

How one customer was able to understand the implications of Aveo's different payment options through a Village Guru Report

CASE STUDY



Pam* (not her real name) recently downsized from her family home into a 2-bedroom apartment at Aveo Oak Tree Hill.

She had always lived in the area and enjoys being part of the local community but was finding that the family home was just becoming too much for her.

She recently started receiving a Home Care Package (level 2) and a friend suggested that a move to a retirement village where she doesn't have to struggle with stairs, a shower over the bath and maintaining a garden might be a good idea.

Here's what Aveo's 3 different payment options look like for Pam:



Aveo Oak Tree Hill Glen Waverley

	Later	Now	Bond
Description	2 Bed 1 Bath Apt	2 Bed 1 Bath Apt	2 Bed 1 Bath Apt
Home Value (net)	\$465,000	\$534,750	\$618,450
Investments	\$335,000	\$265,250	\$181,550
Personal assets	\$25,000	\$25,000	\$25,000
Expenses (Annual)			
General Service Charge	\$7,200	\$7,200	\$7,200
Home Care Package	\$3,811	\$3,811	\$3,811
Total Expenses	\$11,011	\$11,011	\$11,011
Income (Annual)			
Age Pension	\$18,174	\$23,615	\$25,155
Deemed Income	\$6,466	\$4,896	\$3,013
Total Income	\$24,640	\$28,511	\$28,168
Estimated Proceeds			
Proceeds after 1 year	\$395,250	\$488,297	\$604,500
Proceeds after 2 years	\$348,750	\$465,000	\$604,500
Proceeds after 5 years	\$302,250	\$465,000	\$604,500
Proceeds after 10 years	\$302,250	\$465,000	\$604,500
Repayment Timeframe	6 Months	6 Months	3 Months



Pam sought advice and decided that the Now option would suit her best. It enables her to free up some of the equity from her home while maintaining a part Age Pension. It also means that by paying a Management Fee of \$69,750 now she doesn't need pay \$162,750 later and she has the comfort of knowing that she will get her money back after 6 months even if her apartment doesn't sell that quickly.

It's important to remember that while this was the right choice for Pam, it may not be right for you. It's best to seek advice about how the options work for your personal situation, needs and objectives.

Report considers all aspects of living in the retirement village

Marilyn Graham, National Sales Innovation Manager at Aveo explains "The Village Guru Essentials Report enables us to show our customers how our payment options work and how they can influence a range of other financial considerations like age pension, rent assistance and home care package costs."



Marilyn Graham

"It means that our customers are really well informed about the transaction so when they are seeking advice, whether that's from a specialist legal or financial adviser or from their children, they can go into those conversations with confidence."



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