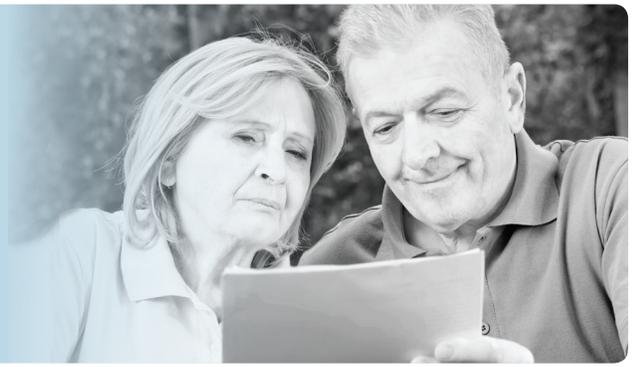


# CCRC Contract Considerations



**Continuing care retirement communities (CCRCs) offer increasing levels of care at one location as residents' needs change.** The security of knowing you'll be cared for throughout various stages of health and aging is an attractive option for many seniors, but typically involves a major investment of resources. Before signing a contract with a CCRC, make sure you understand its terms and have the contract reviewed by a qualified attorney.

## Types of CCRC Contracts

### Life Care

**(also called Extensive Care or Type A contracts)**

Includes housing, residential services, amenities and unlimited use of health care services with no (or minimal) increase in fees. A substantial entrance fee is usually required, but monthly payments do not increase.

### Modified

**(or Type B contracts)**

Includes similar housing and residential services as Life Care, but health care services are limited. Fees increase when a resident's care needs exceed what's included.

### Fee-for-Service

**(or Type C contracts)**

Also includes housing and residential services and amenities similar to Life Care, but health care expenses are paid by the resident on an as-needed basis at market rates.

### Rental

**(or Type D contracts)**

Less common, this is a pay-as-you-go option with no entrance fee. The resident pays all health expenses, but access to the facility's health care services is guaranteed.

## Other Considerations

**Fees** - If increases are allowed, how is this determined and to what extent are they capped?

**Refunds** - Is any portion of the entrance fee refundable?

**Deposits** - If a deposit is paid to secure a space, under what circumstances will this be refunded?

**Involuntary Transfers** - Can a facility force one spouse (who requires a higher level of care) to be separated from his/her spouse (and potentially face higher expenses).

**Involuntary Discharges** - What are the facility's policies if a resident can no longer cover their fees?

Many seniors have found happy homes at CCRCs, but given the number of factors involved in a decision, the smartest buyers do their research and seek legal advice from an attorney before signing a residency contract.

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