Manager may be under the supervision of a more senior person within the organisation.

Does the village have a residents' committee? What procedures are available to resolve any dispute?

Most villages have a residents' committee that works with management to maintain or enhance the quality of village life. To participate or not is a matter of personal choice – but many residents bring with them a lifetime of valuable

experience, and may enjoy making significant contributions to whatever facets of village life most interest them.

Disputes in our villages are rare, but management is always available to work with the resident to resolve differences that may arise. State legislation covers dispute resolution.

Accreditation and legislation

What is accreditation?

Accreditation is a formal method of assessing that retirement villages meet the RVA's high standards of excellence and customer satisfaction. Once accredited, villages display a mark to show that they have gone through the rigorous process and have been assessed by an independent accreditation team. More information on accreditation is available from the Retirement Village Association office or on our website at www.retirementvillagesaust.com.au



**Australian
Retirement Village
Accreditation®**



How does government legislation protect the rights of village residents?

Retirement village legislation has been enacted in every mainland state to reflect the collective input of village residents, community groups and the retirement village industry.

While the legislation is not uniform it addresses a range of common issues. You should discuss with your solicitor the specific provisions applicable in your state. These issues may include residents' financial interests, from the regulation of service fees to the details of termination arrangements, the relationship between the owner, resident and manager including the methods of dispute resolution, and the right of residents to a voice in management.

Legislation sets clear standards for the supply of information to residents at every stage of their contact with village life, from the earliest public advertising and disclosure of details about the village, through to the supply of a clear explanation for calculating settlement deductions and refunds.

Member villages understand the legislation of their state and must ensure their absolute compliance as a prerequisite of accreditation.

Fees and charges

What does the maintenance charge cover?

The regular maintenance or 'outgoings' charge covers the running costs of the entire village. These costs may include the upkeep of the village facilities, the payment of staff, statutory charges such as council and water rates arising from common areas, security costs, insurances including workers compensation and public liability, common area contents and building insurance for the entire village.

The charge may also include a contribution towards a 'sinking fund' for major repairs, improvements to the village, maintenance of the external surfaces of all buildings, the operation of an emergency call system, the cost of running the village bus and the salaries paid to staff.

Ensure that you are provided with complete details of the charges applicable and the benefits they cover for the village of your choice.

How is the maintenance charge determined and can it be increased?

The basis of calculating the maintenance charge is fully explained in the residency agreement. Charges are generally reviewed annually as management plans the budget for the year ahead. The maintenance budget is made available for residents to make comments through their representatives on the village committee.

The degree of involvement and influence that residents have in management decisions depends on the type of tenure, on the management practices at that village and on the regulations in each State that govern such matters, including fee increases. This is a subject to raise when talking to village residents and management during your visit.

Will we receive a regular statement of the village's finances?

Retirement village legislation in all states requires management to provide residents with annual financial statements and budgets in relation to the maintenance charge.

What staff and services are part of a village, and do they include gardening and maintenance?

The number and type of staff will depend on the size and nature of the village. Many villages have a multi-skilled team which fills a variety of roles – including gardening, minor building and property maintenance and bus driving.

The level of maintenance and the variety of optional services offered by villages also varies. However, most offer a total maintenance service for the external surfaces of the units and apartments. In some cases, internal maintenance can be arranged.

Villages generally care for the grounds in all common areas but recognise that many residents want to maintain their own gardens. If you prefer your garden to be maintained by the village, you should enquire whether this is an optional service not covered by the maintenance charge.

What is a 'departure/exit fee' and how does it apply?

'Deferred', 'Departure' or 'Exit' fees are terms used to describe those funds deducted by the village at the time of settlement of the sale or the re-occupancy of your unit.

This fee actually forms a part of your purchase price, but its payment is deferred until the end of the occupancy to allow residents the use of their money throughout their life in the village. The amount of the fee is variable and calculated in accordance with a formula that will generally involve a percentage of your/your successor's entry cost multiplied by your years of occupancy and limited to a maximum amount. When calculated, this may include some proportion of capital appreciation.

It is essential that you have complete details and fully understand the terms of the exit fee before moving into a village. The sales person will be happy to provide you with an explanation of their terms, including examples. It is prudent that your family also understands the nature and terms of the fee.