

# Costs that make sense and represent real value

When purchasing a villa, cottage, apartment or serviced apartment in a Summerset village, our cost model has three parts:

## 1 Before you move in

### You will pay:

- a deposit
- a licence payment

## 2 While you're living in the village

### You will pay:

- a weekly fee
- any fees for user-pays services you choose to receive e.g. internet, phone. This charge is based on what you use
- if you choose a service or care package, you will be charged a fee for this
- if you are receiving rest-home level care in your serviced apartment you will pay a daily care fee

## 3 When you leave

### You will receive:

- your repayment sum, which is your licence payment, less the deferred management fee and any outstanding charges
- In the unlikely event your licence has not been sold in six months, we will pay you interest on the amount of your repayment sum

## What you'll pay before you move in

### Deposit

You can reserve your home by paying a \$3,000 deposit and signing an application form.

At the same time, your Sales Manager will run through the **Estimated Return Schedule** so you know what you can expect to receive when you leave.

Should you decide to cancel the agreement prior to settlement, the \$3,000 deposit will be refunded to you in full along with any interest that has been accrued.

**Note:** we don't refund any legal costs you've incurred.

## What you'll pay while living in the village

### Weekly Fee

Summerset charges a Weekly Fee to contribute to the day-to-day running and maintenance costs of the village. The **Weekly Fee** includes all:

- maintenance of gardens and grounds
- maintenance and repair of your home and the village
- cleaning the exterior of your home including windows
- council rates, water charges, and rubbish collection
- insurance for the fixtures and fittings in your home and for the village
- villages are fenced with after hours security access
- call bell system monitoring and response
- activities and entertainment, including weekly happy hour
- village outings
- overall management of the village and communal facilities

You will need to pay for your own personal contents insurance, power\* and phone bills. These are not included in the Weekly Fee.

\* Power costs are included in your package if you live in a serviced apartment or in our care centre.

### Other village services you may choose to pay for

There are a range of additional services you may choose to use in the village. These include:

- hair and beauty services
- health practitioners
- Divine café
- meals (breakfast, lunch and dinner)
- laundry services
- additional gardening
- general services, including cleaning, assistance with errands and medication, and pet minding.

## Care and Support

### Service packages

In a Summerset village, as your needs change, you can access additional levels of care and support.

These services are available either as a Service Package or as individual add on services. Fees for these services are charged in addition to your Weekly Fee.

### Care services and subsidies

If you need Rest Home, Hospital Care or Dementia Care, these may be partially or fully subsidised by the Government. The subsidy you are eligible for is subject to asset and income testing and is determined by WINZ.

You'll find more information about Government subsidies in our Summerset Care brochure.

### PEACE OF MIND GUARANTEE

We guarantee that any increases in Weekly Fees will never exceed the percentage increase in the rate of NZ superannuation in any given year.

So, for example, if NZ Superannuation rises by 2%, the Weekly Fee can rise by no more than 2% in the same year.

### SUMMERSET SURE GUARANTEE

If you decide that Summerset life is not for you, then you can activate your Summerset Sure guarantee.

This means you'll have 90 days to be sure your new home is right for you - or we'll give you your money back (some conditions apply).

## When you leave

### Repayment Sum

When you leave your home in a Summerset village, we'll repay the **Licence Payment** you paid when you first moved in, less the **Deferred Management Fee** and any other outstanding charges. This repayment amount will be received once we've resold and settled your home with a new resident.

You can find out more about the Deferred Management Fee and how it's calculated below and on the following page.

Your Weekly Fee ceases from when the keys are handed back and the property is vacant.

The cost of marketing and refurbishing your home other than damage beyond fair wear and tear is covered by your Deferred Management Fee.

## Other things you need to know

### What is the Deferred Management Fee?

The Deferred Management Fee (DMF) covers the cost of communal facilities, management, long-term maintenance and the refurbishment and re-selling of your home and is deducted when you leave your home.

In the case of **villas, townhouses, cottages and apartments**, you'll be charged a total DMF of 25% of the Licence Payment you paid for your home. This will be charged at 5% on entry, then a further 5% per annum (accrued daily) over the next four years.

In the case of **serviced apartments** you'll be charged a total DMF of 25% of the Licence Payment you paid for your home. This will be charged at 5% on entry, then a further 10% per annum (accrued daily) over the next two years.

### VILLA EXAMPLE: LICENCE PAYMENT \$600,000

Period in home	Percentage	Accrual	Total Deferred Management Fee	Repayment Sum
On entry	5%	\$30,000	\$30,000	\$570,000
Year 1	5%	\$30,000	\$60,000	\$540,000
Year 2	5%	\$30,000	\$90,000	\$510,000
Year 3	5%	\$30,000	\$120,000	\$480,000
Year 4	5%	\$30,000	\$150,000	\$450,000
Years 5 +	nil	nil	\$150,000	\$450,000

### SERVICED APARTMENT AND MEMORY CARE APARTMENT EXAMPLE: LICENCE PAYMENT \$400,000

Period in home	Percentage	Accrual	Total Deferred Management Fee	Repayment Sum
On entry	5%	\$20,000	\$20,000	\$380,000
Year 1	10%	\$40,000	\$60,000	\$340,000
Year 2	10%	\$40,000	\$100,000	\$300,000
Year 3+	nil	nil	\$100,000	\$300,000



## Transfer policy and associated costs

### Fees

If you **need** to move from one of our villas, townhouses, cottages or apartments to a Summerset serviced apartment or memory care apartment within the same village, you won't be charged an administration fee. If you move into a serviced apartment you will need to purchase a service package. If you move into a memory care apartment, you will need to sign an admission agreement and pay the daily care fee under your agreement.

If you **choose** to move to another villa, townhouse or apartment within the same village, or to a home in another Summerset village, there will be an administration fee equal to 2% of the licence payment for your new home.

### Deferred Management Fee

If you move from a villa, townhouse, cottage or apartment, to a serviced apartment, or

a memory care apartment see the terms of your Occupation Rights Agreement for more information on how this works. You can also move into a serviced apartment straight away, there's no need to wait for your home to be sold.

### Moving to a higher valued serviced apartment

If you **need** to move into a serviced apartment, and the licence payment is greater than the repayment sum you will receive for your current Summerset home, do not worry, we will cover any capital difference.

If this move is **choice based** then you will be required to cover the capital difference.

Full transfer details are contained in your Occupation Right Agreement.

Costs current as at 1 June 2021 and may change. For more information, please speak with the Sales Manager.



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**Summerset**  
RETIREMENT VILLAGES