

How the Sun Villages  
Model has solutions for  
all ages and life stages

# Passion for people

A life long journey



# Benefits of the model

## for owner- residents

- Owner residents secure a 99-year lease with all the rights and responsibilities of an owner – if they buy more shares, their lease fee reduces
- Lease costs increase with wages component of CPI
- Can buy more shares in other SV developments
- Can sell portion of shares if needing capital, provided the minimum number of shares are retained
- When apartment is paid off - no more lease fee to pay; return on extra shares becomes an income stream
- This can happen immediately, or as more shares are purchased to offset against the lease fee

# Benefits of the model

for pure  
investors

- No costs of buying or selling real estate
- Offers a safe return protected from volatility
- Delivers a predictable outcome regardless of external circumstances
- Liquidity of the share market and security of property
- Can sell some shares if you need capital – no need to sell a property or take a bank loan for a capital item
- No worries or loss of income from vacancy, damage, repairs, rates or maintenance – get full income/return on investment
- ROI rises with wages: reflects in an appreciation in share value – a different form of capital gain

# Scenario:

Invest \$1 million & receive 20% or > profit = \$1.2 m in shares  
yields a max of 6% pa = \$6,000 per month (\$1,380/w)

Assume your 99 year lease costs \$2,600 per month (\$600/w)  
You have a net amount of \$6,000 - \$2,600 = \$3,400 per month  
spending money

If you reduce your apartment size and lease to say \$2,000 per month (neglecting any CPI change) then your disposable income is \$4,000 /m

When you die, your \$1.2 million in shares is divided among your heirs, or however you wish to distribute your property.

financial  
freedom



# Benefits of the model

for  
downsizers



With ***'entirement'*** villages there's no need for retirement villages!

No high cost weekly charges, no loss of capital.

# Benefit your heirs

## scenarios for inherited shares

Patricia is permanently overseas – so wants to sell her shares. What can she sell these shares for?



Pat

Ben, who already has his own lease in the village, simply uses the income from these shares to further reduce his lease payment on his own large family home.



Ben

Laura wants to move into this village and take over the lease for the home of their parents. Her return on her shares completely offsets the monthly lease.



Laura

Jack is overseas for a short while and keeps his shares to enjoy the extra income of \$1,800 per month. (A secure investment with no responsibility.)



Jack

# Share value:

## who will buy inherited shares

\$1.2 million in shares is divided among four children.

**Each child receives \$300,000 worth of shares**

As Patricia is permanently overseas – so she chooses to sell her shares:

**What are her shares worth? And who will buy them?**

- Owner-residents
- SMSF – super funds
- People wishing to live in a village that's not yet built



## Scenario:

### capital gain when selling shares

- Owner-resident wants to further offset her lease fee, - willing to pay \$115,000 for shares that originally cost \$100,000. Patricia is willing to simply take a fair price from this friend of her parents, living in the same village;
- Young couple wish to secure an apartment in the next village development. They have saved \$60,000 and negotiate to pay Patricia this amount for shares that originally cost \$50,000;
- SMSF superfunds already invested, are accumulating the ROI in the ban - and this re-invested asap. They offer Patricia \$200,000 for her remaining original \$150,000 worth of shares.

**Patricia makes \$75,000 on top of her original \$300,000 shares.**

## Scenario:

## lift-up in life

Young couple Sally and Steve live in a one-bedroom apartment. They are motivated to save as hard as possible as they plan a family and know that they will soon require more space. They purchase more shares and reduce their lease fee.

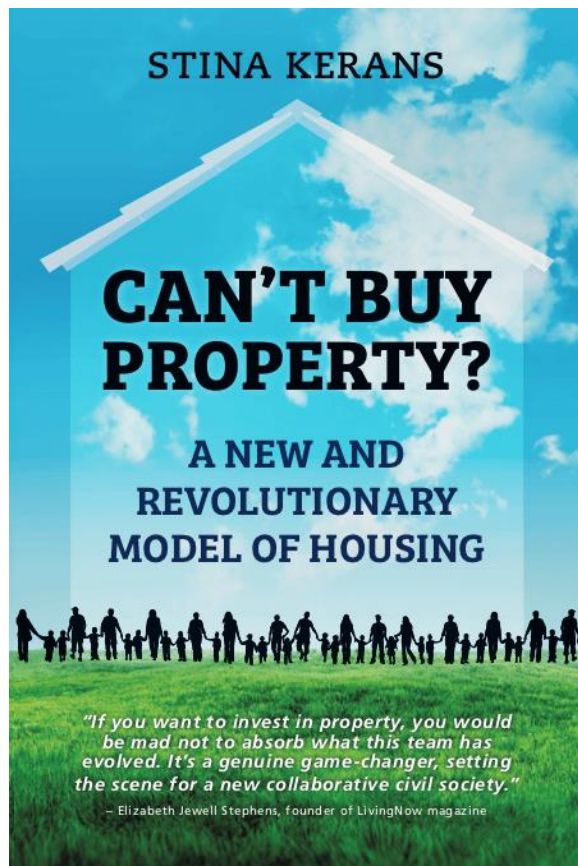
Since their living costs are so much lower than would be out in the conventional housing market, they are able to continue saving and just before the birth of their first child, they are able to take on more space.

Sally plans to be a stay-at-home mum and take on some work in the village. They see the potential for Steve to reduce, or his off-site work so he is able to spend more time with his family.

It's likely they will both be able to earn a living within the village.

More  
stories...

More  
explanations...  
the story of the  
Sun Villages  
model



<https://sunvillages.com.au/>