

Most retirees today look at selling their family home and downsizing to more manageable and secure accommodation for their retirement. The first decision is whether to simply buy a smaller home with better security or whether to look at living in a retirement community. The next choice is the kind of ownership that different retirement developments offer, typically between sectional title or Life Right tenure.

We believe that there is no absolute answer as to which is the better option because it involves so many different family and financial circumstances. However, we also believe that for the majority of South African middle-and-higher income retirees, the Life Right



model has significant benefits to offer, most notably because acquiring a Life Right guarantees you security of tenure for the rest of your life.

It is primarily for this reason that the Life Right model is regarded to be the most progressive and leading form of retirement ownership worldwide and it is now the most popular retirement model in the USA, Australia and New Zealand, where it is referred to as a 'right of occupation'.



Buying a Life Right is different from buying a property. In effect, what you are 'buying' when you enter a Life Right agreement with a developer is the life-long legal right to occupy your home / villa or apartment.

If you ever want to relocate, you may terminate this right, but it is not transferable to another person. On termination of your Life Right, it will be sold by the Villa Blanca Management Company to another buyer and 100% of the original purchase price plus growth will be paid to you or your estate.

The Villa Blanca Property Company retains ownership of the individual villas and the common property and is responsible for maintaining them for the benefit of all the residents. As Villa Blanca's developer, our interests and those of our residents are aligned in the Life Right model. All resort facilities, including villas, remain an asset of Villa Blanca, so we manage the resort carefully to protect the value of that asset, maintaining all communal facilities and keeping resort in pristine condition. At the same time, we keep the resort finances, levies and levy inflation in check.



Financial Advantages

There are many financial benefits of the Life Right model, most notably:

- It is the most affordable way to buy into a privileged retirement lifestyle.
- It means a secure villa for life, protected by the Retired Persons Act.
- You save on up-front costs: no VAT, transfer duty or registration costs are payable, just mandatory legal fees.
- The full capital investment plus growth is returned on cancellation of the Life Right.
- Maintenance & repairs, management and resales are the developer's responsibility.
- Villa levies are subject only to inflation-linked increases.
- You will never be called upon to pay special levies for major refurbishment projects.
- **You can earn cash on your Life Right investment by placing the villa in the resort's daily and / or monthly rental pool. This income generating option is valid for a 24-month period, it is flexible and can be exercised over the term of the Life Right residency meaning that you can rent the villa out before or during occupation. Should you for example decide to visit your children for a month over a December holiday then, by placing the villa (3 bed penthouse) in the resort's rental pool, the villa will produce a gross income of R 180,000 for the 30-day period. The rental Income Statement at the bottom of this document highlights this unique income generating opportunity, which can only be achieved at a top class resort such as Villa Blanca.**

Villa Blanca is designed to accommodate the optimal number of residents required to make our exceptional facilities affordable and to provide professional management services of the highest order so you can relax, knowing that the future is budgeted for and all the hassles are taken care of!

Predictable Costs

Transparency regarding operating costs is mandatory in terms of Life Right legislation. We will always provide an accurate estimate of your levy amounts for two years in advance so you can rest assured that your budget can safely be planned in advance with no nasty surprises in store.

Independence & Autonomy

In our experience, people in retirement don't need the headache of maintaining their own amenities and managing the various aspects of the resort to sustain the quality of their environment and their lifestyle.

That's why at Villa Blanca we take on the responsibility of keeping all the wheels turning so you can enjoy your independence. Your interests, concerns, and wishes are clearly communicated to the General Manager via a Life Right Committee. It's a simple process that works well.

Professional Management

The Villa Blanca Management Company takes care of all day-to-day aspects of the resort, such as security, hospitality & guest services, maintenance, and gardening. We work together to deliver retirement living at its easiest and its best.

And we're always there to help. Whatever your particular needs are at any point in time, as a Villa Blanca resident you get to relax, put your feet up, and enjoy the fabulous seaside resort facilities and amazing amenities on offer.



Meticulous Maintenance

Routine repairs along with painting, plumbing and cleaning are carried out by our friendly, well-trained teams. Communal gardens and other outdoor areas are beautifully maintained, and the environment is kept scrupulously clean, neat and tidy at all times

Projected 24-month Income Statement

Item / allocation	1 bed Villa	2 bed Villa	3 bed Villa
Months	24	24	24
75% rental occupancy (months)	18	18	18
Monthly rental	14,500	18,500	25,000
Monthly levy	2,060	3,026	4,025
Monthly rental operational administration @ 5%	725	925	1,250
Monthly banking fees and legal administration @ 1%	145	185	250
Term rental administration (incl down time)	20,880	26,640	36,000
Villa rental income	261,000	333,000	450,000
Levy due to Manco	37,080	54,468	72,450
Villa daily hotel rate (2020)	1,800	3,000	6,000
Hotel income days over 24 months	60	60	60
Villa hotel income	108,000	180,000	360,000
Hotel and operational management fee @ 20%	21,600	36,000	72,000
Total Villa gross income	369,000	513,000	810,000
Total Villa operational expenses	79,560	117,108	180,450
Total Villa net income over 24 months	289,440	395,892	629,550