

# Understanding the costs

for independent living and assisted living apartments

Our cost model for independent living homes and assisted living apartments has three parts:

## 1 Before you move in

**You will pay:**

- a deposit
- an incoming contribution

## 2 While you're living in the village

**You will pay:**

- a weekly fee
- if your home is an independent living unit, you will be responsible for water charges
- 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 your home is an assisted living apartment, you will also be required to purchase one of Summerset's services packages

## 3 When you leave

**You will receive:**

- your repayment sum, which is your incoming contribution, less the deferred management fee and any outstanding charges
- Your repayment sum will be paid to you when your home is on-sold or within 6 months, whichever is earlier

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.

Note: we don't refund any legal costs you may have incurred.

### Ingoing Contribution

The incoming contribution is the amount you'll need to pay to live in your Summerset home.

This is set out in your Residence & Management Contract. Before you move into your home, you'll need to pay your incoming contribution less the deposit you've already paid.

# 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 increases annually at the same rate as the increase in the Consumer Price Index\*.

The **weekly fee** includes:

- maintenance of gardens and grounds\*\*
- maintenance of your home and the village
- cleaning the exterior of your home including windows
- rubbish collection charges
- insurance for the structure and fixtures in your home and for the village
- call bell monitoring
- activities and entertainment, including weekly happy hour
- village outings
- overall management of the village and communal facilities
- council rates
- use of the communal facilities such as the pool and spa, resident lounge and library

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

## Other village services you may choose to pay for

There are a range of additional services you may choose to use in the village (once fully constructed). These include:

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

## Care and Support

### Service packages

In a Summerset village (once the village centre is open), as your needs change, you can access additional levels of care and support.

These services are available either as a service package, if you're living in an assisted living apartment, or as individual add on services. Fees for these services are charged in addition to your weekly fee.

If your home is an assisted living apartment, you will also be required to purchase one of Summerset's services packages.

\* Subject to any changes in the Victorian Retirement Villages Act.

\*\* Home maintenance excludes fenced backyards. If your home has an enclosed backyard we provide basic maintenance for your backyard every six months and you are responsible for any additional maintenance.

\*\*\* Power, water and rates costs are included in your package if you live in an assisted living apartment.

## PEACE OF MIND GUARANTEE

We guarantee that any increases in weekly fees in any given year will be at the percentage increase in the Consumer Price Index\*.

So, for example, if the Consumer Price Index rises by 2% in the 12 month period to 30 June, the weekly fee will rise by 2% in the following 12 months.

## SUMMERSET SURE GUARANTEE

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

This means that you'll have 90 days to be sure that Summerset is right for you, or we'll refund your ingoing contribution without deducting the deferred management fee (some conditions apply).

## Care services and subsidies

Residential Aged Care will be available once the village centre is complete, subject to accreditation, availability, and eligibility. These may be partially or fully subsidised by the Government.

## When you leave

### Repayment Sum

When you leave your home in a Summerset village, we'll repay the **ingoing contribution** 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 or within six months of you vacating your home (whichever is earlier).

You can find out more about the deferred management fee and how it's calculated below.

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 **independent living units**, where our standard DMF applies, you'll be charged a maximum DMF of 25% of the ingoing contribution 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 **assisted living apartments** where our standard DMF applies you'll be charged a maximum DMF of 25% of the ingoing contribution 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.

On rare occasions a non standard DMF may be available for independent living homes and assisted living apartments.

### INDEPENDENT LIVING STANDARD EXAMPLE: LICENCE PAYMENT \$700,000

Period in home	Percentage	Accrual	Total Deferred Management Fee	Repayment Sum
On entry	5%	\$35,000	\$35,000	\$665,000
Year 1	5%	\$35,000	\$70,000	\$630,000
Year 2	5%	\$35,000	\$105,000	\$595,000
Year 3	5%	\$35,000	\$140,000	\$560,000
Year 4	5%	\$35,000	\$175,000	\$525,000
Year 5+	nil	nil	\$175,000	\$525,000

### ASSISTED LIVING APARTMENT STANDARD EXAMPLE: LICENCE PAYMENT \$500,000

Period in home	Percentage	Accrual	Total Deferred Management Fee	Repayment Sum
On entry	5%	\$25,000	\$25,000	\$475,000
Year 1	10%	\$50,000	\$75,000	\$425,000
Year 2	10%	\$50,000	\$125,000	\$375,000
Year 3+	nil	nil	\$125,000	\$375,000



## Transfer policy and associated costs

### Fees

If you move from your independent home to an assisted living apartment or residential aged care suite at the same village to access more care you won't be charged an administration fee. We call this a **needs based transfer**. If you move into an assisted living apartment, you will need to either purchase one of Summerset's standard services packages or, if you require a higher level of care, pay the associated fee for those aged care services.

If you move between homes of the same type (e.g independent living unit to another independent living unit) within the same village or to a home in another Summerset village, there will be an administration fee equal to 2% of the ingoing contribution for the new home. **We call this a choice based transfer.**

### Transferring

When transferring, residents have priority (subject to availability of homes). If you move from an independent living home to an assisted living apartment the terms of transfer are detailed in your Residence and Management Contract. Once you have selected your new home within the village, you can transfer straight away — there's no need to wait for your old home to be resold.

## Moving to a higher valued assisted living apartment

If you complete a **needs based transfer** into an assisted living apartment, and the ingoing contribution is greater than the repayment sum you will receive for your current Summerset home, do not worry, we will provide you with an interest free advance of the capital difference. The advance will be re-payable when you leave.

If you complete a **choice based transfer** then you will be required to cover the capital difference.

## Moving into care

Should you need to move into our residential aged care home we will help you manage the transition by on-selling your villa or assisted living apartment. We will charge you a daily accommodation payment (DAP) until your repayment sum becomes available and you can chose how you wish to pay for your care via a refundable accommodation deposit (RAD), via daily accommodation payments (DAP) or a combination of the two.

For more information, please speak with the Sales Manager.



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