



THE PROS AND CONS OF RETIREMENT VILLAGE LIVING

In our 50s and even early 60s we give little thought to how and where we are going to spend our senior years. We are fit, strong and active and our 70s and 80s seem far away. In fact we should, in our mid-50s and possibly earlier, be putting our names down on one or two Retirement Village lists – if we intend to move to a communal retirement centre.

The decision as to whether to stay on in one's home, possibly down-size to a smaller freehold property, move to a cluster or townhouse complex or purchase a unit in a Retirement Village is a very personal one.

Historically, especially in the UK, parents have moved in with their children. There are few retirement villages such as the ones we have in South Africa. Particularly in the 'home counties' – the UK's milk and manure belt – there are magnificent Senior Citizens' complexes, often in grand stately homes (e.g. Beecham House in the film 'Quartet'). At the other end of the scale there are Old Age Homes administered by the National Health Service. There is little in-between.

Here, in South Africa, we are spoilt for choice. One can spend upwards of R5 million on a three-bedroomed house or apartment – with heated pool, gymnasium, snooker room, 100-seater theatre, sauna etc. i.e. a 5-Star Retirement Hotel – or one can, alternatively, choose a smaller complex offering one, two or three-bedroomed cottages with garage.

The question one has to ask oneself is, "Can I cope with communal living?" Those who move from flats, apartments, townhouse and cluster complexes should transfer relatively easily – those who relocate from large freehold properties will find the change more difficult.

When considering a possible move to a Retirement Village one must decide on what type of 'home' one wants. Retirement complexes are marketed either as Full or Sectional Title, Share Block or as a Life Right. Full Title and Sectional Title are a purchase that involves registration at the Deeds Office, with transfer duty payable on the sales. Share Block involves the purchase of shares in a property-holding company. Prior to buying into a Share Block complex it is important to have studied the company's memorandum and articles of association.

The Life Right option is the purchase of the right to live in a specific unit; it is a real right, giving one security of tenure for the remainder of one's life – in the case of a married couple, until the second-surviving spouse dies. There is no transfer duty or VAT payable and there are no registration fees. This option can best be seen as a lifetime of rental paid in advance.



No matter which option one chooses, one must ensure that one has (a) Security of Tenure (b) Physical Security in the form of electric fencing, guards, CCTV

cameras and the like (c) Health Security: do the units have a nurse call facility and 24 hour emergency care? Is there a frail care facility? (d) Financial Security: it is essential that, as a prospective buyer into a Retirement complex, one investigates and satisfies oneself of the financial soundness of the organisation.

Whichever option one chooses, the majority of Retirement Villages throughout South Africa will offer the following:

- accommodation in 1, 2 or 3-bedroomed cottages or apartments with garaging or parking spaces either attached to or near one's cottage, or underground in the case of apartment blocks.
- a Frail Care Centre – euphemistically named the 'Health Care Wing' in one of Cape Town's villages! Here one receives 24 hour nursing care with qualified sisters on duty round the clock. The Centres cater for two types of 'patient' – those who are unable to fend for themselves in their own cottage and others who need a week or two in which to recuperate from an operation before returning to their own unit. Usually the Centre also contains a Clinic, open daily and available to all residents of the village for injections, blood pressure and minor ailments.
- the 'Assisted Living' option is increasingly being offered in many villages. Here one moves from one's home to a self-contained bed-sitter or bedroom and living room. Meals are provided in communal facilities and nursing staff are available to assist when needed.
- all retirement complexes have a communal centre with dining room and lounge. In most, there is a library run by the residents and, increasingly, a bar or entertainment area where regular get-togethers are held.
- As a rule lunch is offered daily and, in several villages, a number of free meals are included in the monthly levy. Braais, special lunches and other celebratory occasions are held regularly.
- sporting facilities offered are dependent on the location of the village. A swimming pool is almost universally provided. If tennis courts, bowling green and croquet lawn are within a reasonable distance they will probably not be included on campus – those villages 'out of town' will provide some or all of the tennis, bowls, croquet and often squash facilities.
- again, dependent on location, a chapel may be built. Alternatively, provision is made for weekly multi-denominational church services.





- dependent on residents' input, Bridge, Garden, Chess, Travel and other clubs exist and, more often than not, flourish. Bingo, General Knowledge and Film evenings are also held, as are musical events.



All the above obviously cost money and in all retirement villages a monthly levy is charged, the amount varying from centre to centre. Included in the levy are the costs of house insurance; security – most village boundaries are electrically fenced; maintenance of the common property and

of the exterior of residents' homes; employment of security, garden and maintenance staff; in some complexes weekly or bi-weekly irrigation of residents' gardens; refuse removal; and, most importantly, employment of a General Manager to manage all matters relating to the successful administration of the complex.

So far, there seem to be many pros and few cons – and, my wife and I having moved into a retirement village four years ago, we are unequivocally pro. However, there are definitely drawbacks.

As mentioned before, communal living is not for everyone. Disadvantages are as follows:

- down-sizing is difficult. Family heirlooms will most probably be kept but decisions have to be made regarding the retention or disposal of well-loved pictures, furniture etc.
- lack of privacy. This is certainly a perception though seldom a reality. One is close to one's neighbour but, as one grows older, this proximity may well turn out to be a comfort rather than an inconvenience.
- a feeling that one is duty-bound to participate in village activities. Younger residents are likely to continue their existing lifestyles outside the village but, as one grows older, there is a tendency to look for the companionship of fellow residents.
- loss of independence – possibly an apprehension that one will feel boxed-in, bound by 'rules and regulations'. In fact, the degree of independence is dependent on each person's approach to life. One can live in a retirement village and 'do one's own thing' or else participate to a greater or lesser degree in village activities.
- lack of security. Moving from a freehold home with Armed

Response alarm system, slam-lock security gates, booms and beams and burglar bars one moves to a village, safeguarded only by an electrified fence and security guards at the entrance gate. And yet, surprisingly, village residents find that they have a greater sense of safety and protection than they had before.



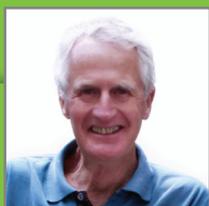
- the ruling on pets. Some complexes allow a small dog and/or a cat and one is allowed to replace one's pet on the death of the original animal; other villages will not allow a replacement; some will not allow pets at all.



! The terms of the contract when one purchases a unit in a retirement village are of extreme importance as are the terms relating to re-sale. Whether you are the holder of a Life Right, own shares in a share block scheme or own a Sectional Title unit there is no stipulation in the legislation governing retirement villages stating how much you must be repaid when your unit is re-sold.

! Every retirement village established under the Housing Development Scheme for Retired Persons Act is required to state, in a document with which you must be provided, prior to signing the initial contract, the percentage of the purchase price to be paid to your estate. The terms vary greatly. For example : the refund of your initial investment; refund plus a percentage of the profits on the re-sale of your unit; or, in a few complexes, the price paid by the resident less a certain percentage. At the end of the day, however, it is the village, its environment, its locality and its financial sustainability that will be the factors that influence you in your decision to choose one complex over another.

So there we have a few thoughts. As stated at the outset, a move to a retirement complex is a personal one. Some will not even consider it and, if one has a cottage or a wing of the house where – in one's later years – a carer or nurse can live who, however, must be supervised, possibly by a younger member of the family, then this is sensible and possibly preferable. Others will add their names to Retirement Village waiting lists and grab an opportunity to move when a vacancy occurs – provided that they can sell their house or provide guarantees within the three-month period that their village unit is on offer.



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