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ALPINE VIEW VILLAGE

10 ALPINE VIEW LANE

CHRISTCHURCH

DISCLOSURE STATEMENT
RETIREMENT VILLAGES ACT 2003

DATED THE

DAY OF

2007

CAVELL LEITCH PRINGLE & BOYLE
SOLICITORS
CHRISTCHURCH

NPC# 27

- 5 NOV 2007

RETIREMENT VILLAGE DISCLOSURE STATEMENT

Prepared for the purposes of the Retirement Villages Act 2003 ("the Act")
Alpine View Village (the "Village")
10 Alpine View Lane
Christchurch

Any statement in this Disclosure Statement is not to be taken or construed so as to represent that entry into an Occupation Right Agreement/Licence to Occupy relating to a retirement village is safe or free from risk.

Disclosure date: 2007

Retirement Village Name and Street Address:

Alpine View Village
10 Alpine View Lane
Christchurch

Operator name: Partners trading in Partnership as O'Dowd Bryenton Partnership

Village and Operator Address for Service:

O'Dowd Bryenton Partnership
C/- BDO Spicers
Chartered Accountants
148 Victoria Street
Christchurch

Main contact details of the Village:

Address: 10 Alpine View Lane, Christchurch
Phone: (03) 383 2294
Fax: (03) 383 6183
Email: alpineview@xtra.co.nz

Contact details of the Nurse Manager of the Village:

Jacky Summers
Village Manager
Alpine View Village
10 Alpine View Lane, Christchurch
Phone: (03) 383 2294
Fax: (03) 383 6183
Email: alpineview@xtra.co.nz

Retirement Village registration date: The Village is not yet registered under the Act.

You must seek independent legal advice before entering into an Occupation Right Agreement / Licence to Occupy for Alpine View Village.

TABLE OF CONTENTS

INTRODUCTORY STATEMENT OF INFORMATION	4
COOLING OFF PERIOD AND CANCELLATION FOR DELAY	5
PART 1 – OWNERSHIP, MANAGEMENT AND SUPERVISION	8
1(a) Ownership structure and occupancy	8
1(b) Resident’s interests in residential unit	10
1(c) Management arrangements for the village	13
1(d) and (e) statutory supervisor	14
PART 2 – STATE OF VILLAGE SERVICES, CHARGES AND ACCOUNTS	15
2(a) State of retirement village	15
2(b) Services and facilities at retirement villages	17
2(c) Charges	18
Service and facility charges	18
Amounts which must be paid by a resident to secure an interest in a residential unit	19
Charges for a resident permanently leaving on termination of a Licence to Occupy	20
Periodic charges payable by the resident	21
Maintenance and sinking fund contributions	21
No Body corporate levies	22
2(d) Maintenance and refurbishment: Details of maintenance which the Operator and the Residents are responsible	22
Amounts payable by the resident for rates and insurance	22
2(e) Financial accounts for Alpine View Village	22
PART 3 – OCCUPATION RIGHT AGREEMENTS, TERMINATIONS, DEDUCTIONS, AND ESTIMATED FINANCIAL RETURNS	24
3(a) Cooling-off period and cancellation of Occupation Right Agreements	24
3(b) Variation of Occupation Right Agreement	24
3(c) Termination of Occupation Right Agreement	24
3(d) Deductions from payments by and to residents	25
PART 4 – OTHER MATTERS	27
4(a) Details relating to certain security interests	27
4(b) Code of Practice	27
4(c) Responsibility for Insurance	27
4(d) Moving into a Rest Home or Hospital care institution in the Retirement Village	27
4(e) Effect of marriage on Occupation Right Agreement	27
4(f) Financial assistance	28
4(g) Prospective financial information	28
4(h) Committee of Residents of the Village	28
SPECIFIC INFORMATION FOR INTENDING RESIDENT	29
SCHEDULE A – KEY STAFF OF VILLAGE	30
SCHEDULE B – CHARGES AS AT THE DATE OF THIS DISCLOSURE STATEMENT	31
SCHEDULE C –OPTIONAL ADDITIONAL SERVICES	32

INTRODUCTORY STATEMENT OF INFORMATION

Important Information for intending residents

(below is a copy of the full text of Schedule 4 of the Retirement Villages (General) Regulations 2006)

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

Information about avoiding Occupational Rights Agreement

(Below is a copy of the full text of Schedule 5 of the Retirement Villages (General) Regulations 2006)

Section 31 of the Retirement Villages Act 2003 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) A significant detriment to you; or*
- (b) A material (not merely technical or minor) breach of the Act; or*
- (c) 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.

Circumstances	Period
The village was not registered, but was required to be	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.
The registration of the village was suspended and the operator had been notified of the suspension	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.
The agreement did not contain, in clear and unambiguous form, the material it was required by the Act to contain	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.
You did not receive independent legal advice before entering into the agreement.	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.
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	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.

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 Retirement Villages Act 2003, and refuse to pay the refund while the dispute is unresolved

COOLING-OFF PERIOD AND CANCELLATION FOR DELAY

Cooling-off Period and Cancellation for Delay

(Below is a copy of the full text of section 28 of the Retirement Villages Act 2003)

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, -Without having to give any reason, by notice given not later than 15 working days after the agreement is signed by the resident; and*
 - 1.1. *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-
 - 2.1. *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*
 - 2.2. *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-*
 - 3.1. *The operator; or*
 - 3.2. *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.*
 - 3.3. *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

The definitions below are taken from the Retirement Villages Act 2003 and relate 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-*

- 1.1. *Confers on any person the right to occupy a residential unit within a retirement village; and*
- 1.2. *Specifies any terms or conditions to which that right is subject.*

Operator, *in relation to a retirement village, means any person who is one or more of the following:*

- 1.1. *A person who is, or will be, liable to fulfil all or any part of the obligations under occupation right agreements to residents of the village:*
- 1.2. *A holder of a security interest who is exercising effective management or control of*

the retirement village:

- 1.3. A receiver of the property comprising the retirement village, or the liquidator of the person to whom either of paragraph (1.1) or paragraph (1.2) applies.

Resident means any of the following:

- 1.1. A person who enters into an occupation right agreement with the operator of a retirement village:
- 1.2. 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:
- 1.3. If the occupation right agreement so provides or with the consent of the operator of the retirement village, the spouse or partner, [civil union partner, or de facto partner] of the person referred to in paragraph (1.2) 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 one 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

PART 1: OWNERSHIP, MANAGEMENT & SUPERVISION

1.1. INTRODUCTION

Alpine View Village ("the Village") is located at the property at 10 Alpine View Lane, in Burwood, Christchurch. The area is well served by local services including The Palms Mall, the Burwood shops, medical centres, churches and parks.

The Village is a retirement village which provides the opportunity for elderly persons (generally 60 years of age and over) to enter into a Licence to Occupy a Unit within the Village. The Village also includes a rest home ("Care Facility") providing full rest home care to the rest home residents.

The Village comprises 13 individual Units and the Care Facility. (The Care Facility has 39 single rooms and 8 double rooms (for couples), all with ensuites).

The Operator reserves the right to withdraw vacant units from availability at any time and to subsequently re-offer them as it thinks fit.

The Village is a member of the Retirement Villages Association of New Zealand.

Reference to "Occupation Right Agreement" and "Licence to Occupy" refers to the Licences to Occupy granted by the Operator for units at the Village.

1.2. Ownership structure and occupancy rights (1(a))

- 1.2.1. **Legal nature of operator:** JEREMY O'DOWD, SIMON JOHN O'DOWD and KENNETH BRYENTON (together the O'Dowd Bryenton Partnership) at Christchurch is the owner and Operator of the Village.

The O'Dowd Bryenton Partnership is referred to throughout this disclosure statement as the "Operator".

- 1.2.2. **Underlying freehold retained by the Operator:**

The Operator owns the underlying freehold land for the Care Facility in the Village (Unit A and Accessory Units 1 and A2 Deposited Plan 71935). Further, the Operator will own the underlying freehold land in respect to all units the subject of licences to occupy granted to all residents pursuant to this disclosure statement.

Subject to the terms of the Licence to Occupy between the Operator and the residents, the Operator has the right to retain the interest in the freehold in the unit during the term of the Licence to Occupy.

- 1.2.3. **Nature and extent of any registered or unregistered encumbrances, mortgages, or security interests affecting the interests in the unit retained by the Operator**

- 1.2.3.1. The statutory supervisor, Covenant Trustee Company Limited, shall hold a first charge Memorandum of Encumbrance over the freehold land owned by the Operator (as described in 1.2.2) securing monies owing to

the statutory supervisor and the resident (refer 1.5 below). There is no maximum amount secured (refer 1.5 below).

- 1.2.3.2. The ASB Bank Limited holds a Memoranda of Mortgage registered against underlying titles in the Village (such mortgage is subject to the interests of the Statutory Supervisor under the Memorandum of Encumbrance referred to in 1.2.3.1). The amount secured as at the date of this disclosure statement is \$3,061,386.64. The maximum amount secured under the Mortgage is \$5,550,000.00.

1.2.4. Residents tenure in the Village

- 1.2.4.1. The Occupation Right Agreements being offered under this Disclosure Statement are contractual Licences to Occupy the units in the Village. The Licence to Occupy grants to the resident the right to occupy a specified unit in the Village, however it is not transferable – it must be surrendered to the Operator on termination of the resident's occupancy of the unit. A Licence to Occupy does not confer on the resident any interest in the Village land and is not a registerable interest in the land for the purposes of the Land Transfer Act 1952.
- 1.2.4.2. The Licence to Occupy grants to the resident personally the right to occupy a specific unit in the Village, together with the right for the resident to use and enjoy the communal facilities as are available in the Village with access to personal care and support and medical assistance provided by the Operator pursuant to the terms of the Licence to Occupy.
- 1.2.4.3. Each unit has its own separate title which forms part of a unit title Body Corporate No. 71935, Canterbury. The title to each unit which is the subject of a licence shall be registered in the name of the Operator.
- 1.2.4.4. The resident's tenure in the Village is not secured. However, the statutory supervisor holds a first charge encumbrance on behalf of all the residents of the Village which is the subject of a licence (refer to paragraph 1.2.3.1 and 1.5 below, Statutory Supervisor).

1.3. Residents interest In residential units (1(b))

- 1.3.1. **Details of rights of a resident in relation to the residential unit (clause 1 (b) Schedule 2 of the Act):** The Operator will consider the following but only with the prior consent of the Operator which consent may be granted or refused or withdrawn in the Operator's sole discretion;

- 1.3.1.1. The resident being able to keep a pet in the unit;
- 1.3.1.2. having a member of the resident's family (including a defacto partner of the resident) stay with the resident in the unit but only on a temporary basis;
- 1.3.1.3. The resident having a person stay with the resident in the unit temporarily as a companion or carer for the resident.

1.3.2. **The resident does not have the following rights:**

Under the Licence to Occupy, a resident at the Village has no right to:

- 1.3.2.1. Sell or market the unit.
- 1.3.2.2. Mortgage or otherwise borrow against the resident's interest in the unit.
- 1.3.2.3. Grant a security interest in the termination proceeds
- 1.3.2.4. Let the unit to another person.
- 1.3.2.5. Have a person board with the resident in the unit.
- 1.3.2.6. Have a person stay in the unit to mind it for the resident while the resident is away.

1.3.3. **Details of any Village rules applying specifically to the Village that affect the resident in living in the residential unit:** The Resident must comply with the Body Corporate Rules (Body Corporate No. 71935) and any amendments to these rules from time to time; and any other rules may that be put in place by the Village from time to time by the Operator (with consultation with the residents).

1.3.4. **Other limits on the resident living in the unit:** The terms of the Licence to Occupy set out clearly the limitations on the resident living in the Village. Such conditions include a restriction on the resident making any alterations to the interior (and exterior) of the unit (except in circumstances where resident with a disability has rights under Licence to Occupy to alter unit – alterations to be done by the Operator at the cost of the resident and reinstatement may be required by the Operator), the resident must use the unit only for residential purposes; the resident must permit the Operator or representatives of the Operator at all reasonable times to enter into the unit for the purpose of inspecting it and if necessary carrying out any desirable repairs or alterations (whilst causing as little disturbance as possible to the resident); the resident must not smoke in any of the communal areas of the Village.

1.3.5. **Sale and marketing of unit**

- 1.3.5.1. **Does the Operator control the sale or marketing of the unit?:** Yes, upon the termination of a Licence to Occupy, the Operator controls the sale and marketing of the new Licence to Occupy the unit. The Operator will keep the

resident informed at all reasonable times as to progress in the obtaining of a new resident.

- 1.3.5.2. **Procedure and costs to resident:** The Operator markets the unit to the public and also to its database of interested new residents. The Operator uses all reasonable efforts to find a new resident. The resident is not required to contribute any funds to the costs of marketing or selling the unit other than the deductions described in the Licence to Occupy.

The resident is responsible for their own legal costs on the termination of the Licence to Occupy.

- 1.3.5.3. **Rights, if any, for the resident if there is a delay in the sale of a unit:** If the Operator is unable to procure the issue of a new Licence to Occupy for the full amount required to refund the termination payment, for example due to a downturn in the property market or if there is a delay in doing so, there will be resulting delays in repayment to the resident. In that case, the resident may elect to receive a reduced amount on terms and conditions as may be agreed in writing between the resident and the Operator. The Operator must comply at all times with its obligations under the Act in respect to the repayment of the refundable amount to the resident.

- 1.3.5.4. **Does the Operator have the right to sell or buy the unit?** The Operator controls the marketing and sale of the unit.

- 1.3.6. **Details of circumstances where the resident is entitled to a refund of a capital sum paid and how the refund is calculated: Deductions on the termination of Licence to Occupy:** The resident is entitled to a refund of the capital sum paid when the Licence to Occupy is terminated but amounts will be deducted before repayment (known as the Refundable Amount). The Operator is not obliged to repay any funds to the resident until the business day following the date in which the Operator settles the issue of a new Licence to Occupy for the vacated unit and receives the total new consideration for that Licence to Occupy.

The resident acknowledges and agrees that the Operator will not receive payment for such new Licence to Occupy until such payment is authorised by the Deed of Supervision, which requires amongst other matters that the cooling off period prescribed by the Act for such new Licence to Occupy has expired.

As at the date of this Disclosure Statement, the deductions for all Units are assessed as follows:

On termination of the Licence to Occupy, the Capital Sum shall be reduced by the Licence Fee Deductions calculated as follows:

A on Commencement Date 5% of the Capital Sum shall be

deducted; plus

- B 5% of the Capital Sum shall be deducted and shall accrue for each completed twelve month period from the Commencement Date of the Occupation Right Agreement for a period not exceeding four years. If termination of the Licence to Occupy occurs within the 1st 4 years, then the amount payable by the Resident under this paragraph (B) shall be pro rated on a daily basis from Commencement Date until the date of termination.

1.4. Management arrangements for the Village (1(c))

- 1.4.1. **Name and street address of the Manager of the Village:** Alpine View Care Centre Limited, 10 Alpine View Lane, Christchurch.
- 1.4.2. **The registered office and address for service** is c/- BDO Spicers, Chartered Accountants, 148 Victoria Street, Christchurch
- 1.4.3. **Details of key management personnel and staff of the Manager are shown on the attached Schedule A.**
- 1.4.4. **Times that the Manager will be available:** The Nurse Manager can be contacted within the hours of 8am–5pm Monday to Friday (excluding public holidays).

The Care Facility at the Village runs 24 hours a day, 7 days a week and an emergency contact person is always available to take phone calls at the Care Facility.

- 1.4.5. **Contact details of Nurse Manager:** Alpine View Care Centre Limited employs the Nurse Manager whose details are as follows:

Jacky Summers
Nurse/Manager
10 Alpine View Lane
Christchurch
Telephone: 383 2294
Fax 383 6183
Email: alpineview@xtra.co.nz

- 1.4.6. **Details of the experience and core duties of the Nurse Manager:** Jacky has a background in both nursing and care facilities and management roles.

- 1.4.7. **Details of Legal Relationship Between the Operator and Management**

A Management Agreement has been executed between the Operator and Alpine View Care Centre Limited ("AVCCL") (which is an incorporated company at Christchurch) for the provisions of care and additional services to the residents of the Village.. The directors of AVCCL are Simon John O'Dowd, Kenneth Ross Bryenton and Jeremy O'Dowd

The term of the Agreement is renewed annually and the Management fee currently payable is \$17,028.00 p.a.

AVCCL employs the staff of the Village. It also operates the associated Care Facility.

- 1.4.8. **Committee of residents of the Village:** The Village has a committee of residents that meets monthly.

1.5. Statutory Supervisor (1(d) & (e))

Under the Retirement Villages Act 2003, 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 Rights 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 Act or any other Act, any regulations made under the Act and any documents of appointment.*

- 1.5.1. **Is there a Statutory Supervisor for the Village: Yes** The Statutory Supervisor for the Village is Covenant Trustee Company Limited.

- 1.5.2. **Contact details of the Statutory Supervisor**

Covenant Trustee Company Limited

Level 34

Vero Centre

48 Shortland Street

Auckland

Telephone: (09) 302 0638 Fax (09) 302 1037

Email: peter@covenant.co.nz

The Statutory Supervisor is appointed in accordance with the provisions of the Act and its duties are more particularly set out in the Deed of Supervision entered into between the Operator and the Statutory Supervisor.

- 1.5.3. There is no exemption in force from the requirement for the Village to appoint a Statutory Supervisor.

**PART 2:
STATE OF VILLAGE, SERVICES, CHARGES AND ACCOUNTS**

2.

2.1. STATE OF RETIREMENT VILLAGE 2(a)

2.1.1. **Is the Village fully or partially completed or still to be built?** The Care Facility was constructed in 1997 and since then the 13 independent units have been completed. The Village operates as a fully completed village, however, the Operator is proposing to expand the Village by the erection of further villa units and communal facilities at a neighbouring site at 448 Prestons Road, Christchurch, which is owned by Alpine View Village Lifestyle Limited (the partners of the Operator are also directors of this company). Further, other opportunities may arise in the future to expand the Village further by the construction of further units. Such further development is then subject to the obtaining of necessary resource consents and suitable funding and to compliance with the terms of the Deed of Supervision signed with the Statutory Supervisor.

2.1.2. **Detail of construction and the buildings are as follows:**

(Year constructed noted in brackets)

- 2.1.2.1. (1997) Rest home: Construction – Plaster, Wood and Concrete Tiles
- 2.1.2.2. (1997-2001) Independent Units Construction – Plaster, Wood and Concrete Tiles

All buildings are constructed to a high standard and are in good condition.

2.1.3. **Details and particulars of building maintenance:** All buildings are well maintained and in good condition. Buildings are maintained regularly and as required. In particular maintenance over the 12 months prior to the date of this disclosure statement are as follows:

- 2.1.3.1. **Care Facility** interior & exterior repainting corridors, resident rooms are repainted on vacation of unit.
- 2.1.3.2. **All Units** refurbished as necessary on termination of Licence to Occupy each unit.

2.1.4. **Details of other improvements available and their condition are as follows:**

- 2.1.4.1. facilities, paths, driveways, roads, grounds, lighting, heating, dining room, lounge, petanque court, library, hairdressing salon.
- 2.1.4.2. All improvements are in good condition and are

maintained continuously as required.

- 2.1.5. **Security features:** include a nurse call system located in each unit, security lighting, security gate at entrance and regular checks by a security monitoring service.
- 2.1.6. **Details of number of units occupied and unoccupied:** The number of units occupied in the Village varies from time to time. As at the date of this disclosure statement all Villa Units are occupied and/or subject to a Licence to Occupy as follows:

Units: 12 occupied: 1 unoccupied (but subject to application).
- 2.1.7. **Details of unfinished residential units and any new units planned:** There are no unfinished units as at the date of this Disclosure Statement. Proposed for additional units and facilities at the site at 448 Prestons Road, subject to all resource and other consents being obtained.
- 2.1.8. **Effect on current residents of planned new units:** No physical interference or disturbance from construction as at another address. The proposal is still in the planning stages and therefore further details of the proposed new units are not available as at the date of this Disclosure Statement.
- 2.1.9. **Details of units disposed of in the last 12 months prior to this disclosure statement that were occupied before their disposal.** One
- 2.1.10. **Details of units disposed of in the last 12 months prior to this disclosure statement that were unoccupied before their disposal** Nil
- 2.1.11. **The average time taken to dispose of a unit that is occupied:** 30 days and **unoccupied:** not applicable

2.2.

SERVICES AND FACILITIES AT RETIREMENT VILLAGE (2(b))

- 2.2.1. **Details of the services available are shown below:**

Gardening and lawnmowing, the Village employs a fulltime employee to complete work as required.

Repairs and maintenance, the Village employs a fulltime employee to complete maintenance work as required.

Nursing and medical services, full nursing services are available to the residents at a Registered Nursing level during the hours of 7am – 5pm every day, after hours a nurse aid will call for medical assistance where required.

Provision of meals, residents meals are available at set times throughout the day.

Shops & other services for the provision of goods, the Village has visits to the local shopping mall (The Palms) every Monday.

Laundry services (other than facilities to do own laundry),
Not applicable.

Hairdressing & other personal care services, the Village's salon is open all day Tuesday and by appointment on Friday.

Transport services, the Village has a van and car which can transport residents by arrangement.

Recreation & entertainment services, the Village has a recreation programme including out of Village trips and internal entertainment five days a week.

Security services, include a nurse call system located in each unit, security lighting, and regular checks by a security monitoring service.

2.2.2. **Details of facilities at the Village available to residents are shown below:**

Dining facilities, are open to residents at set meal times.

Lounge or television room, there are multiple rooms available to the Residents 24 hours a day.

Laundry, Not applicable.

Gymnasium, Not applicable.

Spa Pool, Not applicable.

Health Clinic, Not applicable

Swimming Pool, Not applicable

Tennis Court, Not applicable.

Bowling Green, Not applicable.

Library, is open 24 hours a day.

Petanque court, available to be used by Residents.

2.3. **Details of services currently unavailable and facilities that are planned to be made available:** Nil as at the date of this Disclosure Statement.

CHARGES

2.4. Service and facility charges

- 2.4.1. **Service fee:** The resident is required to pay a **service fee** which is payable by the resident from the commencement of the Licence to Occupy. The service fee is invoiced to the resident on a monthly basis. This fee is in respect of the basic costs of operating the Village, including a contribution to rates, insurance and general maintenance, the annual fee payable to the Statutory Supervisor, administration, accountancy, management charges, GST, rubbish collection and systems maintenance and any one-off charges as approved by the Statutory Supervisor or required under the Act from time to time. Details of the service fee are attached in Schedule B.

The service fee is determined by the Operator in consultation with the Statutory Supervisor.

- 2.4.2. **Additional fees:** During the term of the Licence to Occupy, the resident is also required to pay a fee for any additional services provided to the resident. The additional fees are generally invoiced to the resident at monthly intervals. Services offered are shown in Schedule C attached to this Disclosure Statement.

- 2.4.3. The service fee and any additional fees are payable by the resident to the Operator at 10 Alpine View Lane, Christchurch or such address as shall be notified to the resident by the Operator. The fees and as at the date of this Disclosure Statement are set out in Schedule B.

- 2.4.4. **The service fee is reviewable by the Operator:** From time to time in the case of an increase in the service fee prior consultation by the Operator with the Statutory Supervisor is required.

- 2.4.5. **Relationship between service fee and actual costs:** The service fee is assessed as a fee chargeable to the residents for the recovery of certain basic costs of operating the Village.

The service fee is payable up to the date on which settlement of the issue of a new licence or the vacated unit is completed except the service fee will be reduced by 50% after 6 months following termination of the Licence to Occupy. The Operator has the right to use the unit once vacated for the purposes of the Village until entering into a new licence to occupy the vacant unit and during such time as the unit is so used then the service fee will be waived by the Operator.

In the case of an increase in the service fee prior consultation by the Operator with the Statutory Supervisor is required.

The Operator shall prepare a budget of likely expenditure for each year to ensure the service fee payable by each resident is sufficient to cover such costs.

2.5. Amounts which must be paid by a resident to secure an interest in a residential unit

- 2.5.1. The Capital Sum payable for a Licence to Occupy varies depending on the type of unit. As at the date of this Disclosure Statement they are as follows:

Units: Licences range from \$275,000 to \$285,000 each (but such amount will change with the market).

- 2.5.2. **Refundable amount:** An amount being the balance of the Capital Sum (known as the "Refundable Amount") is refundable to the resident on termination of the Licence to Occupy (less any other payments due and owing by the resident to the Village).

An itemised breakdown for the resident is detailed in the Licence to Occupy and is calculated on the basis of the deductions referred to in paragraph 1.3 of this Disclosure Statement.

- 2.5.3. **Is the Capital Sum reviewable?:** The Operator reserves the right to vary the above prices and any changes will be notified by the Operator to the resident. However, the amount of the Capital Sum payable by the resident for a unit will not be varied once the resident has signed the application form.

- 2.5.4. **Method of Payment:** Payment of the Capital Sum is required to be made before the resident commences occupation of a unit.

An Initial Deposit (generally 10% of the Capital Sum) is payable on application for a unit and the balance is payable before commencing occupation.

These payments are made to the Statutory Supervisor, Covenant Trustee Company Limited. The Statutory Supervisor passes such payments on to the Operator following settlement.

There is a Reconsideration Period in place pursuant to the Act, entitling the resident to cancel the Licence to Occupy the unit within fifteen (15) working days after the date of signing the Licence to Occupy. Following cancellation during the Reconsideration Period all moneys actually paid are refunded without deduction, together with any interest accrued thereon (net of resident Withholding Tax). (Refer paragraph 1 of this disclosure statement).

2.6. Charges for a resident permanently leaving on termination of a Licence to Occupy

- 2.6.1. On termination of the Licence to Occupy charges and deductions are made as set out in Part 3 (3.4.2) of this Disclosure Statement. The charges and deductions are as directed by the Operator pursuant to the Licence to Occupy of the resident and are not reviewable once the Licence to Occupy is signed by the resident.

- 2.6.2. **Is there a charge for moving from one unit in the Village to another unit in the Village?** The resident may also elect to move from one unit to another within the Village - but subject to the availability of such a unit. If the resident elects to move then the resident will be required to

terminate the residents existing Licence to Occupy and subscribe for a fresh Licence to Occupy for the new unit to which the resident is moving to. Thus the Capital Sum (subject to deductions) will be repaid to the resident and to the resident will be required to pay to the Operator the Capital Sum applicable to the new unit.

The charges payable by the resident may include such reasonable costs as may be incurred by the Operator in effecting the transfer.

2.7. Periodic charges payable by the resident

- 2.7.1. **Service fees** are assessed by assessing the total cost of operating the village facilities and obtaining reimbursement from the residents of the village. The fee includes those items set out in Schedule B and reflects the actual cost of operating the Village facilities and services. The Operator can review the amount of the service fee, subject to consultation with the statutory supervisor and such change will be notified to the resident.
- 2.7.2. **Additional Fees** are charged to the resident on the basis of the cost of each additional service provided to the resident (as set out in Schedule C). Such additional services are charged to the resident on the basis of a charge out scale for each care service provided (the costs of which are published from time to time to the residents by the Operator).
- 2.7.3. **Anticipated new or changed charges:** Nil as at the date of this Disclosure Statement.
- 2.7.4. **Charges payable after resident vacates unit:**
- 2.7.4.1. **Temporary Vacation:** If the resident vacates the unit on a temporary basis only, then the service fee must still be paid by the resident.
- 2.7.4.2. **Permanent vacation of unit on termination of the unit:** The service fee continues to be payable by the resident up until the date when a new resident enters into occupation of the unit. If the unit remains unoccupied following termination for a period of 6 months then the service fee shall be reduced by 50%. However, if the Village uses the unit for its own purposes (including temporary occupation by an independent third party) then the outgoing residents liability for payment of the service fee shall cease during this period.

2.7.5. Maintenance and sinking fund contributions

A maintenance fund is operated by the Operator and is held in a separate bank account. The resident contributes to this fund as part of the **service fee** is credited to this fund.

2.7.6. Body Corporate levies

There is a Body Corporate at the Village which currently has Body Corporate levies levied on each unit of \$33.85 per week. The Operator pays any Body Corporate levies applicable to a unit the subject of a Licence to Occupy. The Body Corporate levy forms part of the Service Fee payable by the Resident.

2.8. Maintenance and refurbishment 2(d): Details of maintenance for which the Operator and the residents are responsible:

The Operator of the Village is responsible for all maintenance of the interior and exterior of the units. However, the resident is responsible to keep and maintain the interior of the unit and fixtures, fittings and any other items owned by the Operator as contained in the unit in a proper, tidy, clean and sanitary condition and (where appropriate) working order. At the termination of the Licence, the resident must leave the unit in the same order and repair and condition as it was at the commencement of the Licence (except for (any damage caused by) fair wear and tear or any damage caused by fire, tempest, earthquake, inevitable accident or act of God). The costs of any internal repairs, painting or redecoration (excluding fair wear and tear) required as a result of any damage, loss or injury caused to the unit by the resident including negligent use or omission may be recovered by the Operator from the resident.

- 2.8.1. **Maintenance fund** The Village has a maintenance fund for repairs, maintenance, refurbishment and capital replacement work associated with the Village and its facilities. As at the date of this Disclosure Statement the balance of the Maintenance Fund is \$1,779.20.

Maintenance fund not used to refurbish unit: Generally the Maintenance Fund monies will not be used to refurbish a unit vacated because the relevant Occupation Right Agreement is terminated.

Is the resident entitled to a credit from the maintenance fund on termination of Licence to Occupy? No, a resident who disposes of their Licence to Occupy the unit is **not** entitled to a payment, refund or credit from the Maintenance Fund.

2.9. Amounts payable by the resident for rates and insurance

- 2.9.1. **Rates:** Nil other than contribution to rates paid by Resident via payment of the Service Fee (refer schedule B).
- 2.9.2. **Insurance:** refer to paragraph 4.3 of this Disclosure Statement. The Resident contributes to insurance via payment of the Service Fee (refer Schedule B).
- 2.9.3. **Maintenance:** refer to paragraph 2.8 of this Disclosure Statement. The

Resident contributes to maintenance via payment of the Service Fee (refer Schedule B).

2.10. Financial Accounts for Alpine View Village 2(e)

- 2.10.1. **Obligations under the Financial Reporting Act:** Under the Financial Reporting Act 1993 (FRA), the Financial Statements are prepared relating to the Operator. The financial statements for the Operator and the Village are the same.
- 2.10.2. **The process for preparing, auditing and disclosing of financial statements:** BDO Spicers Christchurch Limited as Accountants for the Operator are responsible for preparing the necessary Financial Statements.
- The Financial Statements will be registered and will be available for searching at the Companies Office website.
- 2.10.3. **Circumstances where a resident is entitled to the financial statements of the Village:** All residents of the Village are entitled to receive a copy of the Financial Statements of the Operator at no charge. Such information can be made available upon request by the resident to any of the following:
- 2.10.3.1. The Manager;
 - 2.10.3.2. BDO Spicers Christchurch Limited, Chartered Accountants;
 - 2.10.3.3. The Solicitors for the Operator, Cavell Leitch Pringle & Boyle, Barristers and Solicitors, Level 15, Clarendon Tower, Christchurch.
- 2.10.4. **Other accounts or financial statements (apart from those required by the FRA) which are prepared in relation to the operation of the Village:** Nil
- 2.10.5. **Are accounts prepared for the manager of the Village:** Accounts are prepared for Alpine View Care Centre Limited (but are not audited).
- 2.10.6. **Financial statements attached to this Disclosure Statement:** Financial Statements for the Operator are not attached to this Disclosure Statement but are available upon the request of any resident of the Village.

PART 3: OCCUPATION RIGHTS AGREEMENTS, TERMINATION, DEDUCTIONS AND ESTIMATED FINANCIAL RETURNS

3.

3.1. Cooling off period and cancellation of Occupation Right Agreements (3(a))

Please refer to section 28 of the Retirement Villages Act 2003 which is displayed under the heading "Cooling Off and Cancellation for Delay Statement" on page 6 of this Disclosure Statement.

The Licence to Occupy for the Village contains the cooling off and cancellation provisions as required under the Act.

3.2. Variation of Occupation Right Agreement (3(b))

Details of the ability of a party to vary an Occupation Right Agreement: The Licence to Occupy for each resident cannot be varied unilaterally. Any variation to a signed Licence to Occupy for a unit in the Village shall be completed after consultation and the written consent of both parties, except in circumstances required by law.

3.3. Termination of Occupation Right Agreement (3(c))

3.3.1. Effect of termination on any person living with a resident (at the time of termination) if the Occupation Right Agreement is terminated: Any person living with a resident at the time of termination shall be bound by the term of the Licence to Occupy and be required to vacate the unit on termination.

3.3.2. Charges that continue to be payable by a former resident after termination are as follows:

3.3.2.1. Service fee: The service fee is payable up to the date on which settlement of the issue of a new Licence to Occupy the vacated unit is completed (refer also clause 2.7.4.2 above).

However, the resident is required to account for all additional fees incurred up to the date of vacation of the unit.

3.3.3. Details of application for maintenance fund contribution paid by former resident: Any contribution to the maintenance fund (paid by the resident via payment of the service fee) is not apportioned on termination of the Licence to Occupy, Such contribution is retained by the Operator in the maintenance fund.

3.3.4. The extent (if any) a former resident is exposed to capital gain (or

loss) arises from termination of Licence to Occupy: Under the terms of the Licence to Occupy a unit at the Village, the amount repayable to the resident is specified at the time of commencement of the Licence. Therefore, the former resident is not exposed to any capital gain arising out of the termination of the Licence. A limited exception to this is should there be a delay in obtaining a new resident for the vacated unit, then with the agreement of both the resident and the Operator, a reduced repayment amount can be agreed.

3.3.5. The resident is **not** entitled to repayment or refund of any contributions to any maintenance or sinking fund.

3.3.6. **Details or process to be followed in finding a new resident for the vacated residential unit are as follows:**

The unit is advertised in local newspaper, on the internet via Eldernet website and through the database of interested parties that have enquired about the unit.

3.4. Deductions from payments by and to residents (3(d))

3.4.1. On entry:

Payment of the Capital Sum payable for the Licence to Occupy. The applicable entry consideration of such Licences are specified in paragraph 2.4 of this Disclosure Statement.

3.4.2. On exit:

On a surrender or termination of a Licence to Occupy, a deduction is made against the initial Capital Sum and calculated in accordance with the Licence to Occupy (refer also paragraph 1.3.5).

3.4.3. Other costs which the resident is required to pay include:

3.4.3.1. Residents' legal costs on the issue, transfer and termination of a Licence to Occupy.

3.4.3.2. Utility charges for electricity (if separately metered), telephone and other separately metered utilities used by the resident.

3.4.3.3. General practitioner, medical and pharmaceutical costs and specialist health professional fees incurred by the resident.

3.4.3.4. Any charges for services that are in addition to or different from the standard care services specified by the Operator from time to time, such as physiotherapy, additional domestic or home aid services and other allied health services.

3.4.3.5. Costs of any internal repairs, painting or redecoration

(excluding fair wear and tear) required as a result of any damage, loss or injuries caused to the unit by the resident including negligent use or admission as more particularly described in the Licence to Occupy.

- 3.4.3.6. If any payments are not made upon the dates and in the manner required in terms of the Licence to Occupy, then the resident may be liable to pay default interest as specified in the Licence to Occupy.
 - 3.4.3.7. Any other costs not otherwise specified but which are properly payable by the resident as an occupant of a resident funded village.
 - 3.4.3.8. A resident of the Village may be required to indemnify the statutory supervisor pursuant to the Deed of Supervision.
- 3.4.4. **There is no financial return that a resident, former resident or estate of a former resident can expect to receive on the sale or other disposal of a vacant residential unit**, except for repayment of the Refundable Amount. (and refer to "Specific Information for Intending Residents" as part of this disclosure statement).

PART 4 – OTHER MATTERS

4.

4.1. Details relating to certain security interests (4(a))

The Village has yet to be registered under the Act. However, as at the date of this Disclosure Statement, no holder of a security interest has refused consent to the registration of the Village under the Act.

4.2. Code of Practice: (4(b))

Is there an exemption from the requirement to comply with the Code of Practice?: No, to date, the Village has not adopted the Code of Practice nor has it applied for an exemption from the requirement to comply with the Code of Practice.

The Code of Practice is due to come into force on or about 25 September 2007.

4.3. Responsibility for insurance (4(c))

Insurance cover for the Village is covered by full replacement cover arranged through the Villages insurance broker, McKibbins Hamilton. The resident is responsible for arranging insurance over their own personal furniture, fittings and chattels in the unit.

4.4. Moving into a rest home or hospital care institution in the Retirement Village 4(d)

Is the resident allowed to leave the residential unit and receive resthome care in the Care Facility The Operator will use its best endeavours to procure a vacancy for the resident in the Care Facility provided that the resident must comply with the conditions of entry for the Care Facility. One of the conditions of entry to the Care Facility is a comprehensive assessment of the resident, to be completed by a registered medical practitioner.

4.5. Effect of marriage on Occupation Right Agreement 4(e)

Should a resident marry or enter into a civil union (irrespective of whether the resident was in another marriage or civil union when the Licence to Occupy was entered into), then the resident's new wife, husband or partner (as the case may be) must:

- 4.5.1. Comply with the terms and conditions of the Village and any other terms and conditions of entry into the Village.
- 4.5.2. Enter into a Licence to Occupy the unit on the same terms and conditions as the current resident.

4.6. Financial assistance 4(f)

There is no financial assistance available from any person to any resident in connection with payment of the Capital Sum for a Licence to Occupy.

4.7. Prospective financial information 4(g)

- 4.7.1. The principal assumptions and methods for working out information in prospective financial information are included in the notes to the financial information.

All residents must seek independent legal advice before entering into an Occupation Right Agreement/Licence to Occupy for Alpine View Village.

SPECIFIC INFORMATION FOR INTENDING RESIDENT**Resident Name:****Unit description and number:****Initial Service Fee payable:****Capital Sum:****Details of deductions applicable to unit as at date of this disclosure statement.**

Termination Date/length of stay	Estimated deductions Licence Fee	Estimated Refundable Amount
Up to 1 year		
2 years		
5 years		
10 years		

Deductions based on calculation contained in paragraph 1.3 of this disclosure statement.

SCHEDULE A
KEY STAFF OF VILLAGE

(As at the date of this Disclosure Statement)

Position:	Name:	Contact Details:
1. Nurse Manager	Jacky Summers	Ph: 383 2294 Email: alpineview@xtra.co.nz
2. Nurse	Lynn Hill	Ph 383 2294 Email: alpineview@xtra.co.nz
3. Nurse	Lorraine Gay	Ph 383 2294 Email: alpineview@xtra.co.nz
4. Services Coordinator	Helena Te Koeti	Ph 383 2294 Email: alpineview@xtra.co.nz
5. Manager	Kenneth Bryenton	Ph: 383 2294 Email: alpineview@xtra.co.nz

SCHEDULE B**CHARGES AS AT THE
DATE OF THIS DISCLOSURE STATEMENT
(INCLUDING GST)**

The Service Fee and fees for additional services are subject to the review of the Operator from time to time.

The Service Fee payable by the resident shall include an allowance for the operation of the Village including (without limitation) the following:

1. all maintenance of grounds;
2. use of the communal facilities and chattels (including upkeep);
3. building, fixtures and lifts maintenance and cost of repairs;
4. costs associated with the operation and maintenance of the Village;
5. administrative costs (including appropriate accountancy, legal, statutory supervisor, advertising and audit expenses);
6. maintenance of the special emergency nurse call system and fire monitoring system;
7. rates, building insurance, water supply, security and garbage collection;
8. an accumulation fund to meet infrequent but recurring items of repairs and maintenance expenditure.
9. Costs of compliance with any statute, regulation, by-law or other lawful obligation in respect of the Village.

SCHEDULE C**ADDITIONAL SERVICES****(as at the date of this disclosure statement)**

Residents are able to elect, from time to time, one of a number of optional additional services provision of which is to be arranged by the Operator, subject to the guidance by and discretion of the Manager and at an additional cost to the Resident.

1. Provision of meals in Unit.
2. Provision of meals.
3. Transport services.
4. Registered Nurse.
5. Doctor.
6. Podiatrist.
7. Cleaner.
8. Home Assistance.
9. Handyman.
10. Bus Trips.
11. Laundry.
12. Ironing.
13. Village Coordinator.
14. Breakfast, Lunch, Dinner.

In addition, further services may be made available to the residents at the additional costs of the resident on the payment for additional services such as doctors' fees, chemist's fees, specialist health professional fees and hairdressing.

Services offered to the resident will be those which in the reasonable opinion of the Operator are deemed to be necessary by the Operator.

Hospital Level Care is not able to be provided in the Units.

COPY

Covenant Trustee Company Limited

MEMORANDUM OF ENCUMBRANCE

MEMORANDUM OF ENCUMBRANCE

Jeremy O'Dowd, Simon John O'Dowd and Kenneth Ross Bryenton as partners of the O'Dowd Bryenton Partnership ('Grantor') being the registered proprietor of the ('Land') **ENCUMBERS** the Land for the benefit of **Covenant Trustee Company Limited ('Statutory Supervisor')** for itself and the Residents to secure to the Statutory Supervisor and the Residents the performance of the Secured Obligations and the payment of the Secured Moneys, and to secure for a term of nine hundred and ninety nine years the payment of an annual rent-charge of one dollar inclusive of GST (if any) to be paid on the 1st day of January in each year if demanded by that date (the first payment if so demanded due by the 1st day in January 2008) **UPON AND SUBJECT** to the following covenants, terms and conditions:

1. Definitions

1.1 In this Memorandum of Encumbrance:

'Deed of Supervision' means the Deed of Supervision dated *4 October* 2007 between the Grantor and the Statutory Supervisor, as amended, supplemented or novated from time to time;

'Grantor' includes the successors and approved assigns of the Grantor and any successor in title to the Land;

'Land' means the land described in the Schedule to this Memorandum of Encumbrance;

'Mortgagee' means any person to whom, with the consent of the Statutory Supervisor, a mortgage over the Land is granted but does not include the Statutory Supervisor;

'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 dwelling within a Village; and
- (b) specifies any terms or conditions to which that right is subject;

'Receivables' means all moneys receivable by the Grantor in relation to the Land whether upon the sale of the Land or from the granting of any Occupation Right Agreement or otherwise;

'Relevant Documents' means:

- (a) each Occupation Right Agreement;
- (b) the Deed of Supervision; and
- (c) each Statutory Supervisor's Security;

'Resident' means any of the following:

- (a) a person who enters into an Occupation Right Agreement with the Operator;
- (b) a person who, under an Occupation Right Agreement is, for the time being, entitled to occupy a dwelling within a Village, whether or not the agreement is made with that person or some other person; or
- (c) if the Occupation Right Agreement so provides or with the consent of the operator of the Village, the spouse or partner of the person referred to in paragraph (b) who is occupying the dwelling with that person, or after that person's death or departure from the Village;

'Secured Moneys' means all moneys of whatever nature which the Grantor (whether alone or with any other person) is now or at any future time may become liable to pay to the Statutory Supervisor for itself or on behalf of Residents, or to any Resident, under any of the Relevant Documents;

'Secured Obligations' means all present and future obligations and undertakings of whatever nature which the Grantor (whether alone or with any other person) has, owes or has given to the Statutory Supervisor for itself or on behalf of Residents, or to any Resident under any of the Relevant Documents;

'Statutory Supervisor's Securities' means this Memorandum of Encumbrance and any other securities that may from time to time be granted by the Grantor in favour of the Statutory Supervisor to secure the Secured Moneys and/or the Secured Obligations; and

'Village' means a retirement village in respect of which the Grantor is the operator.

2. **Covenants and agreements of Grantor**

- 2.1 That the Grantor covenants to pay, promptly when due, all the Secured Moneys and to conscientiously perform and observe all the Secured Obligations.
- 2.2 The Grantor covenants that it will not, without the prior written consent of the Statutory Supervisor, further encumber or charge the Land except in accordance with the Deed of Supervision.
- 2.3 The Grantor acknowledges and agrees that all Occupation Right Agreements shall have the benefit of this Memorandum of Encumbrance and for the purposes of the Contracts (Privity) Act 1982, this Memorandum of Encumbrance is entered into for the benefit of the Residents as well as the Statutory Supervisor.

3. **Nature of Memorandum of Encumbrance**

- 3.1 This Memorandum of Encumbrance and the charge created by this Memorandum of Encumbrance shall remain in full force and shall be a running and continuing security for the payment of the Secured Moneys and for the performance and observance of the Secured Obligations notwithstanding any matter or thing whatsoever until a final discharge shall have been executed by the Statutory Supervisor and shall not be prejudiced by the operation of the Rule of Law laid down in *Hopkinson v Rolt* (1861) 9 H.L.C 514 or the Rule of Law known as *Clayton's Case* (1816) 1 Mer 571 or otherwise.
- 3.2 Section 104 of the Property Law Act 1952 applies to this Memorandum of Encumbrance (without prejudice to the Statutory Supervisor's rights of action at common law as a rent-chargee), except that:
- (a) the Statutory Supervisor shall be entitled to none of the powers and remedies given to encumbrancees by the Land Transfer Act 1952 and the Property Law Act 1952; and
 - (b) no covenants on the part of the Grantor and its successors in title are implied in this Memorandum of Encumbrance other than the covenants for further assurance implied by Section 154 of the Land Transfer Act 1952.
- 3.3 The Statutory Supervisor shall, in relation to the Land and these presents, have the enforcement and other rights conferred by law but this Memorandum of Encumbrance shall not confer on the Statutory Supervisor a power of sale of the Land or a right to appoint a receiver.

4. **Application of Receivables**

- 4.1 Subject to the Grantor paying the Secured Moneys and performing the Secured Obligations, the remaining Receivables may be applied by the Grantor first in accordance with the directions of any Mortgagee and secondly as the Grantor thinks fit.
- 4.2 If the Grantor is in default in the payment of any Secured Moneys or the performance of any of the Secured Obligations, the Receivables must be applied by the Grantor as follows:
- (a) First, in payment of moneys owing to the Statutory Supervisor under any Relevant Document;
 - (b) Secondly, in payment of moneys owing to any Resident under any Occupation Right Agreement or other Relevant Document;
 - (c) Thirdly, in payment of moneys owing to any Mortgagee of the Land; and
 - (d) Fourthly, in payment of any surplus to the Grantor.

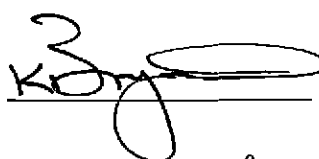

5. **Discharge**

- 5.1 The rent-charge in this Memorandum of Encumbrance shall immediately determine and the Grantor shall be entitled to a full discharge of this Memorandum of Encumbrance when all Secured Obligations have been finally performed and there are no further Secured Moneys owing or to become owing to Residents or to the Statutory Supervisor.
- 5.2 The discharge of this Memorandum of Encumbrance (partial or otherwise) will not prejudice or affect any rights the Statutory Supervisor may have against the Grantor under any other deed, transfer or agreement.

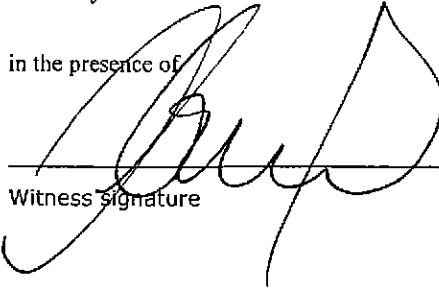
IN WITNESS WHEREOF these presents have been executed the 8 day of October 2007

SIGNED for and on behalf of

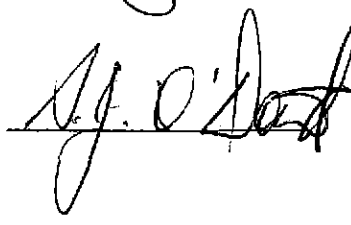
O'Dowd Bryenton Partnership by Jeremy
O'Dowd, Simon John O'Dowd and Kenneth
Ross Bryenton

) 
) 
) _____

in the presence of



Witness signature

) 
) _____

Full Name
CLARE MARY O'NEILL
SOLICITOR
CHRISTCHURCH

Address

Occupation

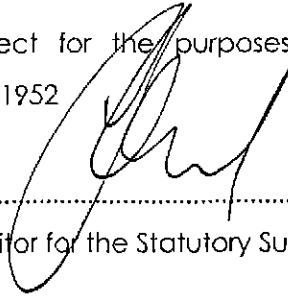
Note: If two directors sign, no witness is necessary. If a director and authorised signatory sign, both signatures are to be witnessed. If the director and authorised signatory are not signing together, a separate witness will be necessary for each signature.

SCHEDULE**Description of the Land**

10 Alpine View Lane, Burwood, Christchurch as contained in certificate of title CB45D/940 (described as Unit A and Accessory Unit 1 & A2 Deposited Plan 71935) and Villa 4, 10 Alpine View Lane, Christchurch as contained in certificate of title CB42A/1179 (described as Unit E Deposited Plan 71935)

MEMORANDUM OF ENCUMBRANCE

Correct for the purposes of the Land Transfer Act, 1952



.....
Solicitor for the Statutory Supervisor (as Mortgagee)

**Jeremy O'Dowd, Simon John O'Dowd and Kenneth Ross Bryenton
as partners of the O'Dowd Bryenton Partnership
(‘Grantor’)**

**Covenant Trustee Company Limited
(‘Statutory Supervisor’)**

Particulars entered in the Registers as shown
on the date and at the time endorsed below.

.....
Registrar General of Land
=====

**Cavell Leitch Pringle & Boyle
Solicitors
Christchurch**

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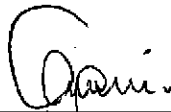
ASB BANK LIMITED
CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I Craig Anthony Muir of Auckland, New Zealand, hereby certify:

- 1 THAT by a Deed dated **31 October 2006** and deposited in the Land Information New Zealand office as **No. 7154356.1** ASB Bank Limited appointed the persons holding, or from time to time acting in, the following ASB Bank offices as its attorneys on the terms and subject to the conditions set out in the said Deed:

Senior Manager Business and Rural Documentation
Senior Manager Group Retail Loan Documentation
Senior Manager Loan Security Maintenance
Manager Business and Rural Loan Documentation
Legal Executive, Lending Services
Manager Administration
Manager Security Alterations and Settlements
Manager Inward Documents and Security Filing
Chief Manager Lending Services
Senior Manager Debt Assessment and Recoveries
Manager Business Credit

2. THAT I hold the appointment of Manager Security Alterations and Settlements, Lending Services, with ASB Bank Limited
3. THAT at the date of signing I have not received any notice of or information of the revocation of that appointment by the winding up of the said company or otherwise.



Craig Anthony Muir

SIGNED at Auckland this

day of

23 OCT 2007

2007

Mortgage priority instrument

Section 103 and Third Schedule, Land Transfer Act 1952

Land registration district

CANTERBURY



BARCODE

Unique identifier(s)

or C/T(s)

All/part

Area/description of part or stratum

CB42A/1179

All

Unit E Deposited Plan 71935

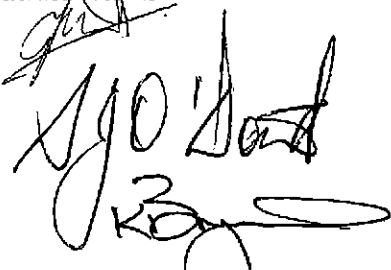
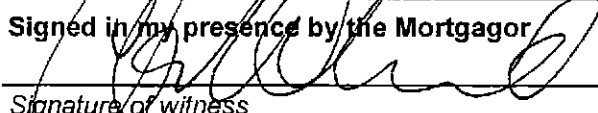
Variation* of priority and/or terms

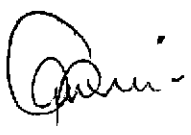
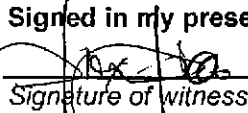
The priority of the mortgages relating to the land in the above certificate(s) of title or computer register(s) and/or the terms implied by the Third Schedule of the Land Transfer Act 1952 is/are **varied** as set out in Annexure Schedule 1.

Dated this 23 day of October 2007

Attestation


(Continue in additional Annexure Schedule if required.)

 Signature [common seal] of Mortgagor	Signed in my presence by the Mortgagor  Signature of witness Witness to complete in BLOCK letters (unless legibly printed) Witness name Occupation CLARE MARY O'NEILL Address SOLICITOR CHRISTCHURCH
---	---

Craig Anthony Muir  Signature [common seal] of Mortgagee giving priority	Signed in my presence by the Mortgagee giving priority  Signature of witness Witness to complete in BLOCK letters (unless legibly printed) Witness name Alex Aiono Occupation Bank Officer Address AUCKLAND ASB BANK LTD P.O. BOX 35 AUCKLAND (AUCKLAND SORT)
--	---

Signature [common seal] of Mortgagee giving priority	Signed in my presence by the Mortgagee giving priority Signature of witness Witness to complete in BLOCK letters (unless legibly printed) Witness name Occupation Address
---	--

Certified correct for the purposes of the Land Transfer Act 1952.



[Solicitor for] the Mortgagee taking priority

* The specified consent form must be used for the consent of all submortgages of any mortgage postponed by this instrument.

COPY

ASB BANK LIMITED
CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I Craig Anthony Muir of Auckland, New Zealand, hereby certify:

- 1 THAT by a Deed dated **31 October 2006** and deposited in the Land Information New Zealand office as **No. 7154356.1** ASB Bank Limited appointed the persons holding, or from time to time acting in, the following ASB Bank offices as its attorneys on the terms and subject to the conditions set out in the said Deed:

Senior Manager Business and Rural Documentation
Senior Manager Group Retail Loan Documentation
Senior Manager Loan Security Maintenance
Manager Business and Rural Loan Documentation
Legal Executive, Lending Services
Manager Administration
Manager Security Alterations and Settlements
Manager Inward Documents and Security Filing
Chief Manager Lending Services
Senior Manager Debt Assessment and Recoveries
Manager Business Credit

2. THAT I hold the appointment of Manager Security Alterations and Settlements, Lending Services, with ASB Bank Limited
3. THAT at the date of signing I have not received any notice of or information of the revocation of that appointment by the winding up of the said company or otherwise.



Craig Anthony Muir

SIGNED at Auckland this

day of

23 OCT 2007

2007

Mortgage priority instrument

Section 103 and Third Schedule, Land Transfer Act 1952

Land registration district

CANTERBURY



BARCODE

Unique identifier(s)
or C/T(s)

All/part

Area/description of part or stratum

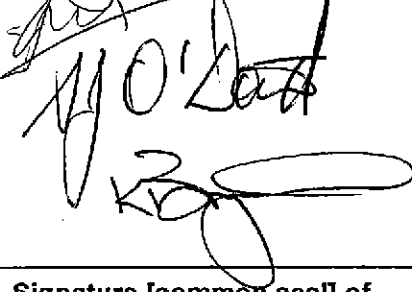
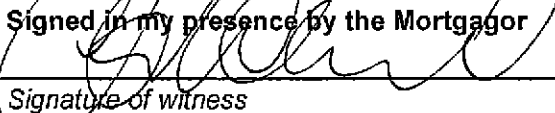
CB45D/940	All	Unit A and Accessory Unit 1 and A2 Deposited Plan 71935
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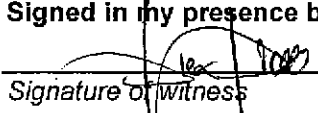
Variation* of priority and/or terms

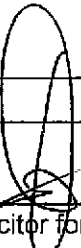
The priority of the mortgages relating to the land in the above certificate(s) of title or computer register(s) and/or the terms implied by the Third Schedule of the Land Transfer Act 1952 is/are **varied** as set out in Annexure Schedule 1.

Dated this 23 day of OCT 2007

Attestation *(Continue in additional Annexure Schedule if required.)*

 Signature [common seal] of Mortgagor	Signed in my presence by the Mortgagor 
	Signature of witness Witness to complete in BLOCK letters (unless legibly printed) Witness name CLARE MARY O'NEILL Occupation SOLICITOR CHRISTCHURCH Address

 Craig Anthony Muir Signature [common seal] of Mortgagee giving priority	Signed in my presence by the Mortgagee giving priority 
	Signature of witness Witness to complete in BLOCK letters (unless legibly printed) Witness name Alex Aiono Occupation Bank Officer AUCKLAND Address ASB BANK LTD P.O. BOX 35 AUCKLAND (AUCKLAND SOFT)

Signature [common seal] of Mortgagee giving priority	Signed in my presence by the Mortgagee giving priority Signature of witness Witness to complete in BLOCK letters (unless legibly printed) Witness name Occupation Address
	

Certified correct for the purposes of the Land Transfer Act 1952.



[Solicitor for] the Mortgagee taking priority

* The specified consent form must be used for the consent of all submortgagees of any mortgage postponed by this instrument.

Annexure Schedule 1



Mortgage
priority
instrument

Dated

23 October 2007

Page

1

of

1

pages

Variation of priority

(Continue in additional Annexure Schedule if required.)

New ranking	Mortgage number	Mortgagee(s)
First	Memorandum of Encumbrance 7234392.1	Covenant Trustee Company Limited
Second		ASB Bank Limited
Third		
Fourth		

Variation of terms

(Continue in additional Annexure Schedule if required.)

Variation of the covenants, conditions, and powers implied by the Third Schedule of the Land Transfer Act 1952:

All signing parties and either their witnesses or solicitors must sign or initial in this box.