

# Fees for selling a retirement village unit

## Fact sheet

When a resident leaves a village, their unit has to be resold. The *Retirement Villages Act 1999* sets out how the resale process is to be managed.

It is in both the resident and the scheme operator's interest to agree, as quickly and harmoniously as practical, being mindful of the prevailing local housing market on the resale value of the unit.

This process is often managed by the family of the resident when the retirement village is a resident's last principal place of residence.

The costs of selling a unit are to be shared by the former resident and the scheme operator in the same proportion as they share the ingoing contribution on the sale of the right to reside, as provided for in the residence contract.

The costs of selling a unit in a particular village may vary from time to time and will reflect the state of the market. Costs of selling may be higher in a depressed market than in a buoyant market.

If a resident is not able to agree with the operator on the unit's resale value and a valuer's opinion was obtained, the resident will have to pay a share of the cost of the valuer.

If a resident engages a real estate agent to sell their unit, the resident must pay the real estate agent's costs of the sale (advertising, for example) if any, and their commission.

Residents should also be aware there may also be other ancillary costs paid to the operator at the point of sale. These could include, for example, legal costs and administration fees. These will be outlined in the resident's contract.

