



# OUR CONTRACTS EXPLAINED

Three options so you can choose with confidence

AVEO RETIREMENT LIVING COMMUNITY | NSW

# MOVING IN

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## Promising you transparency and choice

It's an exciting time in your life and we want to help you make the most of it. We also understand that moving into a retirement community is an important decision, one that you want to make with complete confidence knowing it's the right one for you.

So, we took the time to find out what's important to our residents, their families and our potential residents. We listened and the answer was clear. More choice, more flexibility and more ways to secure the lifestyle you want now, with the reassurance of knowing that care and support will be there if you need it in the future.

That's why we've updated our contracts to make them even better.

You'll have absolute clarity on exactly what your financial commitments will be when you move in, throughout your stay and when you move out. Plus, our Aveo Certainty contract makes it easy to transfer between communities and access the services you need if your circumstances change.

At every step of the way, our experienced Sales Consultants will be on hand to answer your questions and help guide you through the process. As always, we encourage you to seek the advice of friends, family and your legal and financial advisors before entering into a contract.

## Upfront Fees

### Occupancy payment

Commonly known as an 'occupancy payment' or 'ingoin contribution', this once-off refundable payment is made by a resident to Aveo in return for obtaining the right to live in a home in an Aveo community under the terms of a retirement village contract.

### Other costs

There may be other costs which might include legal, trustee, registration and survey costs.

### No stamp duty

In Aveo communities, residents obtain a right to live in their home under the terms of either a long-term registered lease or a license agreement, depending on the Aveo community they choose. Therefore, residents do not pay stamp duty.

## The right to change your mind

### 21 day cooling-off period

You can cancel your contract within 21 days of signing without paying any penalties.<sup>1</sup>

### Money Back Guarantee<sup>2</sup>

If you change your mind within 3 or 6 months of settling on your unit, depending on the contract you choose or moving in (whichever occurs first), we'll refund the occupancy payment of your unit. There will be no exit fees.

The 90 day settling in period under the NSW Retirement Villages Act is still available to all residents.








# LIVING IN

## Service Fees

Residents pay service fees on a regular basis as a contribution to the day-to-day running costs of the Aveo community. The setting of service fees occurs in accordance with the retirement villages legislation that applies in the State in which the community is located.

Service fees vary by Aveo community and can vary by the type of home you choose within a community. Please ask a Sales Consultant for the service fees that apply to your chosen home in the Aveo community. The service fee covers things such as:

-  **Community staff**
-  **Cleaning, maintenance & repair of community areas**
-  **Maintenance of community gardens**
-  **Council rates**
-  **Community activities<sup>3</sup>**



1. Unless you waive your additional cooling-off period by settling or taking occupation of your unit.
2. The Money Back Guarantee is subject to particular time frames regarding sale and repayment, as well as other terms and conditions. These terms and conditions are outlined in full in our contracts, which are available upon request. Refund will be paid within 75 days of vacant possession (unless required sooner by legislation).
3. Facilities differ between communities.

# LEAVING





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## Exit Fees

### Deferred Management Fee (DMF)

The exit fee (also known as a deferred management fee 'DMF') allows a resident to move into an Aveo community and benefit from the communal facilities, management and services. The exit fee is deferred and deducted when a resident's occupancy payment is refunded to them. In essence, residents can enjoy now and pay later.


The exit fee, which is one of Aveo's only forms of income, is used to ensure we can continue to provide the lifestyle our residents enjoy now, and into the future. Depending on the retirement village contract you choose, the exit fee is calculated over the first 3 or 5 years of living in your home in an Aveo community and is capped at 35% of the occupancy payment you have paid. The exit fee may contribute to:


-  **Capital improvements within the Aveo community**
-  **Infrastructure upgrades within the Aveo community**
-  **Support of staff who ensure the villages and services are well managed**
-  **Facilities provided to the community**


### Aveo Certainty Membership Fee


A membership fee of \$2,000 per annum applies to our Aveo Certainty contract option. This fee allows you to access certain transfer options and is paid when your exit entitlement is paid to you. See overleaf for further details of the transfer options available.

## No hassles when leaving

-  **No sales commission and marketing costs<sup>4</sup>**

You will not be charged any sales commission or marketing costs by Aveo or Aveo Real Estate related to finding a new resident for your home after you leave the Aveo community.
-  **Guaranteed settlement**

Under the *Retirement Villages Act 1999* (NSW), the sale of your property is guaranteed if it doesn't sell within 6 months, giving you real peace-of-mind. Your service fees will cease after 42 days of you leaving.
-  **No refurbishment costs<sup>5</sup>**

Neither you nor your family want to be burdened by any renovations to the home. That's why when it's time to find a new resident for your home, Aveo will take care of and pay for any works that we think are needed to prepare your home for a new resident, provided you do not intentionally damage or make changes to your new home.
-  **Financial certainty**

Aveo's retirement village contracts are designed to allow residents to know exactly how much their exit entitlement will be. This gives you peace-of-mind as you won't be exposed to the fluctuations in any property market.

# 3 CONTRACTS

## Choose the contract that's right for you

We appreciate that everyone's different, with different needs and circumstances. That's why we offer you a choice of 3 contracts. They all let you enjoy the retirement lifestyle you want today. The choice is yours.

### Aveo Essentials

For Independent Living only, this is a straight-forward way to secure the lifestyle you want now. Your DMF is calculated over 5 years and if you change your mind, you have a 3 month money back guarantee.

### Aveo Way

For Independent Living and Serviced Apartments, enjoy all the benefits of Aveo Essentials with the even greater peace of mind that comes with adjusted guarantee periods. To balance this enhanced flexibility, your DMF is capped after 3 years.

### Aveo Certainty

Choosing Aveo Certainty makes it easy for you to take full advantage of all the options we can offer you. Want to move down the road or interstate to another Aveo community? Not a problem. And if your needs change over time, you can simply step up to a higher level of care and support with a move to a Serviced Apartment or Freedom Aged Care Apartment..<sup>6</sup> Your Sales Consultant will be able to clarify the details for you.



4. Provided you appoint Aveo Real Estate to sell your unit/apartment.

5. This is provided you do not negligently or intentionally damage or make changes to the property.

6. Only available for transfers to a leasehold or licence unit/apartment. The DMF will be calculated on the maximum DMF percentage on the original retirement village contract multiplied by the greater of the original or subsequent occupancy payment. For a move to a higher priced unit, you'll need to fund a top up amount, based on the difference between the market value of your existing unit and the market value of the subsequent unit, at the time of transfer. All transfers are subject to availability and any one resident is limited to a maximum of two transfers. Full terms and conditions are included in the contract documents, which are available on request.

# SUMMARY

## MOVING IN

	Aveo Essentials	Aveo Way	Aveo Certainty
Occupancy payment	Payable on or before the agreed date you will move into your new home		
Other Costs	There may be other costs payable which may include Aveo's legal costs associated with preparing and signing the retirement village contract, trustee acceptance and administration costs, lease registration and survey costs.		
Money Back Guarantee	Within 90 days of moving into your new home	Within 6 months of moving into your new home	Within 6 months of moving into your new home

## LIVING IN

Service Fees	You will be required to pay a periodic service fee for living in your home within the Aveo community. The service fee payable changes annually following the annual budgeting process which occurs in accordance with the <i>Retirement Village Act 1999</i> (NSW).		
Other Costs	You will be personally responsible for electricity, phone and internet connection and usage charges and personal contents insurance.		

## LEAVING

	Aveo Essentials	Aveo Way	Aveo Certainty
Service Fees	You will be required to pay the service fees for your home for a period of 42 days after you leave the Aveo community.		
Other Costs	You are required to pay Aveo's legal costs associated with terminating the retirement village contract and paying the exit entitlement, including any lease surrender costs.		
Exit Fee (Established Homes)	35% of the occupancy payment over 5 years	35% of the occupancy payment over 3 years	35% of the occupancy payment over 3 years
Aveo Certainty Membership Fee	No cost	No cost	\$2,000 each year paid on exit
Guaranteed Settlement (maximum repayment timeframe)	6 months from departure	6 months from departure	6 months from departure
Sales and Marketing Costs	No cost	No cost	No cost
Refurbishment or Renovation Costs	No cost	No cost	No cost

# SUMMARY

Our Sales Consultants may complete the following table<sup>7</sup> to assist you in your understanding of our contracts. These figures are not representations or advice. **It is important you seek financial and legal advice to understand how this may apply to your individual circumstances.**

## MOVING IN

Occupancy payment (ingoing contribution)	\$
Legal Costs	\$
Other Costs	\$
<b>TOTAL</b>	\$

## LIVING IN

Service Fees	\$
Other Costs e.g. phone, electricity, internet, contents insurance	\$
<b>MONTHLY TOTAL</b>	\$

## LEAVING

Exit Fee / DMF Fee (35%)	\$
Aveo Certainty Membership Fee (if applicable)	\$
Legal Costs	\$
Service Fees	\$
Resident make good (if applicable)	\$
<b>TOTAL*</b>	\$

7. The above is in accordance with our standard lease. Other fees and recoveries may apply depending on your contract.



For further information please speak to one of our Sales Consultants.  
Call 13 28 36 or visit [aveo.com.au](http://aveo.com.au)