



ROSSMOYNE WATERS



CHOOSING THE DMF OPTION
THAT BEST SUITS YOU

you have the choice

Adventist Care's business model for Rossmoyne Waters relies upon income received from its residents in compensation for their right to inhabit the Operator's facilities.

The charge for this right, is known as a Management Fee and is deferred until the resident exits the Village and this Deferred Management Fee (DMF) is then deducted from any refundable amount payable to the resident at the time of their exit.

At Rossmoyne Waters residents are given a choice of three different DMF plans. The resident's choice will determine the amount they must pay as their Ingoing Contribution (payment for the Residence Licence Agreement (Life Lease) for the premises) and also the amount they will receive back from the Operator, when they terminate the Life Lease and permanently vacate the premises.

The following pages outline and compares the three DMF options currently on offer by Adventist Care.

Adventist Care's Retirement Living Consultant can provide additional performance information for each plan when alternative Ingoing Contribution amounts and different capital gain percentages are applied.

Which DMF* Plan is best for you?

The 3 DMF Options in Detail:

	Option 1 Classic	Option 2 Advantage	Option 3 Premium
DMF Calculation	<ul style="list-style-type: none"> Ten Per Cent (10%) of the Resident's Ingoing Contribution for the first year (or part thereof) after the Commencement Date; <i>plus</i> Ten Per Cent (10%) of the Resident's Ingoing Contribution for the second year (or part thereof) after the Commencement Date; <i>plus</i> Five Per Cent (5%) of the Resident's Ingoing Contribution for the third year (or part thereof) after the Commencement Date 	<ul style="list-style-type: none"> Five Per Cent (5%) for each year (or part thereof) of the Resident's Ingoing Contribution for the first five (5) years after the Commencement Date; <i>plus</i> Three Per Cent (3%) of the Resident's Ingoing Contribution of the Agreement each year for the sixth to tenth year after the Commencement Date 	<ul style="list-style-type: none"> Six Per Cent (6%) for each year (or part thereof) of the Resident's Ingoing Contribution for the first five (5) years after the Commencement Date
Maximum DMF	<ul style="list-style-type: none"> Twenty-five Per Cent (25%) of the Resident's Ingoing Contribution 	<ul style="list-style-type: none"> Forty Per Cent (40%) of the Resident's Ingoing Contribution 	<ul style="list-style-type: none"> Thirty Per Cent (30%) of the Resident's Ingoing Contribution
Capital Gains/Loss	Not Applicable	<ul style="list-style-type: none"> Twenty Per Cent (20%) of any Capital Gain** on the Resident's Ingoing Contribution that the Resident paid the Operator. 	<ul style="list-style-type: none"> Twenty Five Per Cent (25%) of any Capital Gain** on the Resident's Ingoing Contribution that the Resident paid the Operator.

* Deferred Management Fee (DMF) means the amount paid by the Resident to Adventist Care on termination or surrender of the Residence Licence Agreement as calculated in accordance with the formula referred to within the Agreement which is established between the Resident, the Operator and the Owner of the property.

** The Capital Gain is to be calculated based on the life of the signed Residence Licence Agreement using the most recently released Australian Bureau of Statistics Residential Property Price Index for Perth, Western Australia. Capital losses will not be applied.

The 3 DMF Options Compared (an example):

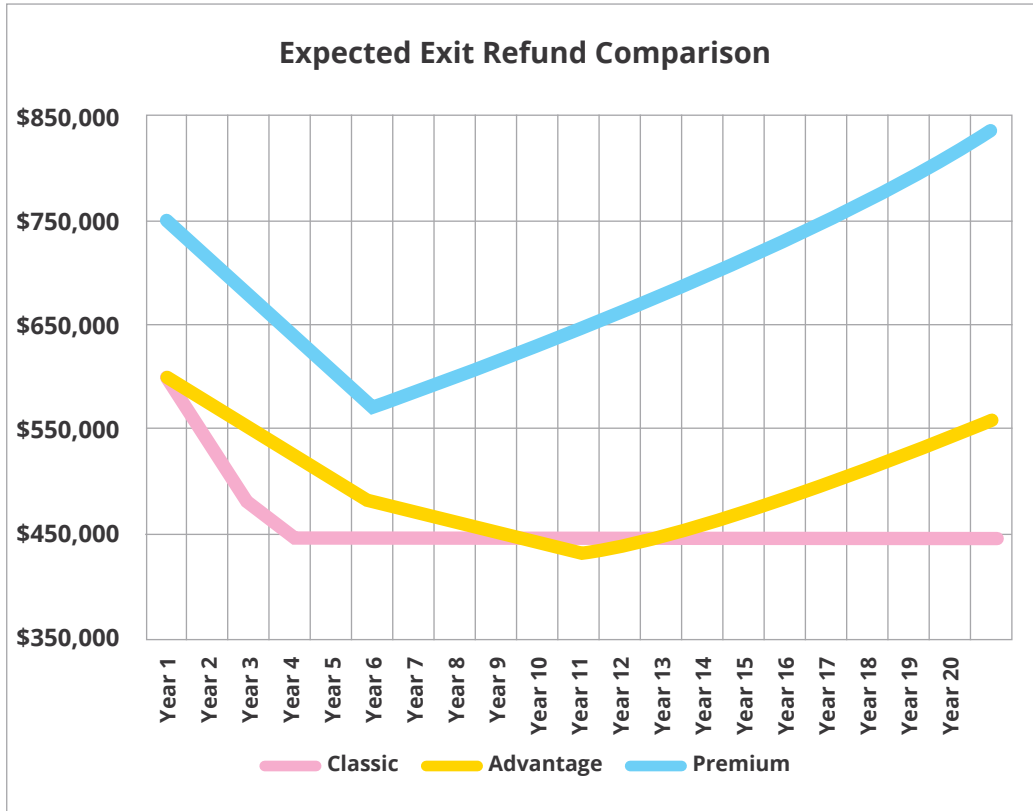
Note: The Ingoing Contribution and Exit Refund amount varies according to the selected DMF plan.

		Option 1 Classic	Option 2 Advantage	Option 3 Premium
PAY	Ingoing Contribution	\$600,000	\$600,000	\$750,000 (includes a 25% investment premium)
	Deferred Management Fee (DMF) Calculation	Year 1 \$60,000 Year 2 \$120,000 Year 3 \$150,000	Year 1 \$30,000 Year 2 \$60,000 Year 3 \$90,000 Year 4 \$120,000 Year 5 \$150,000 Year 6 \$168,000 Year 7 \$186,000 Year 8 \$204,000 Year 9 \$222,000 Year 10 \$240,000	Year 1 \$45,000 Year 2 \$90,000 Year 3 \$135,000 Year 4 \$180,000 Year 5 \$225,000
LOSE	Maximum DMF	\$150,000	\$240,000	\$225,000
	Capital Gains/Loss Assuming annual capital gains averages at 5%.	Not Applicable	Year 1 \$6,000 Year 2 \$12,300 Year 3 \$18,915 Year 4 \$25,861 Year 5 \$33,154 Year 10 \$75,467 Year 20 \$198,396	Year 1 \$9,375 Year 2 \$19,219 Year 3 \$29,555 Year 4 \$40,407 Year 5 \$51,803 Year 10 \$117,918 Year 20 \$309,993
REFUND	Expected Refund to Resident <i>(Refund equals the Ingoing Contribution less the DMF plus the Capital Gains where applicable)</i>	Year 1 \$540,000 Year 2 \$480,000 Year 3 \$450,000 Year 4 \$450,000 Year 5 \$450,000 Year 10 \$450,000 Year 20 \$450,000	Year 1 \$576,000 Year 2 \$552,300 Year 3 \$528,915 Year 4 \$505,861 Year 5 \$483,154 Year 10 \$435,467 Year 20 \$558,396	Year 1 \$714,375 Year 2 \$679,219 Year 3 \$644,555 Year 4 \$610,407 Year 5 \$576,803 Year 10 \$642,918 Year 20 \$834,993

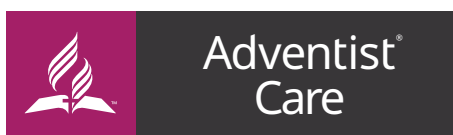
- Yearly amounts shown above are cumulative.
- The resident will be bound to the selected DMF option throughout the term of the signed Agreement.

The 3 DMF Options Compared (an example):

Note: The figures from the previous page are shown below in graph form.



When choosing which DMF option best suits your needs, Adventist Care recommends all prospective residents to seek counsel from a quality, independent financial advisor, and especially from someone who specialises in and understands the needs of retirement living.



Operated by Seventh-day Adventist Care (Western Australia) Limited

31 Webb Street, Rossmoyne, WA, 6148

T: 08 9354 4133 | F: 08 9354 3977 | E: waac@adventist.org.au

www.adventistcare.org.au | ABN: 72 104 553 620