

## MATTERS FOR CONSIDERATION WHEN PREPARING TO PURCHASE INTO A RETIREMENT VILLAGE

### PART 1: WHERE TO START?

- Have you consulted available guides to retirement villages?
  - [www.U3A.org.za](http://www.U3A.org.za)
  - [www.seniorservice.co.za](http://www.seniorservice.co.za)
- Are you looking for an Old Age Home? A Retirement Village? A Security Village? A Lifestyle Estate?
- What are YOUR **Specific** requirements?
- Consider the location of your children and close friends
- Consider the proximity of specific services important to you
- What forms of ownership would you consider?
  - Life Right
  - Freehold
  - Sectional Title
- Do you have a preference for a type of physical structure? (cottage, apartment, etc)
- Do you want flexibility of care levels and levy costs?
- Do you want to have care in your own home available?
- What other services must be available?
- Are you aware of the risks of buying into a phased or mixed-use development?
- What level of escalation in levy costs can you cope with annually?

### PART 2: THE PURCHASE PROCESS

- Be sure that a sales mandate is in place between the developer and the sales agent
- Ask whether there is price flexibility
- Clarify the snagging process (resolution of defects in new buildings)
- Ensure that the NHBRC warranty is in place (if applicable)
- As for the constitution/s and legal structure of the village
- Ask for the minutes of last 3 Trustee meetings and the last AGM of the Association/s
- Clarify the village debt/financial situation
- Ask what the Levy Stabilisation mechanisms are (how are financial reserves built up by the village?)

<ul style="list-style-type: none"> <li>• If important to you, enquire regarding the           <ul style="list-style-type: none"> <li>○ Age profile</li> <li>○ Gender profile</li> <li>○ Health profile</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Ask about the activity levels of the village (including social responsibility etc)</li> </ul>
<ul style="list-style-type: none"> <li>• Is the village registered in terms of the Housing Development Schemes for Retired Persons Act?</li> </ul>
<ul style="list-style-type: none"> <li>• Ask for the Conduct rules and make sure they are acceptable to you           <ul style="list-style-type: none"> <li>○ Pets</li> <li>○ Visitors</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• How much downsizing will you have to do to fit into your new home?</li> </ul>

### **PART 3: LIVING WITH YOUR NEIGHBOURS**

<ul style="list-style-type: none"> <li>• Ask for introductions by your agent</li> </ul>
<ul style="list-style-type: none"> <li>• Is the village pet friendly?</li> </ul>
<ul style="list-style-type: none"> <li>• Does the village have and enforce architectural guidelines?</li> </ul>
<ul style="list-style-type: none"> <li>• Does the village enforce their conduct rules</li> </ul>
<ul style="list-style-type: none"> <li>• Are there speed limits in the village?</li> </ul>
<ul style="list-style-type: none"> <li>• Are short-term leases allowed in the village?</li> </ul>
<ul style="list-style-type: none"> <li>• Are visitors allowed to stay overnight or for extended periods?</li> </ul>
<ul style="list-style-type: none"> <li>• Are residents allowed to run business operations from their units?</li> </ul>
<ul style="list-style-type: none"> <li>• Which social activities will you get involved in?           <ul style="list-style-type: none"> <li>• Gardens</li> <li>• Library</li> <li>• Sports</li> <li>• Bar</li> <li>• Workshop</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Community activities (social responsibility)</li> </ul>

#### **PART 4: LIVING WITH YOUR PARTNER**

• Do you have agreement on what retirement means to each of you?
• Have you recently stopped working? How will you adapt?
• Have you ever lived together 24/7?
• How good is your general communication?
• Have you drawn up and agreed on bucket lists?
• Are your financial matters in order?
• Do you both understand the retirement budget?
• Are you going to be living off a fixed income?
• Are your legal matters in order? Estate planning?
• Have you considered what exciting, fun things you will pursue?
• Which roles will be shared and who does what?
• What do your children expect from you and you from your children?

#### **PART 5: LIVING WITH YOURSELF**

• What are you planning to do about your physical health?
• What are you planning to do about your Mental health?
• What are you planning to do about your Spiritual health?
• What hobbies will you be pursuing?
• Are you able to cope on your own?
• Have you considered adult learning programmes?
• Do you intend to do part-time or full-time work during your retirement?
• Have you considered volunteering with an NGO?
• Do you have a “big project” to keep you busy (like writing a book or getting that Diploma?)