



## **MEDIA RELEASE**

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### **REFORMS TO RETIREMENT VILLAGE CONTRACTS WELCOME**

“Confusion reigns when it comes to retirement villages,” says Lisa Langley, Policy Manager at Council on the Ageing NSW (COTA NSW).

“For example, people often believe that retirement villages are part of the aged care system. This is not true. Likewise, people often think that buying a retirement village property is the same as buying any other property. But this is not necessarily the case – it all depends on the nature of the retirement village contract they’ve signed.”

COTA NSW has joined with the Retirement Village Residents Association (RVRA) to host a forum on Tuesday 14 August 2012 in State Parliament House that will look at the benefits – and the risks – associated with retirement village living.

Jan Pritchett, President of the RVRA, says that the forum “will give members of the community an opportunity to become more informed about what’s involved in moving into a retirement village. Big benefits can come from moving into a retirement village. Many residents feel that they’re much less isolated and more socially engaged. But the RVRA is also aware that many people sign retirement village contracts they don’t fully understand.”

Like the RVRA, COTA NSW is aware of many instances where people have not been fully informed about what they’re opting into when signing a retirement village contract.

“We know of cases where people have signed retirement village contracts believing they’ve bought property outright, only to find that they’ve just acquired the right to occupy it,” says Ms Langley. “Above all, people have to be aware they’ll face exit fees when leaving a retirement village. They need to get good advice what these are likely to be. Similarly, they need to be informed about the kind and size of ongoing fees that will be payable until a retirement village residence they’ve left has changed hands.”

“Being better informed is the key to better outcomes for people in retirement villages. And better, clearer retirement village contracts will make it much easier for people to know what they’re signing up for,” says Ms Langley.

“We are delighted that the Hon. Anthony Roberts MP, NSW Minister for Fair Trading, will speak at the forum about work that the Department of Fair Trading is doing to standardise retirement village contracts in NSW,” comments Ms Langley.

“Introducing simpler, standardised retirement village contracts that clarify the financial and legal commitments residents are making when they move into a retirement village will make a real impact. We congratulate the Minister for his Department’s reforms,” she says.

**END**

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