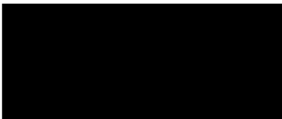


Rec 7/6/16


2/06/2016

The Secretary,
Legal and Social Issues Committee,,
Parliament House,
Spring Street,
East Melbourne,
Victoria 3002

Dear Sir/Madam,

I am writing in response to a letter from Ms Nina Springle, State Member for South-Eastern Metropolitan who has requested information in relation to our experience in a Retirement Village. We live in Richfield Retirement Village in Wells Road, Aspendale Gardens, Victoria. In my opinion our village provides a generally high standard of amenity. Grounds are well maintained by two permanent gardeners, the village has a full time manager, an excellent restaurant and a high standard of facilities such as bowling green, putting green, indoor heated pool, excellent gymnasium, excellent theatre, well stocked library, craft room, mens workshop which is well supplied with tools and a caravan/ motorhome storage yard which is free to residents. An active Social Committee of residents ensures a program of regular events of interest. Most outings do involve significant cost to meet expenses.

For some people the fact that the purchase is for a lease period means that purchasers do not have any title to the property which they have purchased. It is therefore not possible to borrow against the title.

I do not believe there is any intentional exploitation of residents by the owner, however there are a couple of minor criticisms. The contract is a standard contract which has been drawn up by management where rights of residents are stated, however much of the contract specifies obligations of the residents. The full cost of preparation of this contract (in my case approximately \$700.00) is billed to the resident even though much of it relates to protection of management.

In the contract it is made clear that maintenance of the interior of units is the responsibility of the residents. It is indicated that maintenance of the exterior (excluding the back garden) is the responsibility of the Village. I was not clear that this exterior maintenance was paid for entirely from utilities fees charged to residents in addition to a special levy applied at the time of sale directed to a major maintenance fund. Utility fees can therefore increase with time as the village becomes older and maintenance requirements increase.

Overall we are happy with our village which certainly provides opportunity for companionship and in general supplies services which give fair value for money.

Yours Faithfully,


John McConachy