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## MOVING INTO A RETIREMENT VILLAGE - THE DECISION

Living in a Retirement Village is a different lifestyle offering benefits to residents including care facilities, resident activities and various health services. Considering the move may not be an easy decision though as there are various factors to consider.

The form of ownership/possession is quite different to owning a fee simple estate (the most common form of property ownership) and varies between the different Villages. The forms of ownership/possession include a lease of the Unit for life or in some cases actual ownership of the Unit itself.

Whichever form of ownership/possession is provided, the occupation of the Unit is subject to the provisions of the Occupation Right Agreement which sets out the responsibilities of the resident and operator. The form of the Agreement differs between Villages but generally the responsibilities of the resident include payment of the Village levies (which cover outgoings and services provided), restrictions regarding a resident's use of the Unit (i.e. a Unit cannot be sublet) and keeping the Unit in good order, to name a few.

The Agreement also contains provisions regarding how the interest or title is to be sold when the Unit is vacated. A resident may be prevented from marketing the property as this is often the

responsibility of the Village. There are also costs payable by the resident upon the cessation of the Agreement such as a deferred management fee.

Due to the various matters to consider, it is a requirement that any intending resident sign the Occupation Right Agreement with a lawyer who is to explain the general effects and implications of the Agreement. After the Agreement is signed the intending resident then has the option of cancelling the Agreement within 15 working days. This gives them an opportunity to consider the arrangement and the advice given. If an intending resident decides not to proceed, the Agreement may be cancelled without having to give any reason.

Should you have any further queries regarding moving into a Retirement Village or in relation to your existing rights and obligations as a current resident, please contact the Collins & May Law Team as we are only too happy to assist.

- The next issue covers—How to deal with problem tenants

### 20 MINUTE FREE

**WANT to review your Family Trust structure? THEN call us and take advantage of our 20 Minute Free interview**