



SwanCare | Fees & Charges

Enriching your retirement journey

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Our Six Month, Peace of Mind Guarantee

Moving into a retirement village can be stressful, particularly if you are coming from a family home you have lived in for many years.

We are confident that you will be happy with your decision to move to SwanCare, but for added assurance, we offer our Peace of Mind Guarantee.

This Guarantee means that if, within six months' of moving into the village you decide it's not for you and want to move out, we will refund your leasehold amount.* No questions asked.

*Terms and conditions apply, see below:

- Entry loan must be paid in full by resident
- If a resident chooses to leave a SwanCare village within the first six months of their lease, no DMF will be charged
- The six month period commences on the commencement date of the Agreement
- A Deed of Surrender must be signed and all keys must be returned within the six month period to qualify for the money back guarantee
- The fortnightly service fee is payable from commencement of the lease agreement and is non refundable
- If a resident takes up the six month money back guarantee, a rental charge of \$100 per week will be deducted from their entry loan
- Any damage caused to the unit that is not considered fair wear and tear will be repaired and the cost charged to the resident
- No loan growth sum entitlement (capital gain) will be paid
- The six month money back guarantee does not apply to residents vacating a unit due to increased care requirements or passing away

Fees & Charges Explained

By choosing to live in a retirement community operated by a reputable retirement living and aged care organisation like SwanCare, you are making a sound decision for your future.

This booklet is intended to give you an overview of SwanCare's fees and charges regarding retirement living at SwanCare Bentley Park and SwanCare Australind Rise. We welcome you to contact our Retirement Living Consultant who can provide further clarification and an exact breakdown of your payment options. We also recommend obtaining independent financial advice to ensure you select the very best option to suit your retirement plans.

SwanCare is a not-for-profit, Western Australian organisation, and a registered charity. Since first opening Bentley Park in 1961, all fees have contributed directly to the award-winning amenities and services that our residents enjoy - there are no shareholders, so only residents benefit from the fees.

A move into a retirement village is often a long thought-out decision. Many people wonder if they will still be able to call their new home their own, or if it will be like renting with a myriad of rules and restrictions in place.

SwanCare offers the majority of its independent living homes on a lease for life (or leasehold) basis.

A lease for life is not really buying in the traditional sense, but it's not like renting either. Your retirement home is yours - there are no rent inspections and your maintenance is included for home fixtures and fittings (including fixed appliances), as well as outside and around the village.

Essentially, it means that SwanCare is the owner of the property and the resident is granted a lease to occupy the residence for life within the provisions of the residence contract.

Residents have full security of tenure preserved in legislation and enjoy the advantages of a community that is purpose designed to their requirements. Residents' rights to occupy at SwanCare are protected by the Retirement Village Act 1992 and associated codes and regulations, (see page 11 for details).



About Deferred Management Fees

When a resident moves from their retirement home at SwanCare, they receive the amount they initially paid for their home, minus the Deferred Management Fees (DMF).

The DMF contributes to the cost of continually improving the accommodation and the wider SwanCare community amenities and common areas.

Funds raised via the DMF are used for redevelopment, to expand and improve the village, whereas the service fee only covers the day-to-day running costs.

At SwanCare, for example, a resident's DMF helps to fund vital developments such as leisure facilities and the construction of new homes.

What Happens When I Leave?

Outgoing SwanCare residents are free to move from the village without having to arrange for the sale of their residence.

SwanCare will take responsibility for the process of releasing the home, including all refurbishment costs. We do not charge any additional selling fees and the initial exit payment is made within 45 days of the home being vacated and keys returned.

What May Affect Potential Capital Gains?

Several factors add value to the resale potential of the home, including services and amenities designed to enhance retirement living, maintenance programs ensuring the village remains attractive to all residents, and security within the village.

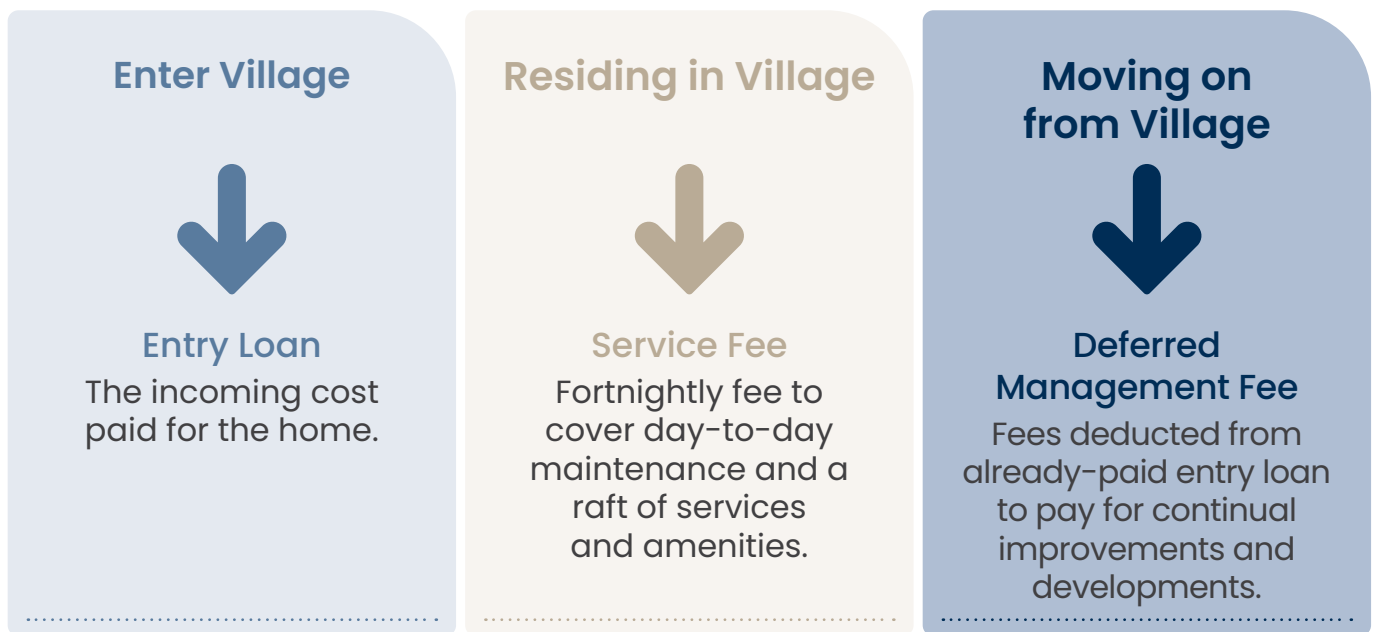
Pricing is guided by the sales prices of similar recently leased properties in the village and will reflect property trends within the local area.





Overview of Costs

The below table provides an overview of the major fees and charges that you need to know about, which will be explained further in this booklet.



Do I Need to Pay a Deposit When I Select a Home?

If you find a place that you like at SwanCare, a fully-refundable deposit secures your choice of home for three months.

If you are selling the family home to fund your entry into the village this period is usually time to complete this transaction, but the duration can be negotiated with us if necessary. The deposit is fully refundable if you decide not to continue with the offer.

When you are ready to move in, the deposit is deducted from the cost of your new home. The balance is payable at settlement, when the home is ready for handing over to you.

Ongoing Costs & What They Cover

Residents do not pay stamp duty, council rates or strata levies at SwanCare. However, once you've moved into SwanCare, you'll pay a fortnightly service fee which covers:

- Maintenance and repair to the building, both exterior and interior of your home
- Maintenance, repair, or replacement on many of the fixtures in your home
- Building insurance
- Water rates and water usage charges
- Rubbish removal
- The running of leisure facilities
- Communal facilities
- Gardens and verges
- Onsite administration
- Onsite maintenance
- Onsite CCTV security monitoring
- Maintenance of common grounds and gardens
- Onsite resident support services*
- After hours onsite security personnel*
- Village wide buggy transport*

Service fees are reviewed annually in line with financial statements and budget preparation for each financial year.

The services you will need to pay for yourself are:

- Gas and electricity connection and usage
- Telephone and Internet services (can be provided by SwanCare, where available)
- Home contents and personal public liability insurances (if applicable)

*Available at SwanCare Bentley Park





What do I Pay as an Entry Loan?

This cost is what we call an entry loan (or 'loan value at entry'), and this is what you pay when you enter. There are two entry loan options for your SwanCare home: **Standard Entry** option or **Flexible Entry** option.

Standard Entry

The Standard Entry option is a more traditional way to pay for your SwanCare home. You pay the full value of the home and pay the standard Deferred Management Fee (DMF) on exit as per table on the next page.

Flexible Entry

The Flexible Entry option may allow you to choose the home you want to live in at a price that works for your budget, or to free up money from the sale of your house, to enjoy during your years in retirement.

Contact us for terms and conditions.

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Standard & Flexible Entry Differences

The main differences between a Standard and Flexible Entry Loan are as follows:

	Standard Entry	Flexible Entry
Incoming contribution (IC)	Fixed	Reduced
DMF structure	5% of entry price per year, paid on exit. Capped at six years (30%)	Yearly percentage will be calculated based on difference between Flexible Entry amount paid and current market value of the home.* Capped at six years
Capital gain share entitlement for resident	50% share paid on resale	No share paid on resale
\$550 administration fee upon entry	✓	✓
No stamp duty upon entry	✓	✓
No marketing or selling fees	✓	✓
Fortnightly fee ceases upon home being vacated and keys returned	✓	✓
No additional refurbishment fee payable on exit	✓	✓
Exit refund entitlement paid within 45 days of home being vacated (excludes capital gain share)	✓	✓
Priority transfer into a SwanCare residential care facility if required**	✓	✓

*Percentage calculation based on prevailing bank lending rates and fixed at entry.

**Subject to eligibility terms and conditions. See page 11 for details.

Entry Arrangement Examples

Standard Entry

Robyn and Jeff move into an apartment at SwanCare Bentley Park for \$450,000. They live in their SwanCare home for 15 years, before transferring into Residential Aged Care. For the first six years, 5% of this amount is accrued as a Deferred Management Fee (DMF).

This amounts to \$22,500 per year, capped at 6 years (30%). After 15 years they have \$315,000 left.

When they leave, their SwanCare apartment is now worth \$550,000. They then receive 50% of capital gain (\$50,000), when the new occupant moves in.

In total, they have \$365,000 refunded.

Flexible Entry

John and Barbara move into a SwanCare villa at Bentley Park for \$450,000 but choose to contribute only \$350,000. SwanCare essentially loans them the \$100,000 shortfall.

They live in their SwanCare villa for 15 years. For the first six years, 2.5% p/a* interest is charged on the shortfall amount equal to \$15,969 over the life of the loan. \$22,500 is also accrued each year (capped at six years) as per standard DMF structure, applied to the overall cost of the entry loan (43.13%).

\$22,500 per year plus \$15,969 - both capped at six years - meaning after 15 years they have \$199,031 left over.

When they leave, their SwanCare villa is now worth \$550,000, however as they opted for the Flexible Entry they do not receive a share of capital gain.

In total, they have \$199,031 refunded.

*Percentage calculation based on prevailing bank lending rates and fixed at entry.



Real Case Studies

Standard Entry

A Real Case Study



James and Cynthia Figgins chose their SwanCare Spacious Villa five years ago. They loved the handy location, within close proximity to many shops and with several transport options. They chose a SwanCare property through the traditional 'Standard Entry' option, meaning they paid the full value of the home upfront. Putting all their assets into their new SwanCare property enabled them to continue receiving their pension entitlements, and meant they would receive a share of any increase in value if there was one upon exiting the village.

They couldn't be happier with how easy the process was for them to relocate. "They've been more than helpful here at SwanCare, and provided all the information we needed" said James.

"Everyone's very easy to speak to and on a first name basis. They're always happy to assist wherever they can."

Flexible Entry

A Real Case Study



Kerri Hilton researched her options thoroughly before moving to SwanCare. She spoke to current residents, reviewed information, and took financial advice from her accountant. Her personal circumstances had changed and she needed to make adjustments to her living arrangements.

"I chose to use SwanCare's flexible entry option as it was best suited to my personal circumstances. This option meant I was paying less money upfront, and therefore not tying all my finances into a property. I have no plans to move away, so really won't benefit from capital gains, and I can spend more savings on travelling, enjoying life, and living in financial security."

Kerri is very happy with her choice, and she advises anyone currently looking to make sure they do their research too.



Retirement Villages Regulations

Retirement Villages Regulations 1992 Schedule 2 item 1: Access to residential aged care services

The administering body of a retirement village cannot guarantee that –

- (a) Any proposed residential aged care facility will be constructed, or that any existing residential aged care facility will continue to be available; or
- (b) You will be allocated a place in, or have an automatic right of transfer to, any Commonwealth funded residential aged care facility (which provides accommodation for people who can no longer live independently); or
- (c) You are eligible to receive Commonwealth and/or State funded community care services (which provide support to assist people to continue to live independently).

Your entry to residential aged care facilities and your eligibility to receive aged care support services are subject to availability and to your ability to meet the eligibility and assessment requirements administered by the Commonwealth and/or State Government.

Aged care facilities and services are not regulated by the Retirement Villages Act 1992 (Western Australia).



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