

DISCLOSURE STATEMENT

APARANGI VILLAGE

2 APRIL 2025

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1. IMPORTANT INFORMATION FOR INTENDING RESIDENTS

This section is as set out in Schedule 4 of the RV Regulations.

Decisions about retirement villages are very important. They have long-term personal and financial consequences.

You should read this Disclosure Statement carefully.

This Disclosure Statement draws your attention to some of the important matters you should consider before deciding to enter a retirement village.

Ask questions.

You must obtain advice from a lawyer independent of the operator of the village before you sign an occupation right agreement (i.e., a document which confers on any person the right to occupy a residential unit within the village and specifies any terms or conditions to which that right is subject).

It is common for there to be misunderstandings by residents and their families about:

- *the kind of legal interest that the resident has in the village;*
- *what happens if the resident or their family wants to exit an occupation right agreement;*
- *the fees and charges that apply to entering, moving between units within, and leaving the village;*
- *the ongoing fees and charges.*

It is important that you and your family understand what is involved in entering into an occupation right agreement to join a retirement village.

Although in most cases you will have 15 working days to cancel an occupation right agreement after signing it, you should consider the issues carefully before you sign any application form or agreement.

2. INTRODUCTION

This Disclosure Statement sets out details about the Village and the rights and obligations you have relating to a Dwelling at the Village.

Important information for intending residents can be found in section 1.

Specific details and information relating to your proposed personal interest in the Village can be found in section 16.

Where any words or phrases are shown with capital first letters, their meanings are set out in section 15.

3. DIRECTORY

Date of Disclosure Statement	2 April 2025
Date Lodged for Registration	3 April 2025
Village Name	Aparangi Village
Village's Street Address	14 Waerenga Road, Te Kauwhata 3710
Village's Registered Office and Address for Service	14 Waerenga Road, Te Kauwhata 3710
Operator	Te Kauwhata Retirement Trust Board A charitable trust registered under the Charitable Trusts Act 1957 under number 211028.
Operator's Trustees	John William Cunningham (Chairperson) Tim Searle (Vice Chairperson) Debbie Sim Glen Beal Charles Anderson Brya Castles
Operator's Registered Office and Street Address	14 Waerenga Road, Te Kauwhata 3710
Operator's Contact Details	Phone: 07 826 3544 Email: CEO.tkretire@aparangi.co.nz
Operator's Agent	Andrew Kerr, Chief Executive
Operator's Agent's Contact Details	Phone: 07 826 0796 Mobile: 027 248 5900 Email: CEO.tkretire@aparangi.co.nz
Statutory Supervisor	Covenant Trustee Services Limited
Statutory Supervisor's Contact Details	Address: Level 6, 191 Queen Street, Auckland Phone: 0800 746 422 Email: info@covenant.co.nz

4. DETAILS OF THE VILLAGE

State of the Village

Construction of the Village began in 1977 and has been constructed through various stages. The dwellings were primarily designed and constructed by the original residents so are constructed of a variety of construction methods and materials.

The Village and its facilities, paths, driveways, roads, grounds, lighting, heating arrangements (where applicable) and security features are in a good and operable condition and standard of maintenance.

As at the date of this Disclosure Statement, the Village is not yet complete. As at the date of this Disclosure Statement we intend to construct a further ten dwellings in the Village, all being independent dwellings. Construction of the first three of these dwellings is underway and we anticipate these will be completed by the end of July 2025. Construction of the remaining seven dwellings is anticipated to take place over the next few years and is subject to demand. We may decide to further develop or redevelop the Village in the future.

The effect of any current or future development on existing residents may be that some inconvenience, traffic and noise is associated with construction. However, we intend to minimise any adverse effect on existing residents. The current development and any future development will not have any effect on the fees payable by existing residents.

The number and type of Dwellings at the Village, along with information on the number of sales in the last 12 months is set out in the attached schedule.

5. SERVICES AND FACILITIES AT THE VILLAGE

Services Offered at the Village

The following services are available at the Village:

Service	Details, including frequency and charges
Gardening and lawn mowing	Gardening and lawn mowing of the common areas of the Village is carried out by us as required.
Repair and maintenance	Repairs and maintenance of the common areas of the Village will be carried out by us as required. Some of the costs of this service are included in the Weekly Fee. Some costs are invoiced to residents as set out in section 9.
Provision of meals	We can provide meals to Residents on request. Meals are charged at market rates as a Services Fee.

Unless specified above, the costs of providing the above services are included in the Weekly Fee.

Facilities Offered at the Village

The following facilities are available at the Village:

Facilities	Details, including limits on availability and charges
Pétanque court	Available in the Village for Residents' use.
Bowling green	The Te Kauwhata Bowling Club is situated adjacent to the Village grounds. Residents must register as a playing member to use the bowling green. Fees are payable to the Bowling Club.
Bowling club	Residents have use of the bowling club facility when not being used by the Bowling Club. Residents who wish to use this facility must register as either a playing or non-playing member of the Bowling Club. We meet the cost of Residents' non-playing membership. The bowling club facility contains a television (with Sky TV), indoor bowls, pool table, dart board and table tennis. A licensed bar is also available during advertised hours.
Community hall	A community hall called the Simmons Hall is situated in the Village and is available for use by Residents and the general public living in the Te Kauwhata greater area. Some activities held in the Simmons Hall may involve a charge paid directly to the organiser.
Library	Available in the Simmons Hall.

Residents may use the facilities during reasonable hours and in accordance with the Village's rules. The cost of providing these facilities is included in the Weekly Fee (unless otherwise specified above).

Services and Facilities Not Offered at the Village

The following services and facilities are not offered at the Village: shops and other services for the provision of goods, laundry services or facilities, transport services, nursing and medical services, hairdressing and other personal care services, recreation and entertainment services, security services, dining facilities, lounge or television room, gymnasium, spa pool, health clinic, swimming pool and tennis court, and there are currently no plans to make these, or other, services and facilities available.

Moving into the Residential Care Unit

The Residential Care Unit is situated at the Village and provides a total of 59 beds, offering rest home level care and hospital level care but not dementia level care. Of the 59 care beds, 25 are certified for the provision of rest home level care, 12 are

certified for the provision of hospital level care, and 22 are dual certified for the provision of rest home or hospital level care depending on the resident's needs.

We will require you to be assessed by an independent geriatrician or a needs assessor at your cost before you can be admitted to the Residential Care Unit. If you have been assessed as requiring long-term rest home care or hospital care, we will give you priority access to the Residential Care Unit over applicants who are not residents of the Village. This is subject to your request, us considering such a move necessary and the availability of suitable facilities. Care beds are not kept open for residents, we cannot guarantee that a suitable bed will be available in the Residential Care Unit when you need it. If you move into the Residential Care Unit, the costs of any such care are payable by you including any costs of additional services and any premium room charges. You may be eligible for a residential care subsidy from the government in respect of care services if you meet the requirements of a needs assessment and means assessment.

6. YOUR OCCUPATION RIGHT AGREEMENT AND YOUR RIGHTS

Nature of Your Interest and Occupancy Rights

You are offered a contractual licence to occupy your Dwelling entitling you to reasonable exclusive use and occupation of your Dwelling free from our unnecessary interruption. That licence is called an Occupation Right Agreement.

The rights granted to you under your Occupation Right Agreement are personal contractual rights only and cannot be registered. The Occupation Right Agreement does not give you any interest in land, ownership right or tenancy in the Village or your Dwelling.

If the Occupation Right Agreement is for two of you, you both hold the benefits and have obligations jointly. If one of you dies, the interest of that person automatically transfers to the other person.

Your Occupation Right Agreement is secured by the encumbrance in favour of the Statutory Supervisor described in section 11 below.

Effect of Marriage or Civil Union on Your Occupation Right Agreement

The Occupation Right Agreement is a personal licence to you to occupy your Dwelling. As such, if you later marry or enter into a civil union, there is no change to the Occupation Right Agreement and it remains in your sole name.

If you would like your spouse or partner to become a resident of your Dwelling under an Occupation Right Agreement, you will need to ask us for approval. We may require your original Occupation Right Agreement to be terminated and replaced with a new Occupation Right Agreement. We may choose not to charge the usual termination amounts but reserve our right to charge an administration fee and recover our legal costs of such arrangement.

Varying Occupation Right Agreement

The Occupation Right Agreement can only be varied or amended if you and we both agree to do so. Any such variation will be recorded in writing.

Your Rights

In addition to the rights you have under the Code of Residents' Rights you, and other residents of the Village, have the following rights:

Right	Details, conditions and any limitations
To mortgage or otherwise borrow against your interest in your Dwelling, or to grant a security interest in the termination proceeds	You need to get our prior written consent to any such borrowing or security interest. As you do not have an interest in land you cannot grant a mortgage.
To have a member of your family (including a de facto partner) stay with you in your Dwelling, or to have a person stay with you in your Dwelling as a companion or carer	You may have up to two guests stay with you for no longer than two months in any 12 month period. If you get our prior written consent, you may have guests for longer stays or have a larger number of guests. We may require any guest to leave if we consider other residents' enjoyment of the Village is negatively affected by their stay.
To keep a pet in your Dwelling	Only with our prior written consent. Such consent relates to a specific pet and can be withdrawn at any time if we consider that you pet's behaviour is causing nuisance, annoyance or distress to others in the Village.

Rights you do not have

You, and other residents, do not have the following rights:

To sell or market your Dwelling, other than to appoint a real estate agent to carry out additional marketing. Please see section 10 for further information on how we sell and market the Dwelling following termination of your Occupation Right Agreement.
To have a person board with you in your Dwelling.
To have a person stay in your Dwelling to mind it for you while you are away.
To let or sub-licence your Dwelling to another person.

Limits on living in or using your Dwelling

You, and other residents of the Village, are subject to the following limitations on your use of your Dwellings:

Alterations	<p>You must not make any structural alterations or additions to your Dwelling, or fit aerials or other items to the exterior of your Dwelling without our prior written consent.</p> <p>However, if you have a disability you are entitled to alter your Dwelling if it does not meet your needs. If you wish to make such structural alterations you must give us written notice and consult with us prior to carrying out the alterations. If we arrange the alteration on your behalf then the costs of the alterations will be payable by you on invoice.</p>
Personal use and occupation	<p>Your Dwelling must only be used for your personal use and occupation, subject to any rights to have people stay in your Dwelling as described above.</p>
Rules	<p>All residents are expected to comply with our Village Rules at all times and ensure their guests are made aware of and comply with the Rules. The Rules may be changed by us provided we first consult with all residents and any such amendment does not affect or detract from your existing rights. Any changes to the Rules do not take effect until we give you notice of the changes.</p>
Your relationships with others	<p>You must not do anything or allow anything to be done (within your control) which is or could be a nuisance or annoyance or cause distress to other residents, us, people who work at the Village or guests. You must also respect the rights of, and treat with courtesy, other residents, us, the people who work at the Village and the people who provide services at the Village. Your use of Community Facilities and any Services is to be exercised with care and consideration for others.</p>
Damage	<p>You must not do anything which damages your Dwelling.</p>

Access to your Dwelling	You will permit us at all reasonable times to enter your Dwelling for the purpose of carrying out an inspection, undertaking any required or agreed work, and remedying any breach of your maintenance obligations. In doing so we will try to cause you as little disturbance as possible, and to the extent possible, we will try to give you at least 24 hours' notice.
Parking	You and your guests may only park in your garage, carport, driveway or off-street carpark attached to your Dwelling, or in the areas designated for parking. You must not park any caravan, boat, camper van, trailer, motor home, truck or similar anywhere in the Village except in your garage unless you get our prior consent.

7. ENTRY AND EXIT PAYMENTS

Entry Payment

To secure an interest in a Dwelling, you must pay us an Entry Payment. A deposit is payable when you apply for a Dwelling with the balance of the Entry Payment payable on the Commencement Date of the Occupation Right Agreement.

The Entry Payment depends on the Dwelling you are interested in. The amount for the Dwelling you are interested in is shown in section 16. It is generally no less than the market price of an Occupation Right Agreement for that Dwelling. The lowest market price is agreed by us and the former resident for the Dwelling, or failing agreement can be set by valuation (see section 10 for further details). In some circumstances we or the former resident may be willing to negotiate this amount with you but are not obliged to do so. The amount of the deposit is agreed between us on application.

Exit Payment

After the Occupation Right Agreement is terminated and on the Exit Payment Date, we pay to you the Exit Payment, which is an amount equal to the entry payment paid by a new resident for your Dwelling, subject to the following deductions:

- The Village Contribution, which is a maximum amount equal to 30% of the Exit Payment (if the Weekly Fee is variable) or such higher percentage as you and we agree (if the Weekly Fee is fixed). If the Exit Payment Date is before the third anniversary of the Commencement Date the Village Contribution will be an amount equal to 1/3 (one third) of the maximum Village Contribution per year from the Commencement Date until the Exit Payment Date, calculated on a daily basis.

The Village Contribution percentage is agreed between you and us when you apply for an Occupation Right Agreement and represents a contribution towards the provision of accommodation and the communal Village facilities and buildings;

- The Administration Fee, which is an amount equal to 2.5% of the Exit Payment;
- The outstanding balance of any payments due to us under the Occupation Right Agreement;
- Any amounts we are entitled to invoice you for which remain unpaid or were not yet invoiced;
- Any amount due in relation to service provided to you in the Residential Care Unit;
- The costs of cleaning the Dwelling following termination; and
- Any other money due or that will be due from you under the Occupation Right Agreement.

If you have paid your Insurance Fee in advance, we will also rebate the portion of the Insurance Fee paid for the period from the Exit Payment Date.

Circumstances in which you are entitled to a Refund

You are entitled to a refund of your Entry Payment if you exercise your rights during the cooling-off period to cancel your Occupation Right Agreement. Please see section 13 for further details.

You will also be entitled to a refund of your Entry Payment, if you avoid your Occupation Right Agreement under section 31(1) of the RV Act. Please see section 14 for further details.

If you have paid a deposit and the cooling-off period has expired but your application does not proceed, you are entitled to a refund of that deposit but are not entitled to any interest earned on that deposit.

8. ONGOING CHARGES

You must pay the ongoing charges detailed below. Specific amounts of these charges for the Dwelling you are interested in are shown in section 16.

Weekly Fee

The Weekly Fee is your contribution to the cost of the Village Outgoings that we incur in the operation of the Village. The Occupation Right Agreement sets out details of those Village Outgoings. Amounts payable for maintenance of the Community Facilities (except those costs specifically your responsibility), rates and insurance of the Community Facilities are included in the Weekly Fee.

The amount of the Weekly Fee is determined by us and advised to you. If you have chosen a 30% Village Contribution then your Weekly Fee is calculated as a proportion of the Village Outgoings and may be changed at any time to reflect changes in the outgoings of the Village. We will give you at least one calendar month's notice of any change to your Weekly Fee.

If you have chosen to fix your fees in exchange for a higher Village Contribution then your Weekly Fee will not be increased during the term of your Occupation Right Agreement.

We may set different Weekly Fees for different residents.

The Weekly Fee is payable by you in advance by direct debit from the Commencement Date to the Termination Date or any later Vacation Date.

We retain the Weekly Fees we receive to cover the costs of the Village Outgoings.

Insurance Fee

Your Insurance Fee is the actual cost to us of insuring your Dwelling. The Insurance Fee may change annually in accordance with changes in the relevant insurance premium. We will give you notice on any change in the Insurance Fee at least one month before it comes into effect.

The Insurance Fee is payable annually in advance from the Commencement Date of your occupation right agreement until the Exit Payment Date. On the Exit Payment Date you will receive a rebate of any portion of the Insurance Fee paid in advance for the period following the Exit Payment Date (unless the occupation right agreement is terminated upon damage or destruction of your Dwelling in which case no rebate is paid).

If you request it, we may agree to payment of the Insurance Fee in ten equal instalments by direct debit. We reserve our right to charge an administration fee to cover our costs associated with this, including a reasonable charge to reflect interest that we will forgo as a result of this arrangement. As at the date of this disclosure statement the administration fee is calculated as 8% of the Insurance Fee.

We retain the Insurance Fees we receive to cover the costs of providing the insurance.

Services Fee

If you request us to provide any Additional Services not included in the Village Outgoings, you will pay the cost set by us of providing such service. We may change the fee for any Services provided to you where there is a change in the cost to us of providing the Services. Any increase will take effect one month after we give you notice of the increase.

Fees for regular and ongoing Services are payable by you by direct debit. Fees for any one-off or occasional Additional Services will be payable by you on invoice, no later than the 20th of the month following the date of the invoice.

Other Costs

You are liable to pay all your utility costs relating to your Dwelling directly to the relevant provider, except where any utilities are included in the Weekly Fee.

If any ongoing charge is not paid within five Working Days of the due date, we are entitled to charge default interest on the outstanding amount at a rate of 3% per annum above the overdraft rate charged by our regular bank until it is paid.

We do not anticipate introducing any new ongoing charges, or changing the existing ongoing charges, except as disclosed above.

9. MAINTENANCE, REFURBISHMENT AND INSURANCE

Our Maintenance Responsibilities

We are responsible for maintaining the common areas and buildings of the Village and keeping them in good order and condition. We are not responsible for maintaining the Dwellings or the Resident's Chattels, as this requirement is passed on to residents. Where any of the Resident's Chattels are new we will take reasonable steps to ensure that you receive the benefit of any warranties.

We endeavour to ensure that the Village meets residents' current needs by maintaining the Village in good order and condition. We cannot ensure that the Village meets your changing needs but we do offer priority access to the Residential Care Unit as set out in section 5.

As the majority of the Village, including the Dwellings, was constructed prior to 2001 these parts of the Village are not required to comply with the national standard identified in NZS4121:2001 (Design for Access and Mobility: Buildings and Associated Facilities). Many of the Dwellings were constructed by former residents, so intending residents will need to satisfy themselves that the dwelling they are interested in is suitable for their needs.

Maintenance or Sinking Fund

The balance of the sinking fund as at the date of this Disclosure Statement is \$280,304.83. Your contribution towards the sinking fund is made through your Weekly Fee. The fund can be utilised for the periodic maintenance, upgrading and replacement of large communal items of the Village but cannot be used for refurbishing a dwelling when a resident's occupation right agreement terminates. As at the date of this disclosure statement we do not have any plans to carry out works utilising this fund in the next twelve months.

Any contributions made by you to the fund are not refunded to you when you leave.

We will report on how we propose to pay for the maintenance and periodic upgrading of the Village property to the residents' Annual General Meeting. If such proposal will have a material impact on you or your ability to pay for services and facilities, we must consult with you in writing.

Your Maintenance Responsibilities

As you are entitled to any capital gain (or responsible for any capital loss) on relicensing of your Dwelling, you are responsible for keeping your Dwelling and its surrounds in good working order and in a tidy, clean and proper condition. In particular, you are responsible for:

- Maintaining and repairing the exterior and interior of your Dwelling to a good, clean, tidy standard of repair, order and condition;
- Ensuring structural soundness of your Dwelling;
- Maintaining connections for utility services to your Dwelling;
- Ensuring that your Dwelling complies at all times with all lawful requirement of the Ministry of Health or of the local authority and with all statutes, regulations and by-laws;
- Washing and painting the exterior of your Dwelling as required; and
- Cleaning and maintaining the gutters, pipes and drains of your Dwelling as required.

If you breach your obligations to maintain your Dwelling we may arrange these works on your behalf.

If you wish to upgrade, refurbish or alter your Dwelling during the term of the Occupation Right Agreement (for example, have the carpet replaced), then you may do so at your cost provided however you must obtain our prior written approval to any structural alterations or additions, or to the fixing of any aerial or other item to the exterior of your Dwelling.

You are also responsible for paying our following costs, upon invoice:

- Costs of remedying any breach by you of your maintenance responsibilities; and
- Costs of repairing any damage to the Village or the chattels of the Village caused by you or your guests (beyond fair wear and tear).

Our Insurance Responsibilities

We are responsible for maintaining a comprehensive insurance policy for loss or damage or destruction caused by fire, accident or natural disaster for the Village (including the Dwellings), for its full replacement value. Such insurance must be to the Statutory Supervisor's satisfaction.

We hold the following insurance policies:

- Comprehensive full replacement insurance in respect of all retirement village property, capital improvements, and additional fittings provided by you up to the amount set out in the current insurance valuation of the Village;
- Business interruption insurance;
- Motor vehicle insurance;
- Public and general liability insurance;
- Statutory liability insurance; and
- Employers' liability insurance.

All policies are subject to excesses.

Your Insurance Responsibilities

You are strongly recommended to (but are not required to) insure your personal belongings for loss and damage under an appropriate policy. You are required to insure any vehicle that you keep at the Village, such insurance must, at a minimum, cover your liability to third parties. We are not responsible for any loss or damage to your belongings or vehicle.

If we suffer any loss or damage as a result of your, or your visitors', actions, carelessness or negligence, you must upon demand:

- reimburse us for any insurance policy excess, where such loss or damage is covered by our insurance.
- compensate and reimburse us in full, where such loss or damage is not covered by our insurance.

Damage or Destruction of your Dwelling

The following provisions apply if your Dwelling is damaged or destroyed by fire, accident, natural disaster or any other risks ("Damage Event").

- If your Dwelling becomes uninhabitable following a Damage Event which is not as a result of any of your, or your visitors', acts or omissions, the calculation of the Village Contribution will be suspended from the date of the Damage Event (unless we are providing temporary accommodation to you, in which case the calculation shall continue) until your Dwelling or its replacement is ready for occupation by you following repair or replacement.

- If your Dwelling becomes uninhabitable following a Damage Event which is not as a result of any of your, or your visitors', acts or omissions, the Weekly Fee and any Services Fees will be suspended from the date of the Damage Event until your Dwelling or its replacement is ready for occupation by you following repair or replacement. If we are providing temporary accommodation to you at our cost, you will pay the actual cost of personal services and outgoings relating to that temporary accommodation.
- If, following a Damage Event, we decide it is not practicable to repair or replace your Dwelling the Occupation Right Agreement is automatically terminated (unless the bullet point below applies), and we will pay you the Exit Payment without deducting any Village Contribution or Administration Fee, but we will be entitled to deduct any other amounts due to us. In this case the Exit Payment will be the greater of an amount equal to the Entry Payment or amount equal to the insurance proceeds received in respect of your Dwelling less the costs association with demolition.
- If, following a decision not to repair or replace your Dwelling as set out in the bullet point above, we offer you an option to transfer to another Dwelling (either pre-existing or yet to be constructed) in the Village and you do not accept such offer, the usual Exit Payment provisions and deductions will apply including the Village Contribution.

10. TERMINATION OF OCCUPATION RIGHT AGREEMENT

Exit Payment Date

We must pay you the Exit Payment minus the deductions listed in section 7 above not later than five Working Days after we hold a new Occupation Right Agreement for the Dwelling and we receive full settlement of the new resident's Entry Payment for the Dwelling. To be clear, this means that we will not be able to pay you until the new Resident's cooling off period has expired and their Occupation Right Agreement has settled.

However, in some circumstances the payment will be made on a different date, as set out in the Occupation Right Agreement.

Ongoing Charges Payable after Termination

You remain responsible for the Weekly Fee, Insurance Fee and utility costs for your Dwelling until the Exit Payment Date, however, the Weekly Fee will reduce by 50% from the date that is six months after the Termination Date, or on any later date that you leave your Dwelling and remove all your personal belongings.

You are not responsible for any Services Fees after the date that you permanently vacate the Dwelling.

Capital Gain and Capital Loss

You are entitled to any capital gain (or responsible for any capital loss) when a new resident enters into an Occupation Right Agreement for the Dwelling. The way capital gain (or capital loss) works is that the amount paid by a new resident for an Occupation Right Agreement for your Dwelling is equal to the amount of the Exit Payment due to you. Please note that fees are deducted from the Exit Payment as set out in section 7, which affects the amount of the gain (or loss) realised.

Effect of Termination on Other Persons Living in Dwelling

Any persons living or staying with you who are not named as a resident in the Occupation Right Agreement must vacate the Dwelling by the date of termination of the Occupation Right Agreement, unless we agree otherwise.

Setting the lowest market price

Following termination you and we will agree the lowest market price for your Dwelling. If we cannot agree on a lowest market price then the lowest market price we will obtain a valuation (at our cost) of your Dwelling and the valuation amount will be the lowest market price. If you disagree with our valuation then you may obtain (at your cost) a second valuation which we will consider. If we are still unable to agree the lowest market price then the lowest market price will be the average of the two valuations.

We will not make or accept any offer of occupation for your Dwelling which is less than the lowest market price without your agreement. We may make or accept an offer of occupation for your Dwelling for a higher entry payment if we consider that a higher entry payment is reasonably obtainable, particularly with regard to the impact of any Refurbishment or Upgrade carried out by us or you.

Marketing of the Dwelling

We control the sale and marketing of the Dwelling when your Occupation Right Agreement terminates. Following termination, we will take all reasonable steps to obtain a new resident for the Dwelling. You may choose to carry out further marketing of your Dwelling at your cost. We are not obliged to accept any prospective resident who we consider as unsuitable for the Dwelling or the Village.

We may decide to carry out Refurbishment of the Dwelling following termination, such as repainting/rewallpapering interior walls, recarpeting, or replacing curtains, blinds or other chattels. Refurbishment is at our cost, however, we may charge you for any repairs or replacement required due to damage which is beyond fair wear and tear. At your request, we may agree to Upgrade your Dwelling following termination, which may include structural alteration, additions or installing higher quality fixtures. If we agree then you are responsible for the costs of Upgrades but are entitled to share in any capital gain achieved as a result of the Upgrades.

We will consult with you about when the Dwelling goes on the market and the general nature of the marketing plan. We will keep you informed of the marketing progress on a monthly basis. You are not required to pay directly any costs incurred by us in the selling or marketing process but are responsible for the costs of any additional marketing you carry out including any commission for a real estate agent you engage.

If a new Occupation Right Agreement is not entered into within three months of termination, we will let you know in writing and will then provide monthly written reports on the process, stating the steps we have taken and the progress that has been made.

If after six months a new Occupation Right Agreement is not entered into, we will obtain a valuation (at our cost) of the Dwelling by an independent registered valuer with experience in valuing retirement village units, to establish a suitable price for marketing the Dwelling. We will market the Dwelling at this price. If you do not agree with the valuation, you have the right to obtain a second valuation performed by an independent registered valuer, at your cost. If a second valuation is obtained, we will consider it when setting the price.

If a new Occupation Right Agreement is not entered into within nine months of the Dwelling becoming available for re-occupation, you may be able to give a Dispute Notice if you have grounds to do so under the RV Act.

We may, in our discretion, agree to pay you the Exit Payment less deductions prior to issuing a new Occupation Right Agreement for the Dwelling. If so the Exit Payment will be the lowest market price or, if you have carried out any Upgrade since the lowest market price was determined, the Exit Payment will be the amount that you and we agree, or the fair market value determined by an independent registered valuer. In these circumstances we will make payment within 20 Working Days of the date of agreement as to the Exit Payment.

Transfer Payments

We acknowledge that you may wish to move to another dwelling within the Village. We will try to enable a transfer subject to:

- The availability of another dwelling;
- Our being satisfied that the dwelling will be suitable for you; and
- A new resident agreeing to purchase an occupation right agreement for your Dwelling.

The terms and conditions that will apply to your transfer to another dwelling within the Village will be at our sole discretion.

11. OWNERSHIP, MANAGEMENT AND SUPERVISION OF THE VILLAGE

Our Interest in the Village

As the Operator, we are responsible for meeting all the obligations to you under your Occupation Right Agreement. We own the underlying freehold interest in the Village land, which is registered as identifiers SA42B/674, SA1205/116 and SA1205/142 (South Auckland Land Registration District).

The Village land is subject to the following charges:

- A first-ranking encumbrance in favour of the Statutory Supervisor to secure our obligations to residents over all titles in the Village. There is no maximum sum secured by this charge.
- A second-ranking mortgage in favour of Bank of New Zealand ("BNZ") over records of title SA42B/674 and SA1205/116, and a first ranking general security agreement to secure all amounts payable to BNZ, including the amounts payable pursuant to loan facilities which have an aggregate limit of \$4,000,000.00, of which \$970,731.00 is drawn down.

Management Arrangements for the Village

We carry out the day to day management of the Village ourselves.

We will consult with residents if we decide to appoint a new entity as manager of the Village. However, we will not consult with residents if we decide to employ new staff members in managerial roles.

Key Staff at the Village

The Chief Executive or other staff are usually at the Village between 8.30 am and 4.00 pm Monday to Friday (except public holidays). The Chief Executive is also contactable after hours for emergencies. The Chief Executive's contact details are set out in the directory.

The Chief Executive has more than 25 years' experience running large businesses in New Zealand and overseas and is responsible for overseeing the smooth day-to-day running of the Village and Residential Care Unit to the expectation of the Board and residents.

Residents' Committee

A Residents' Association was established at the Village in 2018. We are not bound to incur any expenditure by any decision of the residents' committee. Subject to our need to operate the Village without undue interference and to provide services for the benefit of all residents, the Residents' Association enables residents to express their views collectively and engage with management regarding the operation of the Village. The Residents' Association meets with the Wellness Committee, made up of three Board members and the Chief Executive, to discuss opportunities to improve amenities in the Village in a way that will contribute to the wellbeing of residents.

Supervision of the Village

We have appointed Covenant Trustee Services Limited as Statutory Supervisor of the Village. Its contact details are in section 3.

Under the RV Act, the operator of a retirement village must appoint a statutory supervisor for the village unless the Registrar of Retirement Villages grants the operator an exemption.

The core duties of a statutory supervisor are to:

- Provide a stakeholder facility for intending residents and residents who pay deposits or progress payments in respect of occupation right agreements or uncompleted residential units or facilities at the retirement village; and
- Monitor the financial position of the retirement village; and
- Report annually to the Registrar and residents on the performance of its duties and the exercise of its powers; and
- Perform any other duties that are imposed by the RV Act or any other Act, any regulations made under the RV Act, and any documents of appointment (being the Deed of Supervision).

12. DOCUMENTS AVAILABLE

Copies of the following documents are available to residents or intending residents upon request. Requests can be made to us or our staff:

- Our audited financial statements;
- Sample of the Occupation Right Agreement including the Rules relating to the Village; and
- Deed of Supervision between us and the Statutory Supervisor.

Financial Accounts

The RV Act requires us to prepare and register our audited financial statements. These financial statements are prepared by RSM New Zealand and audited by PKF Hamilton. Our audited financial statements are available by searching the Village's file on the Retirement Villages Register. This can be accessed on the Companies Office website at www.companiesoffice.govt.nz under "All Registers". There is no requirement for separate financial statements to be prepared for the Village.

13. COOLING-OFF PERIOD

The cancellation provisions in the Occupation Right Agreement offered to residents for Dwellings in the Village are the same as those described in section 28(1) of the RV Act.

Accordingly, you have fifteen working days from the date you sign the Occupation Right Agreement in which to give written notice to cancel the Occupation Right Agreement without giving a reason.

If the Dwelling is not complete, and is not completed to the point of practical completion within six months after the proposed date of completion of the Dwelling, you may cancel the Occupation Right Agreement by written notice without giving a reason after the expiry of that six month period.

A resident has certain rights during their cooling-off period. Following is a copy of Section 28 of the RV Act:

- (1) An occupation right agreement must contain a provision allowing a resident (other than a person who is a resident solely because paragraph (c) of the definition of resident applies to that person) to cancel the agreement,—*
 - (a) without having to give any reason, by notice given not later than 15 working days after the agreement is signed by the resident; and*
 - (b) if the agreement relates to a residential unit to be built or completed at a later date and the residential unit is not finished to the point of practical completion within 6 months after the proposed date for completion of the unit, by notice given at any time after the expiry of that 6-month period.*
- (2) Notice of cancellation—*
 - (a) must be in writing and in a form that indicates (irrespective of the exact words used) the intention of the resident to cancel the agreement; and*
 - (b) may be given by the resident or any person authorised in writing by the resident to act on his or her behalf.*
- (3) The notice may be given to—*
 - (a) the operator; or*
 - (b) the real estate agent or other person who dealt with the resident on behalf of the operator when the resident acquired an occupation right, unless the operator has notified the resident that the person has ceased to act on behalf of the operator; or*
 - (c) any person who the operator has notified the resident is a person authorised to receive communications on behalf of the operator.*
- (4) The operator is entitled to reasonable compensation for services provided to the resident under the occupation right agreement and for damage to a residential unit or any facilities in the retirement village for which the resident is responsible before the cancellation takes effect.*

- (5) *Despite subsection (1), an occupation right agreement may contain a cancellation provision of the kind referred to in subsection (1) that is more favourable to the resident than the provision referred to in subsection (1), but, if the agreement fails to contain any provision of the kind referred to in subsection (1) or contains a provision that is less favourable to the resident than that provision, the agreement is deemed to contain the provision referred to in subsection (1).*

Definitions relating to cooling-off period

The definitions below are taken from the RV Act and relate only to terms used in Section 28 (above):

facilities, in relation to a retirement village, means facilities of a shared or communal kind provided in the retirement village for the benefit of residents of the retirement village and includes recreational facilities and amenities

occupation right agreement means any written agreement or other document or combination of documents that—

- (a) *confers on any person the right to occupy a residential unit within a retirement village; and*
- (b) *specifies any terms or conditions to which that right is subject.*

operator, in relation to a retirement village, means any person who is 1 or more of the following:

- (a) *a person who is, or will be, liable to fulfil all or any of the obligations under occupation right agreements to residents of the village;*
- (b) *a holder of a security interest who is exercising effective management or control of the retirement village;*
- (c) *a receiver of the property comprising the retirement village, or the liquidator of the person to whom either of paragraph (a) or paragraph (b) applies*

resident means any of the following:

- (a) *a person who enters into an occupation right agreement with the operator of a retirement village;*
- (b) *a person who, under an occupation right agreement, is, for the time being, entitled to occupy a residential unit within a retirement village, whether or not the agreement is made with that person or some other person;*
- (c) *if the occupation right agreement so provides or with the consent of the operator of the retirement village, the spouse, civil union partner, or de facto partner of the person referred to in paragraph (b) who is occupying the residential unit with that person, or after that person's death or departure from the retirement village.*

residential unit or unit means a building, or part of a building, that is a house, flat, townhouse, unit, serviced unit or apartment (whether or not it has cooking facilities), villa, or similar dwelling erected, or currently used, primarily and principally as a unit of accommodation; and includes any land, improvements, or appurtenances belonging to the unit or usually enjoyed with it.

services means services provided at a retirement village of 1 or more of the following kinds:

- (a) gardening, repair or maintenance services;
- (b) nursing or medical services;
- (c) the provision of meals;
- (d) shops and other services for the provision of goods;
- (e) laundry services (not being the provision of facilities for residents to carry out their own laundry);
- (f) services (for example, hairdressing services) for the personal care of residents;
- (g) transport services;
- (h) services for recreation or entertainment;
- (i) security services;
- (j) other services for the care or benefit of residents.

14. INFORMATION ABOUT AVOIDING OCCUPATION RIGHT AGREEMENT

This section is as set out in Schedule Five of the RV Regulations.

Section 31 of the RV Act gives you the right to avoid an agreement that you enter into for the right to occupy a residential unit in a retirement village, but only if you enter into the agreement in the circumstances described in a row of the table below and the circumstances involve:

- a significant detriment to you; or
- a material (not merely technical or minor) breach of the RV Act; or
- deliberate misconduct by the operator of the village.

You can use the right only by giving written notice to the operator of the village, and the statutory supervisor (if there is one) of the village, within the period described in the relevant row of the table.

<i>Circumstances</i>	<i>Period</i>
<i>The village was not registered, but was required to be</i>	<i>3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first</i>
<i>The registration of the village was suspended and the operator had been notified of the suspension</i>	<i>3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first</i>
<i>The agreement did not contain, in clear and unambiguous form, the material it was required by the Act to contain</i>	<i>1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first</i>
<i>You did not receive independent legal advice before entering into the agreement</i>	<i>1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first</i>
<i>Before entering into the agreement, you did not receive a disclosure statement that complied with the Act, the residents' code of rights, the code of practice or a statement when the code would come into force, and a copy of the agreement</i>	<i>1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first</i>

You should seek legal advice before using the right.

If you use the right, you are entitled to a refund of some amounts you paid for the right to occupy the unit and for services or facilities that were not provided, interest on those amounts, and your actual and reasonable costs associated with using the right (such as legal expenses and removal costs).

The operator may dispute your use of the right, refer the dispute to a disputes panel under the RV Act and refuse to pay the refund while the dispute is unresolved.

15. GLOSSARY

Following is a list of terms that are used throughout this Disclosure Statement, with an explanation of their meanings. Terms not explained here have the same meaning as in the Occupation Right Agreement.

Term	Meaning
Dwelling	An independent dwelling at the Village which is used for the accommodation of a resident.
Occupation Right Agreement	The document which sets out your right to occupy a Dwelling at the Village. It also specifies the terms and conditions that apply to that occupation right.
Resident	A person or persons who have entered into an Occupation Right Agreement for a Dwelling.
Resident's Chattels	Any chattels installed in your Dwelling, including chattels transferred to you on the Commencement Date and chattels which you install during the term.
Residential Care Unit	The aged care facility situated on the Village land which is operated by us.
RV Act	The Retirement Villages Act 2003, including any amendments to it.
RV Regulations	The Retirement Villages (General) Regulations 2006, including any amendments.
Village	The retirement village known as Aparangi Village, including the Dwellings and all communal areas and facilities used by residents.

16. ESSENTIAL INFORMATION FOR YOU

The information in this section is prepared solely for you as at [date].

Your name(s)	[] and []
Dwelling	[insert dwelling number]
Garage/carport	Not applicable/[description]
Entry Payment	[\$]
Village Contribution	Maximum amount of [30%/XX%] of the Exit Payment
Administration Fee	An amount equal to 2.5% of the Exit Payment
Weekly Fee	[\$] per week (being \$[] per four weeks, paid in advance) This amount is [fixed/subject to change].
Services Fee	[\$]

Examples of the estimated financial return that you, or your estate, could expect to receive on the disposal of your vacant Dwelling are set out below:

Term	Entry Payment	Village Contribution	Administration Fee	Estimated Financial Return
Two years	[\$]	[20%/XX%] of Exit Payment	2.5% of Exit Payment	[\$]
Five years	[\$]	[30%/XX%] of Exit Payment	2.5% of Exit Payment	[\$]
Ten years	[\$]	[30%/XX%] of Exit Payment	2.5% of Exit Payment	[\$]

Assumptions:

The estimated financial return is calculated on the following assumptions:

- Your Entry Payment is as set out above;
- The Village Contribution is calculated in accordance with the Occupation Right Agreement and there has been no Damage Event;

- The Administration Fee is calculated in accordance with the Occupation Right Agreement;
- No capital gain or capital loss (as calculated in accordance with the Disclosure Statement) is realised on relicensing of the dwelling;
- No deductions from the Exit Payment except for the Village Contribution and Administration Fee are required to be made.

The method of calculating the above information is in accordance with the details set out in section 7 and the Occupation Right Agreement.

The estimated financial return is not affected by a termination arising from a breach by you or by your voluntary decision to terminate the Occupation Right Agreement.

SCHEDULE

Dwellings at the Village

As at the date of this Disclosure Statement, there are the following Dwellings in the Village:

Type of Dwelling	Completed	Vacant	Occupied	To be Completed
Independent Dwellings	122	13	109	10
TOTAL	122	13	109	10

We also have 20 rental units which are offered for occupation under residential tenancies and which do not form part of the Village for the purposes of this Disclosure Statement.

Disposals in the last 12 Months

Listed below are details of Dwellings which were disposed of in the 12 months prior to the date of this disclosure statement and which were previously unoccupied:

Dwelling	Time Taken to Dispose of (in days)
16 Pioneer Way	37
7 Pioneer Way	35
9 Pioneer Way	39

The average time taken to dispose of previously unoccupied Dwellings, all being Independent Dwellings was 37 days.

The time taken to dispose of previously unoccupied Dwellings is calculated from the date the Dwelling became available for occupation under an Occupation Right Agreement until the date we settled an Occupation Right Agreement for the Dwelling.

Listed below are details of Dwellings which were disposed of in the 12 months prior to the date of this disclosure statement which have been previously occupied:

Dwelling	Time Taken to Dispose of (in days)
14 Aparangi Drive	103
14 Limestone Crescent	494
8 Limestone Crescent	139

Dwelling	Time Taken to Dispose of (in days)
4 Limestone Crescent	101
34 Eastfield	379
1 Willowdale	365
28 Eastfield	443
5 Willowdale	399
28 Northcrest	382

The average time taken to dispose of previously occupied Dwellings, all being Independent Dwellings was 312 days.

The time taken to dispose of a previously occupied Dwelling is calculated from the date the prior resident requests that we start marketing the Dwelling until the date we settle an Occupation Right Agreement for the Dwelling to a new resident.

These averages do not include any time taken to dispose of Dwellings which are currently on the market and have not yet settled. Inclusion of the disposal times for these Dwellings may significantly alter the average time given.