

My wife and I are in the process of transferring her mother into a nursing home. This has become necessary because her level of intellect is no longer at a level that would allow her to safely live in her retirement unit.

By way of background "Ruth" was widowed at age 45 but continued to farm until she was 68 years old (bananas and small crops) when she bought a retirement unit at Murwillumbah for \$89,000. She lived in the unit for 21 years and has now moved into a nursing home (respite care at present) at the same location but with a different operator (from Aveo to Domain). She was somewhat of a saver and accumulated investments of around \$100,000.

The retirement unit is run down now and will require renovation if it is to attract a buyer. The retirement village operators are entitled to 32% of the purchase price on sale, plus other certification costs. Renting out of units is not allowed.

Within the present rules the value of her unit forms part of the nursing home bond until it is sold and she can roll the sale money into the bond.

So - minimum expenses for some time will be:

- 84% of her pension to the nursing home
- Drawing down of bond \$307.50 per month
- Payment of 9% interest on outstanding bond money to Domain (around \$750 per month)
- \$440 body corporate monthly fees for the retirement unit
- \$105 council rates fees per month

It is not hard to see that she will go backwards quite a way until the unit is sold. The rules may be OK for city dwellers where retirement units sell quickly, however, some of the units at Murwillumbah have been on the market for considerable time (or virtually given away).

Some consideration needs to be given to an alleviation for the period during which a unit is unoccupied awaiting sale.

For your information

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