

## Amenities and Services

- 258 apartment homes with patios/balconies
- 102 garden homes featuring garages and screened-in patios
- Utilities paid (telephone and internet billed separately); each home/apartment has individually controlled ac/heat
- Robust satellite TV with expanded channel line-up, HD, and DVR
- Three tiers of high-speed internet service
- Bi-weekly housekeeping
- Weekly linen service
- Wellness center for non-emergency medical care
- Flexible dining plan
- The Oak Room, gracious dining, open continually from 11:30 a.m. through dinner
- The Arbors, fine dining, open evenings select days of the week
- The Acorn Grill, casual bistro open for breakfast, lunch, and dinner from 7 a.m. to 7 p.m.
- The Oak Lounge, where you can enjoy your favorite beverage
- Heated, indoor swimming pool, outside walking pool, and Jacuzzi
- The Evergreen Fitness Center, with personalized exercise and wellness programs
- Fireplace with ample seating on the Evergreen Spa patio
- Gallery and wood shop for artists and hobbyists
- Auditorium where events and music programs are held regularly
- Events, trips, courses, concerts, and get-togethers—all arranged by full-time activities coordinators
- The Learning Tree—a resident-run “campus” for lifelong learning
- VitaliTree—a resident-run program for body, mind & spirit, focusing on healthy lifestyle choices
- Scheduled transportation service for medical visits, shopping, entertainment, and more
- Complete maintenance and grounds keeping services
- Emergency call systems and 24-hour security patrol in our gated community
- Care services, including unlimited nursing center care, assisted living, and memory support care
- Bank
- Boutique
- Hair salons
- Card, billiard, and ping pong centers
- Resident garden area
- Library and computer lab
- Chapel and Chaplain
- Notary, fax, postal, shipping, and duplicating services
- Walking paths



**ROYAL OAKS**

**(623) 815-4132**

[www.RoyalOaks.com](http://www.RoyalOaks.com)

## Don't forget the tax benefits of living in a CCRC

Our Independent Living residents qualify for hefty tax breaks as part of the lifecare agreement, as the IRS views the non-refundable entrance fee as a pre-payment expense for health care services. In addition to entrance fees, a portion of your monthly service fee (MSF) is also tax deductible. The logic behind both deductions is that payments entitle residents to lifetime health care as part of their residential agreement, so a portion of their expenses really represents the cost of future health care benefits. On our campus, the tax deduction ranges between 45–50% each year. Many financial advisers and attorneys are not familiar with the medical tax deductions linked to CCRC fees, although accountants may be. We encourage you to have your advisors contact us for more information.

Here is an example of how the tax benefit would work based on a couple paying a \$250,000 entrance fee and monthly fees of \$3,500; they are in a 20% federal income tax bracket:

Of the \$250,000 entrance fee, \$112,500 (45% of \$250,000) would be considered a qualifying medical expense. Only medical expenses above 7.5 percent of adjusted gross income may be deducted from income taxes, so the amount of the deduction will depend on the couple's taxable income and whether they have any other qualifying medical expenses. (Note: The threshold for medical expenses has been raised to 10.5 percent, but taxpayers older than 65 will be able to use the 7.5 percent cut-off for a few more years.) For a couple reporting \$125,000 of taxable income (from Social Security, pensions and investment earnings, for example), only medical expenses above \$7,500 could be deducted. If the couple had no medical expenses

other than their CCRC entrance fee, they could deduct \$105,000 (\$112,500 minus \$7,500) from their taxable income. If they were in the 20% tax bracket, this would save them \$21,000 in the tax year during which they paid the entrance fee. On an ongoing basis, tax deductions for the monthly fees work the same way. In practice, most people have additional medical expenses, so the CCRC tax benefit would yield larger tax savings.

### We are in good hands

Royal Oaks is governed by an all-volunteer Board of Trustees. This diverse group includes current and former physicians, nurses, clergy, architects, businesspeople, and lawyers. The Board has responsibility for strategic planning, financial oversight, establishing policy, and fiduciary and legal compliance. The work of the Board is handled through committees and many residents are committee members, helping guide their community home to an even higher standard. Royal Oaks is a non-profit and residents are assured their fees will come back to them during their life stay. These promises are also backed by the People of Faith Foundation, Inc., a tax-exempt organization whose purpose is to support the residents of Royal Oaks. The Foundation is governed by a volunteer Board of Directors, separate from Royal Oaks' Board of Trustees. The Foundation holds over \$15 million in investment assets. The reserves are set aside to ensure that no resident, who through no fault of their own becomes unable to make their monthly service fee payment, would be asked to leave. This is an astounding promise, and it has been kept for thousands of Royal Oaks' residents for nearly three decades.



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