



Southern Cross Care (Tas.) Inc.

Caring across Tasmania

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A charitable service founded by the Knights of the Southern Cross

FINANCIAL FACT SHEET – RETIREMENT VILLAGES

Southern Cross Care (TAS) incorporating Mary's Grange is a Non for Profit Organisation and is governed by a voluntary Board.

- Operated under *Retirement Villages Act 2004 (Tas)*
- Units are available for rent or purchase of a lifetime licence

Purchase of a Lifetime Licence (Terms & Conditions)

- Payment of a lump sum that is representative of the market value of the unit
- Deductions are made from the lump sum totalling 40% over 10 years, or 5% per annum for the first 5 years and 3% per annum for the next 5 years. (Deferred Management Fee or DMF)
- The resident makes regular payments to Southern Cross Care for Maintenance and Services fees for the upkeep and running units of the village (Maintenance and Service Fee)
- Each resident pays for their own electricity, gas and telephone charges
- Resident receive a 50% share of Capital Appreciation on Unit on departure

Other Services (note all services are not available at every village)

- Bowls (indoor & Outdoor), tennis, gymnasium, craft facilities, library, swimming pool, hair salon, community centre, chapel, 24-hour emergency call bell system, Health and Wellbeing education. etc.

Referral services for appropriate **home care** and support services

Financials

Maintenance and Services Fees

- Vary between sites \$71.05 to \$116.90 per week
- Plus, proportionate share of rates where charged by Municipal Council

Example – Repayment to residents upon departure

- Assume Cost of Unit \$450,000
- Resident in occupancy, 10 years' plus

- Unit value when resident leaves (estimate) \$650,000

Calculation of refund to Resident upon departure

- Ingoing Lump Sum Amount \$450,000
- Less deferred Management Fee 40% \$180,000
- Plus, capital appreciation 50% i.e. 650,000-450,000 \$100,000

Estimated amount of refund \$370,000

Note

1. For most villages Services and Maintenance Costs are established by Southern Cross Care on an annual basis
2. Deferred Management fees are spread over a longer term compared to other providers – i.e. 10 years
3. Most extensive provision of other services than any other provider
4. Only approved Aged Care Provider in Tasmania to share Capital Appreciation
5. Departure refurbishment costs absorbed by Southern Cross Care
6. Resale of unit on departure is undertaken by Southern Cross Care, therefore no selling fees are incurred.