

## New legislation bringing significant changes for retirement village rules

The Queensland Government recently passed legislation which is intended to provide senior Queenslanders with additional protection in retirement village living arrangements.

As recent news reports have highlighted, retirement village contracts are complex legal documents that may include conditions and obligations that those involved do not fully appreciate. The provisions for ongoing costs and end of agreement arrangements are areas often cited as confusing and potentially unfair on residents.

Additionally, not all contracts are similar with some merely providing a right to reside in the village while others offer an actual purchase of the property. Accountants, financial planners and other professionals advising their clients moving into a retirement village living arrangement should ensure their clients receive the proper legal advice before going ahead.

Minister for Housing and Public Works Mick de Brenni said the new laws strengthen protections for Queensland seniors looking at retirement options as well as those already retired, delivering certainty and security for Queensland seniors in retirement.

The changes to the Retirement Villages Act 1999 include:

- enabling simplified, standard contracts;
- requiring ongoing fees and charges to be clearly declared upfront;
- introducing a minimum 21 days to evaluate the contract before signing;
- limiting the time for payment of a resident's exit entitlement;
- making unit reinstatement arrangements before resale fairer; and
- introducing enforceable behaviour standards for village operators and residents.

The amending legislation also makes changes to the Manufactured Homes (Residential Parks) Act 2003 including:

- limiting rent increases to once per year;
- making the legislation easier to understand; and
- introducing enforceable behaviour standards for park owners, staff and residents.

The Palaszczuk Government introduced these reforms after consultation with industry and operator groups, consumer advocates, resident representatives and seniors groups, and retirement village residents and owners of manufactured homes.

It is hoped that these changes will result in greater clarity and understanding of the terms and conditions of the contracts for potential residents as well as ensuring that staff and village operators are held accountable for their treatment of residents.

Despite the changes, the decision to relocate to a retirement village is not an easy one and the agreements involved are still critical legal documents that should be closely reviewed and

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understood before being signed.

It is particularly important that individuals and their advisors recognise that retirement village living is more a lifestyle choice than investment opportunity, as the arrangements are geared towards ensuring ongoing profits for the operators.

If you are considering a retirement village living arrangement, or you are advising someone who is, please contact a member of our [Tax, Structures and Planning Team](#) for information and advice. We are experienced in reviewing these documents and providing a plain English explanation of the rights and obligations involved.

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