



Discussion Forum

The comments and opinions expressed herein do not necessarily reflect those of the Retirement Village Residents Association (RVRA) or its Members.

Operator not paying recurrent charge for new units.

Hume Resort is a new village planed for 210 units, with 32 currently built of which 9 are occupied. The rest are completed to where only items that are the choice of an incoming resident remain to be installed - curtains, floor coverings, courtyard landscaping and the like.

Maintenance has become a point of dispute with habitual and long term delays. One year to replace globes in three street lights, for example.

No accounts or budget for the operating account has been provided. In response to a formal request the operator reply was to the effect this was not required because the budget is less than \$50,000 because there is no recurrent charge income for the unoccupied units and because of the six month recurrent charge discount incentive the operator provides to new residents.

This matter is heading towards formal tribunal proceedings. Clearly this will turn on the definition of new premises, which the act seems to state only as "residential premises that have never been the subject of a village contract", while the manager appears to believe the operator has no obligation for recurrent charges until units are literally ready for occupation.

Does anyone have experience with this subject and is able to give us some guidance?

John Thompson
7th September 2011
