

Queensland Retirement Village and Park Advice Service

Fees and Charges

Moving in, living in and moving out of retirement villages all attract fees. This factsheet and the Department of Housing and Public Works factsheet *Fee Increases in Retirement Villages* describe what fees are payable and how they can be increased.

The information contained in this factsheet is for general information only and should not be relied upon as advice. It is important to get legal advice that is specific to your circumstances.

No matter what type of tenure your unit is subject to, you will be charged fees when you are living in a retirement village. All fees should be clearly outlined in the *Public Information Document* (PID) and residence agreement that form your agreement to live in the retirement village. You must be provided with these documents before you decide to move into the village.

FEES AND CHARGES

You may be required to pay some or all of the following fees and charges.

Ingoing contribution

This fee is an up-front payment that secures your right to live in the village. The amount of the ingoing contribution can vary depending on the amount of your exit fee or the share of capital gain on resale of your unit that you receive. When you sign the residence agreement you will probably be asked to pay a deposit. The deposit will probably represent part of the ingoing contribution. There is no law that restricts how much the ingoing contribution should be, and the operator of the retirement village will determine how much it

will be. It will also depend upon the standard of the unit, the location and the facilities that are available within the village. Usually, the ingoing contribution that is payable for a new unit will be more than the contribution that will be charged for an older, pre-existing unit.

Operator's legal and administration costs

Sometimes operators of retirement villages will ask residents to pay for the legal and administration costs that arise when moving into a village.

Surveyor's cost

If your agreement is a leasehold, you may be asked to pay the cost of a surveyor to prepare a survey plan of the unit being purchased and to register the lease in the Titles Office. Stamp duty is not usually payable on a residence agreement.

General services charge

This ongoing charge is used to maintain common services and facilities. The way your general services charge is calculated should be set out in the PID. The general services charge is likely to be payable for a period of time after you leave the village, and it is important to be aware of this when considering moving into a retirement village. This charge can increase during your time in a retirement village. The yearly increase may also exceed CPI increases. This can be for a number of reasons including increased running costs for the village. Further information about fee increases is set out in the Department of Housing and Public Works factsheet *Fee Increases in Retirement Villages*.

Maintenance reserve fund contribution

Residents are responsible for contributing towards the maintenance reserve fund (MRF). The MRF is used to repair and maintain capital items that are owned by the village. The MRF contribution forms part of the general services charge. In addition to contributions to the MRF, residents may also take on responsibility for maintaining and repairing items within their unit (e.g. stoves, fridges and air conditioners).

Other costs

Not all costs are included in the fees paid to live in a retirement village. Other costs that residents should take into account may include:

- contents and personal liability insurance
- electricity, gas and personal water consumption
- telephone
- personal maintenance and repairs.

Personal services charge

This ongoing charge pays for optional personal services such as meals, cleaning and laundry. You may also be eligible for a Home and Community Care Package subsidised by the Australian Government. For more information on personal and support services visit the Department of Social Services [website](#) or call the department on 1300 653 227.

Reinstatement and reselling cost

When you leave the retirement village, you usually will be required to contribute towards the cost of returning the unit to a marketable condition. Residents will also often be required to contribute to the cost of reselling the unit such as the cost of appointing a valuer to determine the resale value, or the fee for a real estate agent to sell the unit.

Exit fee

You may be required to pay an exit fee when you leave the village and any outstanding charges and expenses relating to the resale of the unit plus any other charges included in the agreement.

There is no law that sets or regulates the amount of an exit fee, how it is calculated or whether it is based on

the ingoing contribution or the resale value when you leave the village. Exit fees and how they are calculated can vary significantly between villages. For more information see the Queensland Retirement Village and Park Advice Service (QRVPAS) factsheet *Moving out of a Retirement Village*.

CHANGES IN FEES

Read the Department of Housing and Public Works factsheet *Fee Increases in Retirement Villages* for information about how fees can be varied in retirement villages.

DISPUTES AND ADVICE

See the QRVPAS factsheet *Disputes and Complaints* for practical guidance about how to resolve disputes that relate to retirement villages.

If you would like advice about issues relating to fees and charges, you can contact QRVPAS at Caxton Legal Centre on (07) 3214 6333 to make an appointment.

CONTACTS

QUEENSLAND RETIREMENT VILLAGE AND PARK ADVICE SERVICE

This service, situated at Caxton Legal Centre, provides information, advice and assistance about the law relating to retirement villages. To access this service, call the centre on (07) 3214 6333.

ASSOCIATION OF RESIDENTS OF QUEENSLAND RETIREMENT VILLAGES

This association provides advice and information to members about dispute resolution. For more information visit their website at www.arqrv.org.au or you can call the association on 0437 906 074.

DEPARTMENT OF JUSTICE AND ATTORNEY-GENERAL

The department provides a free mediation service to help settle disputes without having to go to court. You can contact this service on (07) 3239 6269 or 1800 017 288 [toll free outside Brisbane].

QUEENSLAND CIVIL AND ADMINISTRATIVE TRIBUNAL

The tribunal can make orders about disputes relating to retirement villages. The tribunal is contactable on 1300 753 228.

QUEENSLAND LAW SOCIETY

This service can provide referrals to a lawyer who has experience advising and assisting people who are thinking of moving into a retirement village. To get a referral, contact the Queensland Law Society on 1300 367 757 or the seniors enquiry line on (07) 3842 5842.

DEPARTMENT OF HOUSING AND PUBLIC WORKS—RESIDENTIAL SERVICES UNIT

This unit regulates the *Retirement Villages Act 1999* (Qld). This includes investigating complaints and alleged breaches of the Act. You can contact the Residential Services Unit on (07) 3008 3450.

Caxton Legal Centre Inc.

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This information is current at February 2018.

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This information is intended only as a guide. It is not a substitute for legal advice.

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