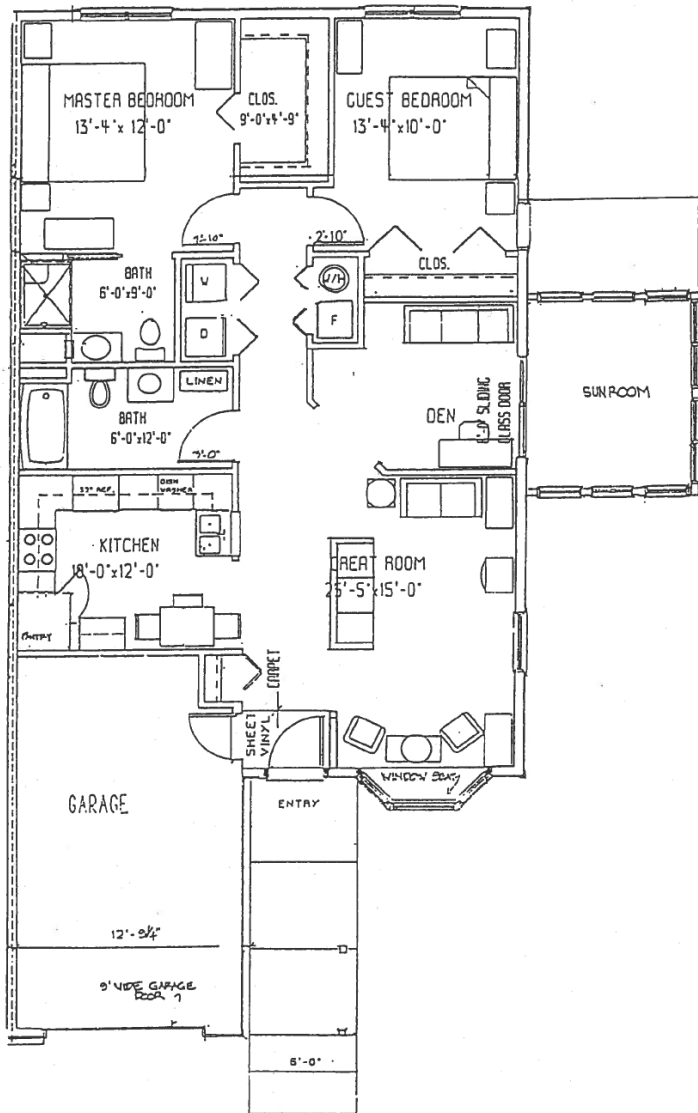


FLOOR PLAN



"Providing Seniors Quality Christian Care and Service"

Davenport Lutheran Home Communities

1130 West 53rd Street - Davenport, IA 52806 - (563) 391-5342 - www.lhaa-e.org

Shelly Hopp, RN., Administrator



**THE LUTHERAN
HOME for the AGED
ASSOCIATION-EAST**



**Independent
Living**

October 2018

INDEPENDENT LIVING TOWN HOME FEE STRUCTURE

Purchasing Occupancy Rights. Acquiring your town home will require you to pay a refundable entrance fee. This means that you are purchasing occupancy rights to your town home. The key benefit of this fee structure is that residents or their heirs would have a major portion of the initial charge returned to them at the time of vacancy and subsequent resale of the town home.

The amount of the refund will be determined by the resale price to a new resident. From this negotiated amount we will deduct a marketing and remodeling fee. The balance of the entrance fee will be refunded. This financing design allows you to retain equity, or savings acquired throughout your life, for special needs or to pass on to your heirs.

EXAMPLES OF REMODELING/DEPRECIATION/CAPITAL IMPROVEMENT FEE CALCULATIONS: (Does not include calculation for marketing fee.)

EXAMPLE A: Resident occupied the Living Unit for 2½ years before this Agreement was terminated and the New Occupant's Residency entrance Fee is \$100,000. Therefore, Resident's Remodeling/Depreciation/Capital Improvement Fee would be \$12,000 [8% of \$100,000 (\$8,000) + 2% of \$100,000 (\$2,000) for the second year + 2% of \$100,000 (\$2,000) for the additional half year].

EXAMPLE B: Resident occupied the Living Unit for 10 years before this Agreement was terminated and the New Occupant's Residency entrance Fee is \$100,000. Therefore, Resident's Remodeling/Depreciation/Capital Improvement Fee would be \$25,000 [25% of \$100,000], which is less than the \$26,000 it would otherwise be under the formula [8% of \$100,000 (\$8,000) for the first year + 2% of \$100,000 for years 2-10, a total of 9 years (\$18,000)].

EXAMPLE C: The term of this Agreement lasted 7 years. The Living Unit was destroyed by a fire after Resident had occupied it for 3 years and the rebuilding period in which Resident was unable to occupy the Living Unit lasted one year (year 4). Then, Resident moved back in the living Unit and remained there another 3 years (years 5-7) before this Agreement was terminated. The New Occupant's Residency Entrance Fee is \$100,000. Therefore, Resident's Remodeling/Depreciation/Capital Improvement Fee would be \$18,000 [8% of \$100,000 (\$8,000) for the first year + 2% of \$100,000 for years 2-3, a total of 2 years (\$4,000) + 2% of \$100,000 for years 5-7, a total of 3 years (\$6,000)].

Note: This example to the left **does not include the "Marketing Fee" of 3% of the New occupant's Residency Entrance Fee.*

A monthly service fee of \$227.75 is charged to each residence in the Town Home community. This monthly service fee includes:

- ▶ Exterior and interior maintenance
- ▶ Annual fall or spring cleaning
- ▶ Scheduled window washing
- ▶ Cable TV
- ▶ Lawn Care
- ▶ Snow and ice removal from streets and sidewalks
- ▶ Insurance

- ▶ Property Tax assessment will be charged semi-annually.

Utilities (electricity, gas, water and telephone) are the responsibility of each resident and will be paid directly to the provider of the service.

