



## PART 'F'

Financial structures of  
Retirement Living.

Westerling  
NORTH ADELAIDE

# Making the move into retirement.



Making the move into a retirement village, including Westering North Adelaide, can be a big financial commitment. With the range of contracts available, understanding the true scope of these costs can be a confusing endeavour. Therefore, we have compiled a list of the types of contracts and terms that you may come across when you research for your retirement.

## Your financial contract guide:



### License to occupy

Many of the retirement living villages in Australia operate with prospective residents entering the village attaining the right to occupy the home, without the responsibilities of owning the specific residence lived in. Therefore, a licence to occupy is required, which includes an ingoing contribution of an interest free loan.



### Leasehold contract

A leasehold contract is a long-term lease agreement, typically ranging from 50 to 90 years. This contract provides you with the right to occupy a residence within a retirement village. Depending on the length of your lease and your state of residence, you may be required to pay a stamp duty fee. However, this is not applicable in South Australia.



## Freehold and strata living

Freehold contracts are rarely found within the retirement living industry in Australia. However, if you receive this contract, you will essentially own the apartment/villa/unit, similar to if you were purchasing a house with a stamp duty payment included. Strata living provides a similar structure where you own the unit within the retirement living precinct, however communal areas are shared with residences and maintained by the operator of the village. This is not a common model in South Australia currently.



## Entry fees and ingoing contributions

The entry fee is likely to be the largest upfront cost incurred when joining a retirement community, however most are refunded when you depart the village. These fees are often negotiable, with some villages granting a lower ingoing contribution in return for the operator retaining a larger payment when you exit the village.



## Exit fees or deferred management fees

As implied within the name, these are fees incurred during your exit of the retirement living village. Also referred to as 'departure fees', these are often deducted from the sale, ensuring a *"enjoy now, pay later"* process. This process provides a most cost-effective way for prospective residents to make the move into a retirement village.



## Moving costs

The simplest and yet often the most forgotten costs include those incurred during your move into a retirement village. These costs, external from the village itself, could include professional moving services, packing supplies, transportation costs and more. Be sure to plan for these costs.



## Cooling-off period

Moving into a retirement living home can be a major financial decision. To ensure that the retirement village you choose best aligns with your lifestyle, many retirement living contracts include a cooling off period where you can choose to rescind from the contract if required.

At Westering North Adelaide, we're committed to making your transition as smooth and informed as possible. Our team is available to guide you through the financial aspects of retirement living, ensuring you have a clear understanding of your options when the time comes. By understanding these financial structures, you can make informed decisions and secure a comfortable and fulfilling retirement at this wonderful development.

# Thank you.

We look forward to providing you with our exciting updates on Westering North Adelaide as the year progresses.

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