

ARQRV CONNECT

ISSUE 111

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The Association of Residents of Queensland Retirement Villages is the voice of residents in the Queensland retirement village industry



Presidents' Ponderings

Welcome to this edition of the Connect Newsletter, done differently this month as some of you will be receiving this by email and others by post. We have done it this way as you will all receive the printed AGM edition of our newsletter in mid-October and this allows us to cut back on postage costs this month.



Judy Mayfield

Because of Covid-19 the ARQRV has not been as active as we usually are. All village visits have been postponed until next year because of the fluctuating numbers that are allowed in meetings. We feel it is safer and easier to wait until this is hopefully resolved.

We have dealt with many questions about village budgets, and all residents by now should have had the opportunity to see the village budget and ask questions of the operator. These budget meetings have been held in different ways across the sector but operators, under the *Retirement Villages Act 1999* (RV Act), are still obliged to provide opportunities for residents to view the budget and ask questions.

Continued over page...

Inside this issue

Annual General Meeting

ARQRV Committee

Mediation Matters

Vacating a Retirement Village Unit



Continued from previous page...

Whilst we had been expecting the Regulation that supports the Financial Amendments to the RV Act to be in place for the current financial year we have been informed that they will now be available for the 20/21 financial year. We will keep you informed as soon as these Regulations are released.

Those of you with an email address would have received 2 invitations in the last couple of months.

1. To invite you to attend a webinar (an on-line conference to view on your computer) to inform residents of the Code of Conduct recently developed by operators across Australia, as a first step towards Accreditation. There is a move at both Government and industry level to introduce quality assurance standards and accreditation in the retirement village sector. A Code of Conduct is the first step in this process and many retirement villages have already committed to the process. You can check with your village manager if your village is one of them.

I have a recording of the webinar, if anyone would like me to send them the link please send me an email.

2. Exit entitlement (buy back) review. When the 18 month buy-back was introduced as an Amendment to the RV Act, the operators insisted that it be reviewed after 18 months to look at the implications of this change on both residents and operators. An independent review panel has been set up and residents asked to participate either through an online survey or by writing to the panel. Following their submission many ARQRV members were asked to have a telephone interview with members of the panel and ARQRV also contributed through discussion with panel members,. The final report is due to be handed to government in November, we await the outcome.

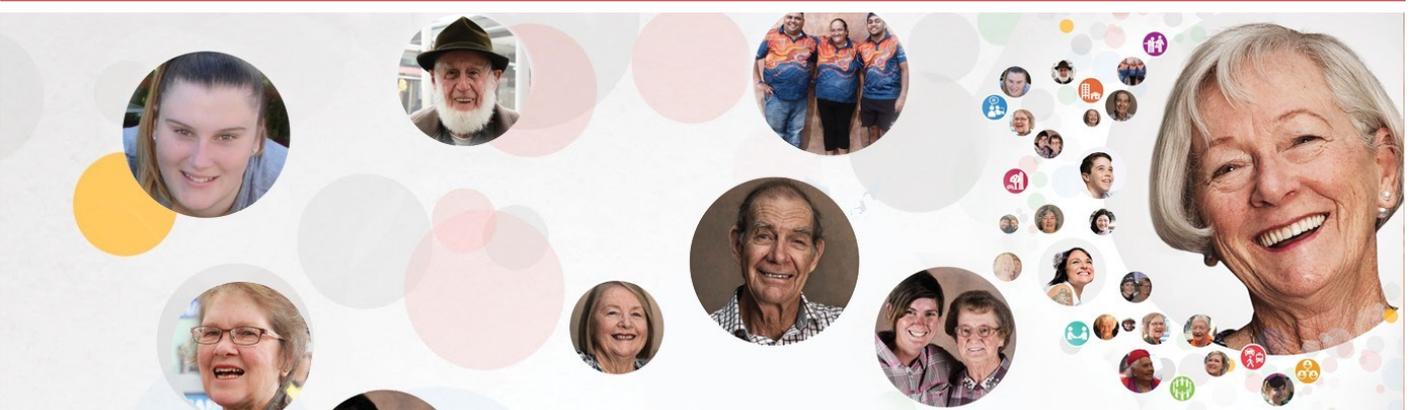
We are pleased to welcome David Wise as an advertiser in our newsletters. Many of you will know that David has acted as the solicitor to ARQRV for many years. David has a depth of knowledge about the RV Act and is available to assist members with legal advice on a range of issues. Mention that you are a member of ARQRV and you will get a discount on David's fees.

Keep safe and well

Judy Mayfield

President ARQRV

ARQRV sends regular emails and updates to our members. If you would like to receive these, please contact the office on 0429 098 417 to register your email address with us.



Annual General Meeting

Many of you have experienced the difficulties of holding an Annual General Meeting in your village. The ARQRV are experiencing the same problems and have already had the venue we had booked and paid for advise that they are not able to host our meeting.

Given the fluctuating restrictions around gatherings and numbers of people able to attend we have decided this year to hold a meeting with only limited numbers, just enough for a quorum.

Beachmere Sands Retirement Village has made available to us the use of their beach house on Bishop Road at Beachmere. We are restricted to 30 participants, although that may change if circumstances change.

The meeting will be limited to dealing with business as required under our Constitution namely:

- voting to approve and accept the minutes of the 2019 Annual General Meeting
- acceptance of audited accounts and voting on appointment of an auditor for 20/21
- presentation of reports
- election/appointment of committee.

There will be no guest speaker and limited refreshments will be served.

When: Tuesday 17th November 10am – 11:30am

Further information will be available in the AGM edition of Connect that will be posted to all members early October.

ARQRV Committee

This year, unfortunately, ARQRV has lost several members of the committee due to health reasons (that's the problem as we get older) so we are urgently in need of new members.

If you or anyone else in your village is interested in joining the committee please contact Judy Mayfield. Judy will provide a good overview of how the committee works and what your potential role will be. You can do this via a zoom video conference meeting that other members of the committee may attend. However, a phone call is a good place to start. In particular we are looking for:-

- a secretary;
- someone with a sound financial background and experience in financial management;
- someone able to take on co-ordination of the newsletter; and
- anyone with a background in mediation or dispute management.

Anyone interested in joining the committee must be comfortable using a computer, as all correspondence is via email and we are currently meeting via zoom video conferencing. The zoom meetings are likely to continue into the future with only quarterly face to face meetings in our office in Brendale, near Strathpine.

I can be contacted on **0401 695 695**.

This is important as without a committee ARQRV will cease to exist.

Mediation Matters

Not what we signed up for...

Members moved into their unit only to find the village site plan later altered from that shown in their contract, removing the expected privacy to one side and the rear of their unit. The members spent many months attempting to get the operator to remedy this situation before contacting ARQRV. During a meeting on site, the operator made an offer which restored the privacy to that which the residents were entitled.



The residents declined this offer seeking to improve the position to which they were contractually entitled.

A rate reduction...but not for all

A local council has decided to significantly reduce rates concessions to retirement villages in their electorate resulting in up to a 55% increase in rates payable. Local Council, the local State MP and the local Federal MP were all contacted, and none were interested in the financial difficulty that the Council's action had placed aged pensioners in the Council's electorate.

A good outcome

A lady in her eighties wanted her daughter, who was living with her as her carer, added to her lease to provide her with a home after her anticipated demise. Fortunately, the operator concerned had a social conscience and the addition was allowed with an appropriate, but fair, financial arrangement to protect the operator's financial interest.

An advertisement for David Wise Solicitor. The background is a photograph of a retirement village with several units and a paved road. The text is overlaid on the image.

David Wise Solicitor
Discounted advice for ARQRV members
0412 254 080 | dtwise@gmail.com
www.davidwisesolicitor.com.au
PO Box 120 Woombye QLD 4559

Contact ARQRV

GENERAL ENQUIRIES

enquiries@arqrv.org.au

Phone: 0437 906 074

MEMBERSHIP ENQUIRIES

membership@arqrv.org.au

Phone: 0429 098 417

POSTAL ADDRESS

PO Box 5057

Brendale Qld 4500

WEBSITE ADDRESS

www.arqrv.org.au

Vacating a retirement village unit

This article provides general information and provides an overview of what may be required when the last resident of a unit permanently vacates and all residents' rights to reside in the unit, are terminated.

The resident/s may be leaving or have left to go into another type of accommodation (including care), or they have died.



Matters which need to be attended to

The residence contract or, if the contract is silent, the Retirement Villages Act 1999, fully sets out the entitlements (rights) and responsibilities (obligations) of both the resident and the village operator when the resident terminates their right to reside in their unit. Usually, the following matters will need to be attended to and are generally included in the contract:

- terminating the right to reside
- agreeing on resale value
- resident's right to resell the right to reside in their unit
- sales offers
- updating agreed resale value every 3 months
- exit fee payable
- resident's exit entitlement and when payable
- how capital gains are shared between the resident and the village operator
- amount of ongoing fees payable
- details and costs of reinstatement of the unit required to be completed at the expense of the resident
- details and costs of renovation of the unit required by the village operator at the expense of the resident
- costs of selling.

Terminating the right to reside

Before your right to reside (and unit, if freehold) is resold, your residence contract must be terminated by giving notice to the village operator.

Most scheme operators have a process that is to be followed and will also provide the necessary paperwork to be completed.

Agreeing on resale value

You and the operator must agree on the unit's resale value.

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Resident's right to resell the right to reside in their unit

If the operator has not resold your unit in the village within 6 months or a shorter period stated in your contract and you haven't been paid your exit entitlement, you can contact a real estate agent to act on your behalf.

Sales offers

If you haven't been paid your exit entitlement and your unit remains unsold, the operator must submit all sales offers, and if you ask, give you other information about marketing and other sales in the village.

Updating agreed resale value every 3 months

If your right to reside has not been sold within 3 months of your termination date, and you haven't been paid your exit entitlement, you and the operator are to reconsider the resale value of your right to reside at least every three months.

Resident's exit entitlement

An exit entitlement is the amount remaining after the deductions from your ingoing contribution which the village operator must pay you (or your estate) when the right to reside in your unit is resold.

The entitlement must be paid no later than 18 months after the termination date*, even if the right to reside is unsold.

Additional requirements for buyback of freehold unit

Where a freehold unit remains unsold the scheme operator must first buy the accommodation unit from the resident in time to pay the exit entitlement as stated above – that is, no later than 18 months after termination of the right to reside.

*Note – the 18- month period commences only when the right to reside is terminated. The period does not commence when a resident arranges with the scheme operator to only market a right to reside.

Ongoing fees payable

You may have to pay general services charges and the maintenance reserve fund contribution in full or in part for specified periods after you leave your unit, unless the unit sells earlier.

If the unit is freehold, you may also have to pay body corporate fees.

Condition of unit when vacating (Reinstatement and renovation work)

You may be required to, or in some cases you may choose to, pay all or part of some type of work to be carried out by the scheme operator to have the unit returned to a marketable condition. The work may entail reinstatement or renovation depending on the terms of your contract and when it was signed.

Costs of selling

The scheme operator must not charge a fee, charge or commission for selling a former residents right to reside in their unit. However, a residence contract may include that the costs/outlays for the sale of the right to reside, may be charged.