Disclosure statement for loan-lease/loan-licence residents – Mercy Classic Model

This form gives prospective retirement village residents details about:

- costs that will apply before you move in, while you are living in the retirement village and after you leave
- the notice and charge required to be placed on the title to the retirement village land under the *Retirement Villages Act 1986* (the Act)
- securities that take priority over your rights under the Act.

The retirement village owner or the owner's agent/representative must give you this form, under the Act.

It is important that you understand this information and its implications for you as a resident. It is not a substitute for reading the full terms of your contract and you should seek independent legal advice if you are unsure about any of its details.

Name of retirement village:	Mercy Place Apartments Parkville
Address of retirement village:	62 Cade Way, Parkville Vic 3052
Address/number of unit:	Apartment xxx
I (name):	
of (address):	Level 2, 12 Shelley Street, Richmond VIC 3121
being the owner of the retirement village or the agent/representative of the owner of the retirement village certify the following.	
Signature of the owner or owner's agent/representative:	

All amounts in this disclosure statement are GST-inclusive, unless stated otherwise where that is permitted by law.

1. Notices

1.1	The retirement village notice required by Part 2 of the Act was given to the Registrar of Titles on:	12th day of November 2008
1.2	The particulars of any mortgage, charge or other encumbrance, which takes priority over the rights of residents under that Act are:	Nil.
1.3	The particulars of any agreement entered into relating to the priority of residence rights over earlier encumbrances over the land are:	Nil.
1.4	The notification of the charge created by Part 5 of the Act was given to the Registrar of Titles on:	30th day of March 2010

2. Entry costs

2.1	To become a resident, you must pay these amounts:	☒ an in-going contribution of $xxx,000 ☐ stamp duty of $NIL ☒ costs of preparing your residence contract of $950.00 ☐ costs of preparing your management and/or any other contract of $ ☒ monthly phone line rental of $31.15 ☒ 1 *months'* advance payment of Maintenance Charge of $622.09 ☐ costs to use a garage or carport of $
2.2	The total amount payable on entry is:	$xxx,xxx

3. Ongoing costs

To live in the village, you must pay the following charges or costs.

3.1	The current maintenance charges and their frequency are:	☒ Maintenance charge of $622.09 per month (annual increase 1 January in accordance with the Retirement Villages Act 1986)
3.2	These costs are not included in the service charge:	☒ Contents insurance ☒ Council rates ☒ Water rates ☒ Utilities ☒ Optional services

4. Departure costs

On permanent departure, the following costs apply:

4.1	**Departure fee –** Will you be required to pay any departure fee? If yes, you will be required to pay a departure fee calculated on the following basis:	☒ Yes ☐ No • Deferred Management Fee of 5% per year for maximum 6 years based on the Ingoing Contribution **paid by the next resident** (calculated on a daily basis)

4.2	**Reinstatement/renovation costs:**	• You **will** be required to pay for the:
		  • renovation of your unit (to bring it up to date)
		• You **will be** required to pay for:
		  • the costs of keeping your unit in good repair and condition (fair wear and tear excepted)

4.3	**Long term maintenance fund –** Will you be required to make a separate contribution to the long term maintenance fund? If yes, you will be required to make a separate contribution to the long term maintenance fund on this basis:	☒ Yes ☐ No Long Term Maintenance Fund contribution of 0.5% per year for maximum 6 years based on your **original** Ingoing Contribution

4.4	**Sale costs (assuming the manager is the selling agent) –** Will you be required to pay the owner or manager any costs of selling your unit? If yes, you will be required to pay the owner or manager these costs of selling your unit:	☒ Yes ☐ No • Sales, Marketing and Admin Fee of 2% of next Ingoing Contribution (New Lease Premium paid by the next resident), or 1% if an external Real Estate Agent is appointed by the resident and where the resident pays the Real Estate Agent costs
4.5	**Other departure costs** – You will be required to pay these costs:	Legal costs
4.6	**Post-departure costs** – Will you be required to pay costs after permanent departure? If yes, you will be required to pay these costs after permanent departure:	☒ Yes ☐ No Permanent departure defined as Apartment emptied of all personal belongings • Service charge • until the earlier of the settlement or the sale or re-leasing of your unit or six months after departure

5. Departure entitlements

5.1	**In-going contribution** – Will you be entitled to any refund of your in-going contribution? If yes, you will be entitled to:	☒ Yes ☐ No • A refund of the **next** in-going contribution minus the above departure costs NOTE: Should a resident wish to cancel their contract for any reason within the first 90 days following settlement, the Owner will refund their Ingoing Contribution less a charge equivalent to the market rental of a similar property.
5.2	Any refund will be paid:	The earlier of: • 14 days after settlement of the re-leasing of your unit; • 14 days after the next resident takes possession or your unit; or • Six months after your departure.

5.3	**Capital gains –** Will you be entitled to share in any capital gain on your unit (if the next resident pays a higher in-going contribution than you paid)?	☒ Yes ☐ No • 100% (a refund of the **next** in-going contribution minus the above departure costs)
5.4	**Capital losses** – Will you be required to share in any capital loss on your unit (if the next resident pays a lower in-going contribution than you paid)?	☒ Yes ☐ No • 100% (a refund of the **next** in-going contribution minus the above departure costs)