Understanding the costs

for independent living units and assisted living apartments

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

1 Before you move in

You will pay:

- A deposit
- An entry payment

2 While you're living in the village

You will pay:

- A maintenance charge (weekly fee)
- If your home is an independent living unit, you will be responsible for water charges and electricity usage
- 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 package, you will be charged a fee for this
- If your home is an assisted living apartment, you will also be required to purchase Summerset's Living Well package

3 When you leave

You will receive:

- Your exit entitlement, which is your entry payment, less the deferred management fee and any outstanding charges
- Your exit entitlement 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 a sales 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.

Entry payment

The entry payment 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 entry payment less the deposit you've already paid.

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What you'll pay while living in the village

Maintenance charge (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, electricity, 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 Summerset's Living Well package.

* 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.

*** Electricity, 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 maintenance charge 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 entry payment without deducting the deferred management fee (conditions apply).

Care services and subsidies

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

When you leave

Exit entitlement

When you leave your home in a Summerset village, we'll repay the **entry payment** you paid when you first moved in, less the **deferred management fee** and any other outstanding charges.

This exit entitlement 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 entry 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 **assisted living apartments** where our standard DMF applies you'll be charged a maximum DMF of 25% of the entry 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.

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

INDEPENDENT LIVING STANDARD EXAMPLE: ENTRY PAYMENT $700,000

Period in home	Percentage	Accrual	Total Deferred Management Fee	Exit Entitlement
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: ENTRY PAYMENT $500,000

Period in home	Percentage	Accrual	Total Deferred Management Fee	Exit Entitlement
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 living unit 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 Summerset's Living Well package 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 the next closest Summerset village, there will be an administration fee equal to 2% of the entry payment for the new home. **We call this a choice based transfer.**

Transferring

When transferring, residents have priority (subject to availability of homes and entry criteria). If you move from an independent living unit 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 (provided you can fund any difference in price).

Moving to a higher valued assisted living apartment

If you complete a **needs based transfer** or a **choice based transfer** into an assisted living apartment, and the entry payment is greater than the exit entitlement you will receive for your current Summerset home, 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 independent living unit or assisted living apartment. We will charge you a daily accommodation payment (DAP) until your exit entitlement becomes available and until that occurs you can ask to use up to 85% of your exit entitlement towards payment of the DAP or refundable accommodation payment (RAD). Once your exit entitlement becomes available or if you have the funds available you can chose how you wish to pay for your care via a RAD, via DAP or a combination of the two. Where you are a couple and one of you needs care and the other is remaining in the independent living unit or assisted living apartment, the exit entitlement is not payable, and the DAP or RAD will need to be self-funded and/or government concessions sought.

For more information, please speak with the Sales Manager.

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