

- ◆ Any fees that you are being charged for the upkeep of your property should be put aside in a separate bank account by your landlord. We want to make sure that your money is **protected and only used for that purpose.**

Tell us what you think...

We welcome your views in any format. If you find it easier, you can use the attached questionnaire. A longer response form, with more detailed questions, is also available at:

[www.bit.do/
LawComEventFeesResponseForm](http://www.bit.do/LawComEventFeesResponseForm)

Please send us your response by **29 January 2016.**

If you would like to know more about our work on this project, the following papers are available on our website:

- ◆ Our detailed consultation paper:

[www.bit.do/
LawComEventFeesPaper](http://www.bit.do/LawComEventFeesPaper)

- ◆ A summary of our consultation:

[www.bit.do/
LawComEventFeesSummary](http://www.bit.do/LawComEventFeesSummary)

An electronic copy of this leaflet and questionnaire can be found at:

[www.bit.do/
LawComEventFeesLeaflet](http://www.bit.do/LawComEventFeesLeaflet)

If you would like a print copy of any of these documents, please call us on: 020 3334 3622/ 020 3334 3949, or

email us at: [event_fees@
lawcommission.gsi.gov.uk](mailto:event_fees@lawcommission.gsi.gov.uk)



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Do you live in a retirement flat?



We want to hear from you



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If you own a retirement property, or are thinking of buying one, the chances are you (or your family) will have to pay some kind of fee when it is sold. This may be called a “transfer fee”, “exit fee” or “contingency fee”. We use the generic term “**event fees**” to refer to these kinds of fees. Usually it is 1% of the sale price, but it can be more.

Event fees can be useful. It might mean that you pay a lower service charge. You can ‘pay later’ while enjoying the benefits of living there now.

But, if you were not told about the fees when you first looked into buying your home, it can cause you some issues. By the time your conveyancer tells you about the fee, it can feel like it is too late to turn back. These fees can also come as a shock when you, or your family, decide to sell your home.

What about the law?

At present, the law does not clearly protect you from having to pay these fees. This can be unfair to you, or your family who inherit your home, if you end up paying a lot of money in fees when you did not know about or fully understand it.

What can be done?

We think that the law needs to change so that it is fairer to you. You should be told about any fees that you have to pay right from the beginning.

But we believe that banning these fees altogether is not a good idea. They can sometimes be a practical way of making your new retirement housing more affordable.

We think that the right approach is to do more to bring such fees to your attention from the start so that you are not caught out later on.

We are considering these changes:

- ◆ Any **fees should be advertised** clearly alongside the purchase price. This will ensure that you know about any fees as soon as you start looking into buying your retirement property.
- ◆ You should receive a **disclosure statement** when you first go around to view a flat. This will tell you how much fees you will pay, when, and what effects it might have in the future.
- ◆ You should be given a **choice to pay these fees up-front** when you are buying your retirement property. Sometimes, it can be difficult to know how much you will end up paying especially where the fee is a percentage of a future price. Instead, you should be able to agree to pay a fixed amount when you buy your home.