

Explaining how a Village Guru report helped one customer to move into the Ingenia Lara community in Victoria

CASE STUDY



Di McGrath

Di McGrath, the Senior Sales Manager Ingenia Lifestyle Lara, explains how the Village Guru software assisted one of her customers to make an important decision.

"Margaret (not her real name) recently bought into our Lara community," Di said.

"Margaret had lost her husband a year ago and has been struggling to maintain her current home and feeling very isolated.

"She really loved one of Ingenia's brand new homes with two bedrooms plus a separate study,

it has a walk in robe and an ensuite off the main bedroom (something she has never had and was very excited about).

"It also has a spacious kitchen, open plan living (with beautiful raked ceilings) and stacker doors flowing onto a covered alfresco deck — perfect for entertaining.

"The price of the new home was \$465,000 and as much as she loved it, she wasn't sure she could afford it. She asked to look at one of our re-sale homes which is a little bit smaller and has a cheaper price tag at \$385,000.

"We gave Margaret a **Village Guru** report (see below) to show her how the brand new home and re-sale homes compare to assist her with making the right decision for her."

Ingenia Lifestyle Lakeside Lara		
Lara		
	Ingenia land lease contract	Ingenia land lease contract
Description	Re Sale Home	Brand New
Home Value (net)	\$385,000	\$465,000
Investments	\$365,000	\$285,000
Personal assets	\$25,000	\$25,000
Expenses (Annual)		
Site Fees	\$9,828	\$9,828
Total Expenses	\$9,828	\$9,828
Income (Annual)		
Age Pension	\$15,834	\$22,074
Rent Assistance	\$3,713	\$3,713
Deemed Income	\$7,141	\$5,341
Total Income	\$26,687	\$31,127
Estimated Proceeds		
Capital Growth	2% p.a	2% p.a
Capital Gain Share	100%	100%
Proceeds after 1 year	\$384,846	\$464,814
Proceeds after 2 years	\$392,543	\$474,110
Proceeds after 5 years	\$416,570	\$503,130
Proceeds after 10 years	\$459,927	\$555,496
Proceeds after 15 years	\$507,796	\$613,312
Repayment Timeframe	When Sold	When Sold



Margaret's decision

Margaret has never received rent assistance, so when the report showed her that the estimated rent assistance in the community would be \$3,700 per year (covering almost a third of her site fees) she was surprised.

The fact that the home she really loved meant her age pension was likely to be \$6,200 per year higher, also alleviated a lot of her concerns about not being able to afford it.

She ended up purchasing the higher value home.

However, there is no right or wrong decision here — it's about considering what might be best after looking at all the facts.

Di McGrath talks about the Village Guru software

"For a lot of people thinking about moving to a retirement community, working out what it all means in terms of their financial circumstances can be confusing — for example, understanding how it will affect their Age pension.

"Many people will have never been eligible for Rent Assistance, so understanding the rules around that and how much they can get is a whole new consideration."

"**Village Guru** is great, as we can show people really clearly what they are going to pay for their home, how much it costs to live in the community and what they can expect to receive when they leave, combined with factors such as their pension and rent assistance.

"This gives real clarity about how much money they can expect to have left over to invest or buy the new caravan they have been dreaming of.

"Obviously we can't give them advice — we refer our residents to specialist lawyers and financial advisers — but the **Village Essentials Report** means that they go into those meetings with professional advisers, or have conversations with family members who are guiding them, with a good understanding of the transaction."

"For a lot of people we are not the only option, so the fact that the software enables us to show how we compare with staying in their current home, downsizing to a new house and land



package or moving into a retirement village can really help simplify what are some very complex calculations. Let's face it, it's not easy to do the sums on your own!"

"House prices have been going up in the area, and many people don't realise that it means they'll likely be able to unlock more equity through the sale of their home and can afford a nicer home with us. When we show them the figures it makes the decision so much easier."

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