

# SUMMITVISTA

Utah Political Subdivisions Interim Committee

June 15, 2022

# Summit Vista Overview



- Utah's first Life Plan Community— Independent Living, Assisted Living, Memory Care, and Skilled Nursing
- 3 Neighborhoods, 15 IL Residential Buildings, 3 Clubhouses, 1,600 IL Apartments
- Opened October 2018
- 3 Residential buildings complete— 309 units, 257 Occupied, 375 total residents
- Additional 3 IL residential buildings (300 units) in the next 24 months
- \$140m project-to-date-- \$50m equity, \$57m debt, \$79m in Entrance Deposits
- Total estimated project costs of \$550m

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# Two Part Financial Model

## Entrance Deposit

- 90% Refundable
- \$200k-\$650k depending on size of apartment
- Used to fund construction:
  - Construction costs
  - IL Residential buildings
  - Clubhouse
  - Site infrastructure
  - Pay down debt
  - Interest Expense
  - Entrance Deposit Refunds
- Development Margin = Total Entrance Deposits – Construction Costs

## Monthly Service Plans

- \$2,000 - \$3,000 per months
- Used to fund operations:
  - Wages
  - Food/Supplies
  - Utilities
  - TV, Phone, Internet
  - Maintenance and Repair
  - Property Taxes
  - Insurance
- Operating Margin = Monthly Service Plans – Operating Expenses

# Two Types of Entrance Deposits

## Initial Entrance Deposits

- 1<sup>st</sup> Time an apartment is “sold”
- Goes to project/construction/bank
- Used to fund construction:
  - Construction costs
  - IL Residential buildings
  - Land
  - Clubhouse
  - Site infrastructure
  - Pay down debt
  - Interest Expense

## Re-Occupancy Entrance Deposits

- When an apartment is resold after someone moves out or passes away
- 90% goes to refund pool to pay outstanding, refundable Entrance Deposits
- Use of these funds governed by CCPA and the Residence and Care Agreement, the contract between Summit Vista and residents
- Paid out on a first-come, first-serve basis
- Average refund time is 84 days