

Beverley Vaudrey



1 June 2016

The Secretary

Legal and Social Issues Committee

Parliament House

Spring Street

East Melbourne 3002

Dear Sir/Madam

Re: Inquiry into the Retirement Housing Sector

For the past 10 years I have been a resident of Peninsula Parklands, a life-style village for people over the age of 50. For the most part this has been a happy and positive experience, which has enabled me to enjoy security, low maintenance, long-term security of tenure, good neighbours, good communal facilities and the release of funding for travel.

However, there are two areas of concern that I believe should be considered in the terms of inquiry.

The first issue is that there is no public transport available to take residents to the town of Hastings for the purpose of shopping, visiting doctors or dentists, Medicare, CentreLink, the Post Office, or the banks. The average age of the 300 plus residents is over 70 and many of them cannot, or should not be driving. Although the township of Hastings is only 2km away, many residents are already incapacitated enough to require walking sticks or other mobility aids. The gradient of the road is such that it is an up-hill return visit to the Park and it is difficult enough for those of us who do not require assistance. I believe that planning approval for the building of residential parks and villages should not be given by the appropriate governing bodies unless it can be established that useful public transport is available, and as such this should be legislated for in any planned review of the Residential Tenancy Act.

The second issue is that of deferred management fees, payable to owners on the departure of a resident from the park. I understand that under the current Section 4A of the Residential Tenancy Act, the charging of a deferred management fee is not legislated for and there is no provision for a uniform setting of these fees. Whereas on the sale of my unit I will be charged 11% of the value of my home under the terms of my 30 year lease, there are other residential parks that charge up to 50%.

Also, there is no detail given in my lease agreement which spells out exactly what the deferred management fee is to be used for. I believe that the site fees I pay should cover the major infrastructure costs of roads, street lighting, waste collection etc. I already pay electricity, water and gas supplies on a regular basis. I believe that the terms of inquiry should address whether a deferred management fee is double-dipping or not, and also should set a uniform percentage that can be charged. I believe that if it is found that it is acceptable for a deferred management fee to be charged it should be charged as a percentage of the cost of the purchase of the unit, not of the sale price realised, as this properly should be regarded as capital gains. I further believe that anyone buying a pre-existing home, for which a deferred management fee has already been charged, should not be required to pay the same fee when they exit the park.

Thank you for your consideration of my concerns.

Yours faithfully,

A solid black rectangular box used to redact the signature of Beverley J. Vaudrey.

Beverley J. Vaudrey