

Resident-Funded Retirement Villages

Resident-funded retirement villages are one type of accommodation option for retired people aged over 55, who wish to acquire the right to occupy a self-care unit or serviced apartment.

CHOOSING A VILLAGE

Villages vary a great deal in size, services and costs. Care should be taken to select a village which meets your needs, and whose facilities you will use. The purchase price of a unit and ongoing fees in part subsidise the facilities and services provided by the village.

SERVICES & FACILITIES

Services may include an on-site manager, emergency call buttons, and a variety of medical services. Recreational and communal facilities may include swimming pool, dining room, games room, bus, shop etc.

A small number of villages also have serviced apartments and/or a supported residential service, low care facility (hostel) or high care facility (nursing home) accommodation on the same site.

WHO RUNS THE VILLAGES?

The majority of resident-funded villages are run by private sector businesses but a smaller number are run by not-for-profit organisations like churches, friendly societies and welfare agencies.

COST

Costs vary a great deal. Most villages require a substantial initial investment ranging from approximately \$100,000 to, at a few villages, over \$500,000. A service fee from \$100 to above \$400 per month is also levied. This may or may not include rates, utilities, and building maintenance.

RESIDENTS' RIGHTS

Amendments to the *Retirement Villages Act 1986* were fully enacted by 1 August 2006. Contracts signed before this date are not be affected by the changes. Consumer Affairs Victoria administers this legislation. With Residents of Retirement Villages Victoria Inc established as the association of residents.

CONTRACTS, LEGAL & FINANCIAL ADVICE

Residents' contracts vary and there are several different types of contracts used. They can differ from other forms of real estate contract, e.g. with the re-sale process and share of proceeds. It is therefore *essential* to have sound legal and financial advice before entering into any contracts.

A listing of resident-funded retirement villages for a preferred municipality is available from Seniors Information Victoria. Or else you can access the Seniors Information Victoria database of accommodation options through the online directory at www.cotavic.org.au. Consumer Affairs Victoria produces a booklet, *Guide for Retirement Village Living*.

CONTACTS

Seniors Information Victoria on 1300 13 50 90, Retirement Village Association Victoria 1800 240 080 (representing owners/developers), Consumer Affairs Victoria on 1300 558 181 or leave a message for Residents of Retirement Villages Victoria Inc on 03 9015 8402.