



## **Your Financial Options**

FCCRC is offering residents of Friends Center City Riverfront two basic financial options: an entrance fee model and a unit purchase model. These two options are described below and in the following pages.

### **The Entrance Fee Model (EF)**

#### **Description:**

The entrance fee model works similarly to the programs offered by many Continuing Care Retirement Communities (CCRCs) in the region.

- You pay an up front entrance fee when you enter FCC Riverfront.
- That fee is 90% refundable to you or your heirs when you depart the community.
- The amount of your entrance fees varies with the size and location of your living unit.
- In addition to the entry fee, you pay a monthly fee that covers all the basic services provided by FCC Riverfront as outlined in other parts of this information package. These services currently include, health care coordination, front desk security, all maintenance services for your living unit, real estate taxes, and all utilities except phone and cable and all building and condo fees and membership in FitC, our “community without walls” program of events and activities. Other services are provided on a fee for service basis.

#### **Requirements:**

- Membership in Friends Life Care (for lifetime healthcare) or equivalent long-term care plan, or demonstrated ability to provide for lifetime healthcare costs
- Sufficient financial resources to meet the entrance fee and monthly fees

#### **Benefits:**

- Simplifies your life. Home maintenance is covered in your contract with FCC Riverfront. This includes all maintenance and fees associated with your living unit and the building. Housekeeping services will be provided on a fee for service basis, in addition to regular maintenance services. Front desk security will insure your safety and prompt response in the event of a medical emergency. You or your heirs will not be burdened with the sale of your living unit when you leave; this is the responsibility of FCC Riverfront, and 90% of your entrance fee is returned to your heirs.
- A supportive community. Community activities are organized and managed by residents with paid professional assistance as needed. A FLC healthcare coordinator will help residents with wellness programs and provide assistance with navigating the health care system. Our community space will be available for dining and other activities for residents and the larger FCCRC community. Weekly dinners (currently 2 per week) will provide an occasion to gather with friends and neighbors. This dining service will also be open to non-resident members of the FCCRC community, as well as to friends and relatives.
- There is no downside risk of depreciation in the value of your unit.

**Drawbacks:**

- Those who don't want assistance with maintenance and the management of their residences may not find value in these management services.
- This option does not provide the opportunity for appreciation in the value of your unit

**Additional options:**

- For those who are interested in reducing their monthly expenses, there is the option of reducing the proportion of the entrance fee that is refundable and using a portion of that entrance fee to significantly reduce monthly costs. We have developed a fee calculator which enables you to design the entrance fee/monthly fee balance that best meets your needs.

**The Ownership Model (OM)****Description:**

The ownership model is based on your purchase of your living unit at FCC Riverfront through the special pricing obtained by FCCRC or directly from the owner of the desired living unit.

- You purchase your unit when you enter FCC Riverfront.
- You are fully responsible for all the maintenance of the unit and for all taxes and fees associated with that unit.
- You or your heirs are responsible for the sale of the unit when you leave; FCC Riverfront retains a right of first refusal on the purchase of the unit under specified terms and conditions.
- Purchase prices and carrying costs vary with the size and location of your living unit. In addition, you pay a monthly fee to FCC Riverfront that covers the basic services associated with maintenance of the community (community common space, any professional community management, health care coordination and FitC membership)
- Those selecting this model have the option of purchasing other services provided by FCC Riverfront, but are not required to do so. These services are outlined in other parts of this information package. They include maintenance services for your living unit, continental breakfasts, dinners with the community, housekeeping services and health club membership.

**Requirements:**

- Membership in Friends Life Care or equivalent long-term care plan or equivalent.
- Sufficient financial resources to meet the unit purchase price, monthly carrying costs for the unit and monthly fees associated with the maintenance of the FCC Riverfront community

**Benefits:**

- Opportunity for appreciation. As owner of the unit, you would receive all benefits from the appreciation in the value of the real estate purchased through FCCRC's discounted pricing arrangement with the developer.
- Assurance of ability to participate in FCC Riverfront on your schedule. Those purchasing units through FCC Riverfront will pay a basic monthly fee to institute and maintain core FCC Riverfront programs and services and the use of the FCC Riverfront community space.
- A supportive community. A healthcare coordinator will help residents with wellness programs and provide assistance with health care. A community space will be available for dining and other activities for residents and the larger FCCRC community.
- FCC-Riverfront offers a fee-for-service model for range of services offered by FCC Riverfront. These include two dinners per week that provide an occasion to gather with friends and neighbors. Housekeeping and home maintenance services are additional service options.

**Drawbacks:**

- You are responsible for all maintenance and finances associated with your unit, as you will be a condo owner
- You would have the risk of depreciation of the unit.
- Your monthly fees will include an assessment for basic community services, whether you intend to use them immediately or not
- You or your heirs have full responsibility for selling your unit after you leave the unit, and for all carrying costs associated with the unit until it is sold
- FCCR has a right of first refusal when your unit is sold under specified terms and conditions

**Additional options:**

- You would have the opportunity to sell the unit to FCC Riverfront and convert to an Entrance Fee model at FCC Riverfront’s discretion

**Side by Side Comparison of the Two Financial Options**

<b>Service</b>	<b>Ownership Model</b>	<b>Entrance Fee Model</b>
2 dinners a week	Fee for service	Fee for service
Health club membership	Not yet offered	Not yet offered
Housekeeping	Fee for service	Fee for service
Unit maintenance	Fee for service	Included
Residential utilities	Included	Included
Telephone, cable, electric	Fee for service	Fee for service
Health care coordinator	Included FLC members will receive a reduction in the fee paid to Friends Life Care.	Included FLC members will receive a reduction in the fee paid to Friends Life Care.
Community manager	Not yet offered	Not yet offered
Community space fees	Included	Included
Front desk Security	Included	Included
Condominium fees	Additional cost	Included
Real estate transfer taxes and closing fees	Additional cost	Included

**The Rental Model**

There may be opportunities for resident to rent units rather than to join the community through either the Entrance Fee or Ownership models described above. If you are interested in possibly renting your unit at FCC-Riverfront, please contact us at [info@friendscentercity.org](mailto:info@friendscentercity.org).

