

Prospective Costs Document

Retirement Villages Act 1999 (Section 75)

This form is effective from 1 February 2019

ABN: 86 504 771 740

Logo

Name of village:

Important information for the prospective resident

The *Retirement Villages Act 1999* requires a retirement village operator to provide a Prospective Costs Document to a person at least 21 days before the operator and the person enter into the contract.

The Prospective Costs Document refers to a specific unit in the retirement village and gives details about:

- The costs of entering this retirement village
- The current ongoing costs of living in this retirement village
- The estimated costs you will pay if you leave this unit after 1, 2, 5 and 10 years of residence
- The estimated exit entitlement you will receive if you leave this unit after 1, 2, 5 and 10 years of residence.

The operator may request information from you to assist with preparing a Prospective Costs Document for the specific accommodation unit you are interested in. The operator is required to give the Prospective Costs Document to you within 7 days of you supplying this information.

It is important that you understand the information in this document and its implications for you as a resident. It is not a substitute for reading the full terms of your residence contract and seeking independent legal advice.

By law, you must have a copy of your residence contract, Village Comparison Document, Prospective Costs Document for your contract, the village by-laws and any other required documents for at least 21 days before you and the operator enter into the residence contract.

If there is a change, other than a minor change, in any of the information in these documents, the operator must give you the details of the change 21 days before you enter into the contract.

This is to give you time to read these documents carefully and seek professional advice about your legal and financial interests. You have the right to waive the 21 day period if you get legal advice about the residence contract from a Queensland lawyer.

If you sign a residence contract, you have a 14 day cooling-off period, after both parties have signed the contract, should you change your mind. If you withdraw from the residence contract during the cooling-off period, you are entitled to immediately receive a full refund of any money you have paid to the scheme operator or stakeholder.

Notice for prospective residents

Before you decide whether to live in a retirement village, you should:

- Seek independent legal advice about the retirement village contract – there are different types of contracts and they can be complex
- Find out the financial commitments involved – in particular, you should understand and consider ingoing costs, ongoing fees and charges (which can increase) and how much it will cost you when you leave the village permanently
- Consider any impacts to any pensions, rate subsidies and rebates you currently receive
- Consider what questions to ask the village manager before signing a contract
- Consider whether retirement village living provides the lifestyle that is right for you. Moving into a retirement village is very different to moving into a new house. It involves buying into a village with communal facilities where usually some of the costs of this lifestyle are deferred until you leave the village. These deferred costs when you leave your unit may be significant.
- Seek further information and advice to help with making a decision that is right for you. Some useful contacts are listed at the end of this document, including:
 - Queensland Retirement Village and Parks Advice Service (QRVPAS) which provides free information and legal assistance for residents and prospective residents of retirement villages. See www.caxton.org.au or phone 07 3216 63333.
 - The Queensland Law Society which can provide a list of lawyers who practice retirement village law. See www.qls.com.au or phone: 1300 367 757.

Part 1 – General information

1.1 Name of retirement village	.....
1.2 Address of retirement village	Street Address

	Suburb State Post Code
1.3 Prospective resident/s	Preferred title Mr Mrs Ms Miss Other (specify).....
	First name
	Last name
	Address

	Suburb State Post Code
	Phone Email
	Preferred title Mr Mrs Ms Miss Other (specify).....
	First name
	Last name
	Address

Suburb State Post Code	
Phone Email	

1.4 Signature and confirmation of operator of retirement village	I, (print name) of (print address) being the operator of the retirement village or the agent/representative of the operator of the retirement village certify the following information is correct as at <div style="text-align: right;">DD / MM / YYYY</div> Signature Date signed <div style="text-align: right;">DD / MM / YYYY</div>
1.5 Signature and confirmation of prospective resident	This Prospective Costs Document was given on Signature of prospective resident Signature of prospective resident
Note: All amounts in this Prospective Costs Document are GST inclusive, unless stated otherwise where that is permitted by law.	
Part 2 – Your Accommodation Unit details	
2.1 Number / Address of Accommodation Unit (the Unit)	Unit Number Block /wing [if applicable] Street Address Suburb State Post Code
2.2 The Unit is:	Independent Living Unit Studio One bedroom Two bedrooms Three bedrooms Serviced Unit Studio One bedroom Two bedrooms Three bedrooms Other (specify)
2.3 The tenure of the Unit is:	Freehold (owner resident) Lease (non-owner resident) Licence (non-owner resident) Share in company title entity (non-owner resident) Unit in unit trust (non-owner resident) Rental (non-owner resident) Other (specify)

<p>2.4 The car parking for the Unit is:</p>	<p>Own garage or carport attached to the unit Own garage or carport separate from the unit Own car park space adjacent to the unit Own car park space separate from the unit General car parking is available in the village No garages, carports or car parking provided Other (specify)</p>
<p>2.5 Unit layout and access and design features</p>	<p>Details of the layout of the Unit are shown in the layout plan attached to this Prospective Costs Document. The layout plan also shows the location, size, and other features for any separate carport, garage, storage or other areas for the Unit.</p> <p>The Unit has the following access and design features:</p> <p>Level access from the street into and between all areas of the unit (i.e. no external or internal steps or stairs) Alternatively, a ramp, elevator or lift allows entry into the unit Step free (hobless) shower Width of doorways allow for wheelchair access Toilet accessible in a wheelchair Other (specify) None</p>
<p>2.6 The following fixtures, fittings and furnishing will be provided in the Unit:</p>	<p>..... </p>
<p>2.7 The land is subject to the following encumbrances, endorsements or other charges:</p>	<p>Real property description Statutory charge under the Retirement Villages Act 1999 Registered mortgage to Unregistered mortgage to Lease to (other than leases to residents) Company charge to Licence to (other than licences to residents) Easements to (other than easements to residents) Other endorsements (specify)</p>

Part 3 – Ingoing contribution and other entry costs – to move into the Unit

3.1 To become a resident, you must pay these amounts:

an ingoing contribution of \$
 (freehold / strata title residents) the purchase price of your Unit of \$ (including any deposit of \$)
 transfer or stamp duty of \$
 costs related to your residence contract of \$
 costs related to any other contract of \$ (specify)
advance payment of General Services Charge of \$ (this amount may be adjusted based on the final contract date)
 other costs of \$ for (specify what these are for)

3.2 The total amount payable on entry is:

\$

Note: You may have additional costs in seeking your own legal or financial advice.

Part 4 – Ongoing costs - to live in the Unit

To live in the Unit in the village, you must pay the following charges and costs:

4.1 General Services Charge is:

currently \$ per (specify period)

4.2 Maintenance Reserve Fund contribution is:

currently \$ per (specify period)

4.2 Freehold only Body Corporate Administrative Fund fee and Sinking Fund contribution

- Administrative Fund fee
currently \$ per (specify period)
- Sinking Fund contribution
currently \$ per (specify period)

4.3 Personal services charge for selected services (if known) are:

- Service (specify).....
currently \$ per (specify period)
- Service (specify).....
currently \$ per (specify period)

4.4 Total regular ongoing costs are:

currently \$ per (specify period)

<p>4.5 Costs for the Unit not included in the General Services Charge, which the resident pays for separately:</p>	<p>Building insurance (if the Unit is free standing and the lot is owned by the resident)</p> <p>Contents insurance</p> <p>Council rates of \$ per year</p> <p>Water rates</p> <p>Utilities – electricity, gas</p> <p>Telephone</p> <p>Internet</p> <p>Pay TV</p> <p>Other/optional services (provide details e.g. costs to use a garage/ carport/storage area) at \$ for (specify time period)</p>				
<p>4.6 Other occasional or ongoing costs for repair, maintenance and replacement of items in the Unit that the resident pays for include:</p>	<p>Unit fixtures</p> <p>Unit fittings</p> <p>Unit appliances</p> <p>None</p>				
<p>4.7 Insurance policies taken out by the village operator include:</p>	<p>Type</p>	<p>Amount</p>	<p>Insurer</p>	<p>Period</p>	<p>Excess</p>
	Public Liability				
	Building (including reinstatement)				
	Contents (not owned by residents)				
	Plant and Equipment				
	Workcover				
	Volunteer				
	Other				
<p>Note: Residents contribute to the costs of these insurances through the General Services Charge OR Body Corporate fees.</p>					

Part 5– Exit fee, reinstatement of Unit and other exit costs - when you leave the Unit

On termination of your residence contract and leaving the Unit, the following exit fee and other exit costs will be payable to the operator. This exit fee is also referred to as a ‘deferred management fee’ (DMF).

5.1 Do you pay any exit fee when you leave the Unit?	Yes	No	
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5.2 Exit fee for the Unit is:

Time period from occupation of unit to the date the resident ceases to reside in the unit	Exit fee calculation based on <i>[insert in boxes below the basis that applies]</i>	Exit fee payable
	<ul style="list-style-type: none"> • your ingoing contribution • ingoing contribution paid by the next resident • purchase price you paid • purchase price paid by the next resident 	
1 year	.....% of	\$
2 years	.....% of	\$
3 years	.....% of	\$
4 years	.....% of	\$
5 years	.....% of	\$
6 years	.....% of	\$
7 years	.....% of	\$
8 years	.....% of	\$
9 years	.....% of	\$
10 years	.....% of	\$

Note: if your period of occupation in not a whole number of years, your exit fee will be worked out on a daily basis.

The maximum (or capped) exit fee is% after years of residence.

Also refer to the estimated exit entitlement table in Part 6

<p>5.3 Reinstatement costs for the Unit when you leave include:</p>	<p>All costs of replacement and repairs reasonably necessary to return your Unit to the condition it was in when you moved in, apart from fair wear and tear and any renovations or changes to the Unit carried out with the agreement of the operator and resident</p> <p>No requirement for reinstatement of the Unit</p>
<p>5.4 Renovation costs for the Unit when you leave are:</p>	<p>.....% of any renovation costs based on the same proportion you share in the capital gain on the sale of your Unit under your residence contract</p> <p>No renovation costs</p>
<p>5.5 Sale costs for the Unit (incurred by the operator in selling the right to reside in the Unit) include:</p>	<p>.....% of the agreed marketing and advertising costs, currently approximately \$</p> <p>.....% of the legal costs, currently set at \$</p> <p>.....% of valuer's fee (if you and operator cannot agree on resale value)</p> <p>Other (specify)</p> <p>Note: The sale costs must be based on the actual costs for the sale of your Unit and is allocated in the same proportion as you and the operator share the gross ingoing contribution on the sale of the right to reside under your residence contract. If you engage a real estate agent to sell the right to reside in the Unit you must pay the real estate agent's costs and commission.</p>
<p>5.6 Ongoing charges after leaving your Unit and until the right to reside in the Unit is sold to the next resident are:</p>	<p>General Services Charge at full rate for 90 days unless the right to reside in the Unit is sold earlier currently \$ per (specify period)</p> <p>From 90 days up to 9 months after leaving your Unit unless the right to reside in your Unit is sold earlier, you and the operator pay the General Services Charge in the same proportion as you and the operator share the gross ingoing contribution on the sale of the Unit</p> <p>Personal services charge until 28 days after termination of your right to reside in the Unit due to your death</p> <p>OR</p> <p>Personal services charge until [which is an earlier time that applies under the residence contract]</p>
<p>5.7 Other exit costs that you may need to pay include:</p>	<p>Other costs (specify)</p> <p>None</p>

Part 6 – Exit entitlement

An exit entitlement is the amount the operator may be required to pay you under your residence contract after your right to reside is terminated and you leave the unit.

<p>6.1 How is the exit entitlement which the operator will pay you worked out?</p>	<p>[specify formula]</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>Refer to table over page for estimated exit entitlements.</p>
<p>6.2 Capital gain Will you be entitled to share in any capital gain on your unit (if the next resident pays a higher in-going contribution / purchase price than you paid)?</p>	<p>Yes No</p> <p>Resident’s share of the capital gain is%</p> <p>Resident’s share of the capital gain is based on:</p> <p>..... (specify calculation/formula)</p>
<p>6.3 Capital loss Will you be required to share in any capital loss on your unit (if the next resident pays a lower in-going contribution / purchase price than you paid)?</p>	<p>Yes No</p> <p>Resident’s share of the capital loss is%</p> <p>Resident’s share of the capital loss is based on:</p> <p>..... (specify calculation/formula)</p>
<p>6.4 When is the exit entitlement payable?</p>	<p>..... months after your residence contract terminates, unless your Unit is resold earlier. If this happens you will be paid your exit entitlement within 14 days after the settlement of the sale of the right to reside to the next resident or the operator.</p> <p>within 14 days after the settlement of the sale of the right to reside in your unit to the next resident</p> <p>Note: By law, your exit entitlement must be paid to you by the operator no later than 18 months after the termination date of your residence contract, even if the right to reside in your unit has not been resold, unless the operator has been granted an extension for payment by the Queensland Civil and Administrative Tribunal (QCAT). An operator is required to see the probate or letters of administration before paying the exit entitlement of a former resident who has died.</p>

Part 6 – Estimated resident exit entitlements when resident exits after 1, 2, 5 and 10 years of residence

The estimated refund does not include amounts for outstanding General Services Charge, Maintenance Reserve Fund contribution or personal services charges, or any reinstatement or renovation costs if applicable. These amounts may further reduce your estimated exit entitlement payment. **Base Amount** is the Ingoing contribution \$..... OR Purchase price of your Unit/ Unit Trust / Unit Company Share \$.....

	Exit after 1 year residence	Exit after 2 years residence	Exit after 5 years residence	Exit after 10 years residence
Refund of ingoing contribution paid by you	\$	\$	\$	\$
Estimated resale price / next resident ingoing contribution*	\$	\$	\$	\$
[Plus or minus] your share of estimated capital [gain or loss] based on estimated resale price / next resident ingoing contribution	\$	\$	\$	\$
Minus estimated exit fee, based on:% per annum OR% after 1 year% after 2 years% after 5 years% after 10 years of Other amount/basis (specify)	\$	\$	\$	\$
Minus estimated sales costs	\$	\$	\$	\$
Minus estimated legal costs	\$	\$	\$	\$
Minus estimated other (specify) costs	\$	\$	\$	\$
Total estimated exit entitlement payable to resident (no later than 18 months after termination of residence contract -refer to Item 6.4 for details)	\$	\$	\$	\$

*The estimated resale price/next ingoing contribution for the Unit is based on the operator's estimate of% annual capital growth on the market value of the Unit OR

The estimated resale price/next ingoing contribution for the Unit is based on factors other than or in addition to the market value of the Unit [insert basis e.g. operator's estimate of CPI].

The operator does not warrant that the resale prices or next ongoing contribution used in the calculation estimates will in fact be achieved at the time of resale/next ingoing contribution.

Access to documents

The following operational documents are held by the retirement village scheme operator and a prospective resident or resident may make a written request to the operator to inspect or take a copy of these documents free of charge. The operator must comply with the request by the date stated by the prospective resident or resident (which must be at least seven days after the request is given).

Certificate of registration for the retirement village scheme

Certificate of title or current title search for the retirement village land

Village site plan

Plans showing the location, floor plan and any significant dimensions of accommodation units available in the village

Plans of any units or facilities under construction

Development or planning approvals for any further development of the village

The annual financial statements and report presented to the previous annual meeting of the retirement village

Statements of the balance of any capital replacement fund or maintenance reserve fund or general services charges at the end of the previous three financial years of the retirement village

Statements of the balance of any Body Corporate administrative fund or sinking fund at the end of the previous three years of the retirement village

Examples of contracts that residents may have to enter into

Village dispute resolution process

Village by-laws

Village insurance policies and certificates of currency

An example request form containing all the necessary information you must include in your request is available on Department of Housing and Public Works website.

Further Information

If you would like more information, contact the Department of Housing and Public Works on 13 QGOV (13 74 68) or visit our website at www.hpw.qld.gov.au

General Information

General information and fact sheets on retirement villages: www.qld.gov.au/retirementvillages
For more information on retirement villages and other seniors living options:
www.qld.gov.au/retirementvillages

Regulatory Services, Department of Housing and Public Works

Regulatory Services administers the Retirement Villages Act 1999. This includes investigating complaints and alleged breaches of the Act.

Department of Housing and Public Works

GPO Box 690, Brisbane, QLD 4001

Phone: 07 3008 3450

Email: regulatoryservices@hpw.qld.gov.au

Website: www.hpw.qld.gov.au/housing

Queensland Retirement Village and Parks Advice Service (QRVPAS)

Specialist service providing free information and legal assistance for residents and prospective residents of retirement villages and manufactured home parks in Queensland.

Caxton Legal Centre Inc.

1 Manning Street, South Brisbane, QLD 4101

Phone: 07 3214 6333

Email: caxton@caxton.org.au

Website: www.caxton.org.au

Seniors Legal and Support Service

These centres provide free legal and support services for seniors concerned about elder abuse, mistreatment or financial exploitation.

Caxton Legal Centre Inc.

1 Manning Street, South Brisbane, QLD 4101

Phone: 07 3214 6333

Email: caxton@caxton.org.au

Website: www.caxton.org.au/sails_slash

Queensland Law Society

Find a solicitor

Law Society House

179 Ann Street, Brisbane, QLD 4000

Phone: 1300 367 757

Email: info@qls.com.au

Website: www.qls.com.au

Queensland Civil and Administrative Tribunal (QCAT)

This independent decision-making body helps resolve disputes and reviews administrative decisions.

GPO Box 1639, Brisbane, QLD 4001

Phone: 1300 753 228

Email: enquiries@qcat.qld.gov.au

Website: www.qcat.qld.gov.au

Department of Justice and Attorney-General

Dispute Resolution Centres provide a free, confidential and impartial mediation service to the community.

Phone: 07 3006 2518

Toll free: 1800 017 288

Website: www.justice.qld.gov.au