

## FREQUENTLY ASKED QUESTIONS OCTOBER 2021

### Do I own my home?

It is important to understand that when you buy a home at Waterford you are buying “the right to reside” in the home on a lease of 99 years. The lease is registered on the title deed held by the NSW government agency, Land and Property Information. This provides a right of long-term occupancy and is a secure form of title.

To simplify the explanation, we use the wording “buying”, “selling” and “owning” however we are referring to a lease when we use this language.

### How much deposit do I require to reserve my home and what is the process after this?

An initial deposit of \$5,000 is all that is usually required to reserve your home.

To formalise your intention to purchase, an Agreement for Lease is issued, and a 5% deposit is paid to our Solicitor’s Trust Account.

### What are the costs?

The value in living in a Retirement village is lifestyle and security, with leisure and community facilities available whilst living with like-minded neighbours.

Ingoing contribution (the purchase price of your new home)

Monthly service fee (Recurrent Fee)

DMF Deferred Management fee (Exit Fee)

Reinstatement (Refurbishment) will be the cost of the operator however any work that is not fair wear and tear is payable by the outgoing resident.

Should any alteration or addition be made by the resident, the residence may need to be returned back to its original condition, as if any alteration or addition had not been performed with the cost borne by the outgoing resident.

Reselling Fee (Sales Commission)

### Explaining the DMF (Deferred Management Fee)

The Deferred Management Fee (Exit fee) is called deferred as you do not pay up front, but rather when you leave. The reason for deferring the fee is to make it affordable on entry. The DMF is essentially a resident's final payment towards their share of costs for living in the retirement village.

### How is the DMF (Departure Management Fee) calculated?

The Departure Fee is calculated over 5 years as follows: Years 1 to 5, 7% per annum, 35% capped at 5 years of the new entry payment (new sale price).

### Is there any stamp duty payable on the purchase?

**No.** The Office of State Revenue does not require Stamp duty to be paid for leases in Retirement Villages. This represents a substantial saving when compared to a standard contract of sale, should stamp Duty be payable, which would be \$15,000 to \$20,000.

### What does the monthly recurrent fee cover and does it cover maintenance within the home?

Waterford does not profit from these fees which is in accordance with the NSW Retirement Village Act. The monthly recurrent fee covers the day to day costs of operating and maintaining the homes, facilities and services enjoyed within the village. This fee covers but is not limited to council rates, building insurance, maintenance of gardens and common areas, village bus, administrative and operational staffing costs.

### Who is responsible for all whitegoods and appliances?

Repairs to items such as oven, cook top and rangehood are covered by the monthly recurrent charge. If an appliance is broken beyond repair the replacement of the item is covered by Waterford.

### Can I make changes to my home?

**Yes,** you will need to have changes or variations approved by the Village Manager so that all relevant standards and regulations are met.

### Can family and friends stay overnight?

Of course, they can. It is no different to your current family home. Quality time with family members and friends is encouraged, the facilities and location of Waterford is a good excuse to encourage overnight stays. There are however rules which must be complied with in the interest and consideration of other residents.

### Are pets allowed?

**Yes.** However, there are rules and regulations which must be complied with. These are designed to safeguard the interests of all residents.

### Do residents have any say in how Waterford Retirement Village is run?

**Absolutely.** The Resident Committee is a vital part of The Waterford Community. The Committee is elected by the Residents and regularly meets with the Village Manager to discuss any aspects of the day to day running of the Village and to approve expenditures.

Waterford also uniquely have Bi-monthly manager meetings with the residents. This ensures that all residents are informed and updated on all village matters. The Village Manager is always available to discuss any questions a resident may have.

### Will extended health care and services be available if the need arises?

A range of excellent care service providers from the local area will be available to allow residents to continue to live independently. Should the need ever arise, such services can be provided in the comfort and privacy of your own home. This would be on a user pays basis; however, the Village Manager will be available to assist in accessing and identifying these services if required.

### Can I choose who sells my home?

**Yes.** However, the team at Waterford are highly skilled and conversant with the required legislation, the Village, and its rules, so will be able to assist you with this process. The Sales Team is constantly building a database of potential Residents who have expressed an interest in calling Waterford home. Alternatively, you or your family can select the agent of your choice. A cost for selling the unit is payable with either option.