

## **Fairseat Fees and Charges**

This document was last updated on 13<sup>th</sup> April 2017. The Fairseat Board approved an increase in fees to be applied in March 2017. All things being well we expect the next increase to be applied in March 2018.

### **Service Contribution (monthly fee)** effective from March 2017

- Rooms, new apartment contracts, single cottages, Kes 173,000
- Apartments (old contracts pre- 09/2015) Kes 191,000
- Double Cottage, single premium Kes 214,000
- Double Cottage, couple Kes 329,000

### **Monthly Carer Costs** effective from March 2017

- 8-hour Full day care (non-sharing) Kes 29,500
- 24-hour care Kes 100,000

### **Refundable Deposit** Kes 200,000/- per person

This will be refunded when you leave, either directly or to your estate. It essentially is intended to secure the cost of redecorating the residence back to the condition that it was in when you moved in originally but it can be applied to any debt outstanding with Fairseat either directly or indirectly to a third party. There is no interest earned on this deposit.

### **Commitment Fee &/or Capital Contribution**

- Rooms, Kes 100,000
- Apartments Kes 200,000
- Single Cottage Kes 300,000
- Double Cottage Kes 400,000

This commitment fee will be lost if an applicant simply changes their mind once applicants have signed their contracts. Once residents have moved into Fairseat then the “Commitment Fee” becomes a “Capital Contribution”.

This capital contribution is used to finance the development of communal areas for Fairseat. This capital contribution has to be paid upfront when the contract is signed and will not normally be returned.

### **Medical Deposit**

If a resident does not have valid and appropriate medical insurance then Fairseat requires a deposit that will not earn interest. Fairseat reserves the right to change the level of the deposit from time to time and may require

residents to adjust their medical deposit to bring it up to the necessary level. The current level of the Medical Deposit is set at Kes 2,500,000 as at 1<sup>st</sup> March 2017.

### Credits when away

If residents are planning to be away for over a week then they can claim a credit of 1,000/- per day subject to the following conditions:

- a. No less than 14 days' notice of absence to be given in writing
- b. Minimum period of absence is 7 nights if you want to apply for a credit
- c. The first night away and the last night away cannot be claimed

There is a form available from the office to fill in 14 days BEFORE you go away

### Fees for visitors

If you have visitors to stay or take meals there is a form in the office to fill in so that the accounts department can put it on your bill.

Visitor staying overnight – bed only	1,000/-
Breakfast	500/-
Lunch	1,000/-
Supper	500/-

### Interest-Free Loan

On some residences, (apartments & cottages only) Fairseat Foundation requires an interest-free loan equivalent to the cost of replacing the building. Residences are valued by an independent valuer when a residency ceases for whatever reason. The cost of getting the valuation is to the account of the outgoing resident. Any capital improvements done before the new resident moves in are added to this capital value. This amount would need to be given to Fairseat and would only be returned when one departs Fairseat AND when a new resident is found to move into the apartment.

If the residency period has been at least two years then:

- If the new valuation at this point is greater than the amount loaned, then the original value is returned and half the extra amount is returned (the balance is retained by Fairseat).
- If the new valuation is lower than the original valuation then we only return the lower amount. To date the

valuations have always increased but obviously we cannot guarantee that this will always be the case.

If the residency period has been less than two years then:

- If the new valuation at this point is greater than the amount loaned, then only the original value is returned and the balance is retained by Fairseat.
- If the new valuation is lower than the original valuation then we only return the lower amount. To date the valuations have always increased but obviously we cannot guarantee that this will always be the case.

Recent valuations can be found below. Cottages, in particular, vary greatly from one to another and so caution must be used when looking at past valuations and estimating potential valuations. Much depends upon what work has been done recently, especially in bathrooms and kitchen. There is no guarantee that valuations will always rise.

#### Recent Valuations

The values given below are after capital work has been done to upgrade aspects that the new residents wanted changed.

The last two single cottages valued in mid-2016 were Kes 5,600,000 & 6,050,000

The last double cottage valued in early 2017 was 8,050,000. Prior to that, there was one valued at 7,400,000 but we also have valuations of over 10,000,000 as a result of improvements done to cottages recently.

The apartments valued in late 2015 were Kes 4,000,000

Valuations are carried out by a licensed valuer and are based on the “Depreciated Cost of Replacement”. In the case of Fairseat, the biggest single contributor to depreciation is what can be politely termed as “functional obsolescence”. This is where fittings and décor are perfectly functional but tend to belong to an era that would suggest most reasonable new residents would have them upgraded, updated or simply replaced.

The cost of building would be around 65,000/- per square metre in early 2016.