



1 Your housing options

Housing needs change with time. If you are approaching or over 55, you may be considering changes to your housing that better meet your finances, lifestyle or present and future needs.

This guide is written to provide you with available options and information about each option. It includes information on:

- buying or building;
- strata titles;
- retirement villages;
- residential parks and lifestyle villages;
- renting;
- boarding or lodging;
- help to stay in your home;
- aged care options;
- accessing equity; and
- contracts and agreements.

There are different laws covering different housing options. The guide will explain which laws or rules apply and where you can go to find out more.

This guide is not a substitute for legal advice and we strongly recommend that you seek independent expert advice before entering into any major contract about buying, selling, building, leasing or receiving services.

It is important to think about the long-term consequences of your choices. For example, your care needs may increase with time, so it is a good idea to ensure that the decisions that you make now do not limit your choices in the future.

What's in a name? Retirement villages, lifestyle villages and strata title

Information sheets 3, 4 and 5 deal in detail with these options. Some complexes use the term 'retirement', 'lifestyle', 'gardens', 'units' or 'apartments' but they can mean different things and don't actually tell you what sort of housing is provided and which laws apply.

For the purposes of this guide:

- Retirement villages are those options covered by the *Retirement Villages Act 1992*.
- Lifestyle villages are those options covered by the *Residential Parks (Long-stay Tenants) Act 2006*.
- Strata title units come under the *Strata Titles Act 1985*, and may include strata units that have been purchased within a retirement village.

Check whether or not the option that you are considering is classed as a retirement village, residential park or strata title. This will affect your consumer rights and responsibilities.

The type of housing you have affects the consumer rights and responsibilities that you need to know about, so it is important to have a general sense of the legal difference between the different options.

The table and flow chart on the following pages will help you understand your housing options.

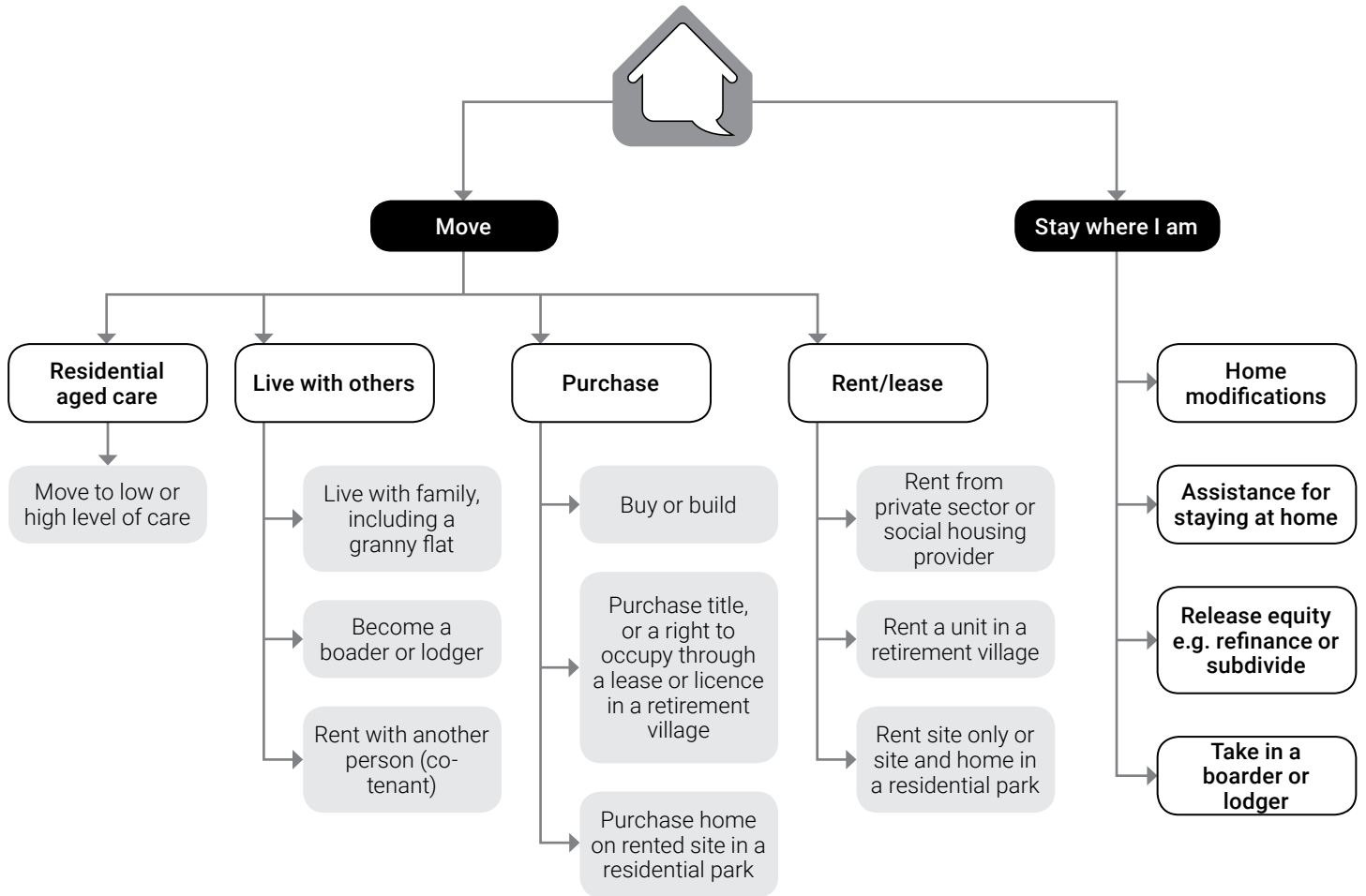
Remember that your housing needs can change and you may be a retiree for 30 to 40 years. Where you want to live, the lifestyle you want and your financial and care needs may vary from when you are 55 to when you are 85. It is important to be aware that the decisions you make now may limit your future choices. So it may be best to consider options that maximise future alternatives.

Apart from home ownership, which many people are familiar with, there are a number of different types of housing 'tenure'. The following table shows the differences between some of the housing options that people often confuse.

Retirement village	Residential park	Strata title	Renting	Boarding and lodging	Residential aged care
Covered by the <i>Retirement Villages Act 1992</i> .	Covered by the <i>Residential Parks (Long-stay Tenants) Act 2006</i> .	Covered by the <i>Strata Titles Act 1985</i> .	Covered by the <i>Residential Tenancies Act 1987</i> .	Covered by common law on contracts.	Covered by <i>Aged Care Act 1997</i> (Cwlth) if government funded.
Includes units and serviced apartments for 55s and over, retired and spouse/partner.	Includes mixed-use parks and lifestyle villages for over 45s.	Includes strata schemes for over 55s.	Includes private rentals and social housing (public and community housing).	Includes licensed lodging houses and private arrangements.	Includes hostels and nursing homes with high or low care.
Can purchase a lease or licence to occupy, rent premises or buy a strata unit.	Can buy or rent the premises, but the land is always leased.	Can purchase or lease property.	Tenants pay rent for exclusive possession of premises.	Rent may include meals and other services or just room.	May be charged care fees and accommodation bond.
May use many names, including 'lifestyle village'.	May use many names, including 'lifestyle village'.	A number of individual ownership/common property scenarios exist.	A tenancy agreement gives either a fixed or periodic term and sets out the conditions of the tenancy.	May have exclusive occupation of own room and share common areas.	May receive government subsidy.
Rights and responsibilities depend on individual agreements.	Structure must be relocatable.			Rights and responsibilities depend upon individual agreements.	Requires an Aged Care Assessment Team (ACAT) assessment to determine eligibility.

Laws mentioned above are aimed at highlighting points of difference. Other laws such as the common law on contracts and *Transfer of Land Act 1893* may also apply to some options.

This flow chart shows some of the housing options available when you are trying to decide.



Margaret and Bill

Upon retiring at 60, Margaret and Bill decide to sell up and move to a small country town. They buy a house that is cheaper than their previous home and use some of the money they made on the sale of the house to travel and buy a new car.

When Bill is 70, he is diagnosed with Alzheimer's disease. Margaret and Bill decide they want to move back to Perth to be closer to health care, respite services and family.

When they sell their country home, they find that they do not have enough money to buy a house in the city because of the higher cost of houses in Perth.

Sometimes people move through one housing option while waiting for another.

Tony

Tony had lived in private rental until he was 75, but then began to find the rent too high.

He applied for social housing but was told it was likely to be a five-year wait. Tony moved to a lodging house for six months and then became a co-tenant with a friend.

Sometimes Tony and his friend take in an overseas student as a boarder, to assist with living costs. The share housing arrangement works well because it means Tony has affordable housing and company.

What to consider

Deciding to change your housing is a big decision. Questions that you may want to consider before making any change are:

- Why are you thinking of moving? Have you considered getting assistance or making modifications to allow you to stay in your current home?
- Is this a good time for you to consider a big lifestyle change, or should you wait?
- Where do you want to live? If you are moving to be close to family or friends, have you asked them about their future plans – what if they move?
- How will you finance the move? What will be the financial implications?
- If you are considering selling your home, have you checked the state of the market? Is it a good time to sell?
- Have you talked with family, friends and other people with whom you usually discuss important matters?
- If you are considering a community lifestyle option, are you ready for the compromises of community living?
- Are you looking to release equity? If so will you be able to fund future needs e.g. if you need to move to aged care?

Getting advice

Before making any major decision, it is a good idea to get legal and financial advice.

Depending on the issue that you need advice on and your income and assets, it is possible that you will not be able to get free legal assistance and you will have to pay a private lawyer.

If you are seeking referral to a private lawyer or law firm, the Law Society of Western Australia manages a database of members, which identifies areas of expertise. You can contact the Society for the names of three private legal services who meet your requested criteria. The Society is unable to make personal recommendations. For more information, ring the Society on (08) 9324 8600.

The Centrelink Financial Information Service (FIS) helps people to make informed decisions about investment and financial issues for their current and future needs. While FIS can provide information and education, it cannot provide advice. To talk to a FIS Officer, call 13 2300.

The Department of Mines, Industry Regulation and Safety's Seniors Housing Advisory Centre can provide general information but not advice about the different options and what to consider. You can ring the Centre on 1300 367 057.

If you feel you are being pressured or harassed by a family member or carer to make a decision, contact the Older People's Rights Service on (08) 9440 1663.

Decision making checklist

- Know what you want. Make a list of what you absolutely must have in your housing and features that are desirable but not essential.
- Do your research and become informed. Find out as much as you can about the laws covering your housing option, financial implications and what you need to know as a consumer.
- Shop around. As in all areas of life, there are good deals and not so good deals. Some options will offer more than others and there may be small print that you should know about and read carefully.
- Refuse to be hassled or hurried into a decision. The bigger the commitment or risk or more significant the change, the more important it is that you take your time to make the right decision for you.
- Seek expert advice. For example, consider talking to a lawyer before signing a major contract or getting financial advice if considering refinancing.
- Talk to people you trust to weigh up the pros and cons.