

# Family Agreements Checklist



## What is a family agreement?

A family agreement is an **arrangement between an older person and someone else** (usually a family member, friend or carer) regarding care and living arrangements.

The arrangements should be **mutually beneficial**. The most common family agreement involves the older person exchanging their property or assets in return for housing (and/or care) as they age.

### Other common family agreements include:

- **co-purchasing a property** and sharing a home
- **building an extension or granny flat** on the property of an adult child
- **an older person transferring ownership** of their property but continuing to reside there
- **financial agreements** such as loans, gifts and home loan guarantor arrangements.



## Can family agreements go wrong?

Life has a habit of throwing up unexpected challenges. Issues can arise when the potential consequences of the arrangements have not been thought through or an unexpected change has occurred. **This might include:**

- **conflict, tension and abuse** leading to the breakdown of relationships (between parties or between other family members)
- people not **doing as they promised**
- the older person **requiring more care** than the family members are able to give
- **financial stress** or bankruptcy
- **sudden death** or illness.



## Where can I seek help?

Where a family agreement has broken down, **there are legal and civil options available** to help people resolve the dispute.

Contact **1800 ElderHELP** to speak to the elder abuse service in your state or territory. They will be able to provide information and advice specific to your situation.



## How to make your family agreement a success

### Step 1 – Think about what you want and need.

**Discuss the idea with family and friends so everyone is on the same page.** Don't make decisions to please other people, or when people are putting pressure on you.

### Step 2 – Seek legal and financial advice.

If large sums of money are involved there might be pension, tax and financial implications. **Plan for the worst-case scenarios and hope for the best.** For example, think about what might happen if your family member cannot repay money you lend them or needs to sell the house you are living in.

### Step 3 – Have a formal family agreement drawn up by a lawyer.

Sometimes things go wrong, and you have a better opportunity of seeking redress and **recovering financial contributions if the arrangements have been formally documented.** A written contract will help you protect your financial contribution and make sure you can move on and maintain your independence.