

Palmerston North Village

Disclosure Statement

Care Suites

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1. Important information for intending residents

This clause is as set out in Schedule 4 of the Retirement Village (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 (the document that 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 –

- (a) *the kind of legal interest that the resident has in the village:*
- (b) *what happens if the resident wants to terminate an occupation right agreement:*
- (c) *the fees and charges that apply to entering, moving between units within, and leaving the village:*
- (d) *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 **care suite** at the Village.

Important information for intending residents can be found in clause 0 above.

Specific details and information relating to your proposed personal interest in the Village can be found in Schedule 1.

Specific details and information relating to details of the Village, including the services and facilities available at the Village, can be found in Schedule 2.

Specific details and information relating to sales at the Village can be found in Schedule 3.

Where any words or phrases are shown with capital first letters, their meanings are set out in clause 13.

3. Directory

Date Disclosure Statement Lodged for Registration	Refer to clause 1 in Schedule 2.
Village Name	Palmerston North Village

Village's Street Address	7 Fitchett Street, Central Palmerston North, Palmerston North, New Zealand
Operator	Metlifecare Palmerston North Limited, a company registered under the Companies Act 1993 under number 595019
Operator's Directors	Earl Gasparich, Hannah Walton, Johanna Sawden, Rebecca Elizabeth Mellish, Justin Fogarty and Jeanie Hughes
Village/Operator's Registered Office and Street Address	110 Carlton Gore Road, Newmarket, Auckland 1023, New Zealand
Operator's Contact Details	Agent: Earl Gasparich, Chief Executive Officer Phone: 09 539 8000 Email: info@metlifecare.co.nz
Manager's Details	Name: Metlifecare Limited Registered Office/Street Address: 110 Carlton Gore Road, Newmarket, Auckland 1023, New Zealand Phone: 09 539 8000 Email: info@metlifecare.co.nz
Statutory Supervisor	Covenant Trustee Services Limited Address: Level 6, 191 Queen Street, Auckland Phone: 09 302 0638 Email: info@covenant.co.nz
Village Manager's Details	Name: Sheryl Tubman Phone: 06 350 6410 Email: sherylt@metlifecare.co.nz
Nurse Manager's Details	Name: Jyoti Chandra Phone: 06 350 6400 Email: jyotic@metlifecare.co.nz

4. Your Occupation Right Agreement and your rights

4.1 Nature of Your Interest and Occupancy Rights

You are offered a contractual licence to occupy your Care Suite entitling you to reasonable exclusive use and occupation of your Care Suite and a shared right to use the Common Areas for Care Suite residents in the Village. 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 Care Suite.

If the Occupation Right Agreement is for two of you, you both hold the benefits and have obligations jointly. If one of you ceases to live permanently in the Care Suite for any reason, the interest of that Resident automatically transfers to the other Resident, unless we have received written notification while both Residents are alive that you have cancelled your right of survivorship in respect of the joint interest.

Your Occupation Right Agreement is secured by the security in favour of the Statutory Supervisor described in clause 9 below.

4.2 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.

4.3 Your Rights

In addition to the rights you have under the Code of Residents' Rights you have the following rights:

Right	Details, conditions and any limitations
To grant a security interest in the termination proceeds	You need to get our prior written consent to granting a security interest. Any security interest will be subject to our right to deduct any amounts owing by you at termination.
To have a member of your family, including a spouse or de facto partner, stay with you in your Care Suite	You may only have friends, members of your family or a spouse or de facto partner stay with you in your Care Suite with our prior written consent.

4.4 Rights you do not have

You do not have the following rights:

To mortgage or otherwise borrow against your interest in your Care Suite.
To sell or market your Care Suite. Please see clause 8 for further information on how we sell and market the Care Suite following termination of your Occupation Right Agreement.
To have a person stay with you in the Care Suite as a companion or carer.
To have a person board with you in your Care Suite.
To have a person stay in your Care Suite to mind it for you while you are away.
To let or sub-licence your Care Suite to another person.

To keep a pet in your Care Suite.

4.5 Limits on living in or using your Care Suite

You are subject to the following limitations on your use of your Care Suite:

Alterations	<p>You must not make any alterations or additions to your Care Suite or modify the Operator's Chattels, install audible burglar alarms, or fit aerials, antennas or other items without our prior written consent.</p> <p>However, if you have a disability you are entitled to alter your Care Suite if it does not meet your needs. If you wish to make such alterations you must give us written notice and consult with us. We will undertake such alterations at your cost and may require the Care Suite to be reinstated to its original condition on termination (at your cost).</p>
Personal use and occupation	<p>Your Care Suite must only be used for your personal use and occupation, subject to any rights to have people stay in your Care Suite 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 that any Rules do not detract from your existing rights.</p>
Washing	<p>You must not hang clothes or washing on any balcony, veranda, deck, patio or other external area of the Care Suite except for any areas designated for that purpose.</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 give offence to any person. Under the Code of Practice, 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.</p>
Damage	<p>You must not do anything which damages your Care Suite. In particular, you must not keep any dangerous or flammable items in the Care Suite, or do anything which could block drains or water pipes. You must only deposit rubbish in approved receptacles.</p>
Access to your Care Suite	<p>You will permit us at all reasonable times to enter your Care Suite for the purpose of providing care services to you and for carrying out an inspection or to carry out any repairs we consider necessary.</p>

5. Entry and exit payments

5.1 Capital Sum

Unless otherwise agreed in writing, you must pay the Capital Sum to the Statutory Supervisor prior to taking occupation of the Care Suite. The amount of the Capital Sum depends on the Care Suite you are interested in. The Capital Sum for the Care Suite you are interested in is set by us and is shown in Schedule 1.

5.2 Payments on Exit

After the Occupation Right Agreement is terminated and on the Repayment Date, we will pay you the Repayment Sum, being an amount equal to the Capital Sum, less the following amounts:

- (a) The Net Management Fee, which is a maximum amount equal to 30% of the Capital Sum. The Net Management Fee accrues to us on a daily basis from the Commencement Date until the Last Accrual Date at the following rates:
 - (i) 15% of the Capital Sum for the first year commencing from the Commencement Date or \$5,000, whichever is the greater;
 - (ii) 10% of the Capital Sum for the second year commencing on the first anniversary of the Commencement Date; and
 - (iii) 5% of the Capital Sum for the third year commencing on the second anniversary of the Commencement Date;
- (b) The outstanding balance of any payments payable by you to us, such as any unpaid Daily Care Fees, Additional Service Costs or damage or removal costs incurred.

5.3 Circumstances in which you are entitled to a Refund

You are entitled to a refund of your Capital Sum if you exercise your rights during the cooling-off period to cancel your Occupation Right Agreement. Please see clause 11 for further details.

You will also be entitled to a refund of your Capital Sum, if you avoid your Occupation Right Agreement under section 31(1) of the RV Act. Please see clause 11 for further details.

6. Ongoing charges

You must pay the ongoing charges detailed below. Specific amounts of these charges for the Care Suite you are interested in are shown in Schedule 1.

6.1 Daily Care Fee

You will pay us the Daily Care Fee in exchange for us providing you with long term residential care services. A description of these services is set out in the Occupation Right Agreement and the Admission Agreement.

The Daily Care Fee will change in accordance with changes in the bed day rate as gazetted by Te Whatu Ora Health New Zealand. Such change will apply with effect from the date the new bed day rate applies under the ARRC Contract that we have with Te Whatu Ora Health New Zealand. It will also change if the care level that you need to live safely in the Care Suite changes to take effect from the date we commence providing such higher level of care to you.

The Daily Care Fee must be paid to us by direct debit from your bank account on the 15th day of each month. The Daily Care Fee is payable from the Commencement Date until the date that you permanently vacate the Care Suite.

If you meet the needs assessment and WINZ asset testing threshold criteria, you may be eligible for a residential care subsidy from the government in respect of the Daily Care Fee. This subsidy is paid directly to us and applied towards payment of the Daily Care Fee.

Any obligation on us to pay you any rebate under the ARRC Contract for services provided under both the Admission Agreement and the Occupation Right Agreement has been satisfied and taken into account in setting the Net Management Fee payable by you.

6.2 Additional Service Costs

You may also purchase additional services offered by us from time to time. You will pay the cost of any such additional services. These will be invoiced on or around the last day of the month and will be paid on or about the 15th day of the month by bank direct debit authority.

6.3 Other Costs

The costs of all electricity, water and gas (if applicable) supplied to the Care Suite are covered by the Daily Care Fee.

Default interest may be payable for late payment of moneys due under the Admission Agreement.

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

7. Maintenance, refurbishment and insurance

7.1 Our Maintenance Responsibilities

We are responsible for keeping the interior of the Care Suite and the Operator's Chattels in a good, clean and tidy condition and for maintaining and repairing the Care Suite and the Operator's Chattels during the term of the Occupation Right Agreement.

We are also responsible for maintaining the common areas and buildings of the Village (including each Care Suite) and keeping them in good order and condition.

We endeavour to ensure that the Village meets residents' current needs by maintaining the Village in good order and condition.

7.2 Your Maintenance Responsibilities

You are responsible for paying our costs of repairing any damage to the Care Suite, Village or the Operator's Chattels caused by you or your guests.

7.3 Maintenance or Sinking Fund

There is no sinking fund for the Village.

7.4 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 Care Suites), for its full replacement value. Such insurance must be to the Statutory Supervisor's satisfaction.

We hold the following insurance policies:

- (a) Comprehensive full replacement insurance in respect of all retirement village property;
- (b) Business interruption insurance;
- (c) Motor vehicle insurance;
- (d) Public and general liability insurance;
- (e) Statutory liability insurance;
- (f) Employers' liability insurance;
- (g) Professional indemnity insurance;
- (h) Directors' and officers' liability insurance;
- (i) Cyber insurance;
- (j) Medical malpractice insurance; and
- (k) Contract works insurance on construction contracts.

All policies are subject to excesses.

7.5 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. We are not responsible for any loss or damage to your belongings or vehicle except where we or our staff have caused such loss or damage.

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

- (a) reimburse us for any insurance policy excess up to a maximum amount of \$1,000, where such loss or damage is covered by our insurance.
- (b) compensate and reimburse us in full, where such loss or damage is not covered by our insurance.

7.6 Damage or Destruction of your Care Suite

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

- (a) If your Care Suite becomes uninhabitable following a Damage Event the accrual of the Net Management Fee and payment of the Daily Care Fee and any Additional Service Costs will be suspended from the date of the Damage Event (unless we are providing temporary accommodation to you, in which case the accrual/payment shall continue) until your Care Suite or its replacement is ready for occupation by you following repair or replacement.
- (b) If, following a Damage Event, we decide it is not practicable to repair or replace your Care Suite the Occupation Right Agreement is automatically terminated (unless paragraph (c) below applies), and we will repay you the Capital Sum without deducting any Net Management Fee, but we will be entitled to deduct any other amounts due to us.
- (c) If, following a decision not to repair or replace your Care Suite as set out in the bullet point above, we offer you an option to transfer to another Care Suite (either pre-existing or yet to be constructed) in the Village or in another retirement village owned by us which is in reasonable proximity to the Village and you do not accept such offer, the usual repayment provisions will apply including deduction of the Net Management Fee.

8. Termination of Occupation Right Agreement

8.1 Repayment Date

We will pay you the Repayment Sum on the earlier of:

- (a) The date that is no later than five Working Days after the date that we receive payment in full under a new occupation right agreement in respect of the Care Suite with a new resident; and
 - (b) The date that is 12 months following the Termination Date,
- ("Repayment Date").

8.2 Ongoing Charges Payable after Termination

No ongoing charges will continue to be payable after termination as long as you have stopped living in the Care Suite, vacated it and removed your belongings.

8.3 Capital Gain and Capital Loss

You are not entitled to any capital gain when a new resident enters into an Occupation Right Agreement for the Care Suite. You are not liable for any capital loss when a new resident enters into an Occupation Right Agreement for the Care Suite.

8.4 Effect of Termination on Other Persons Living in Care Suite

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

8.5 Marketing of the Care Suite

We control the sale and marketing of the Care Suite when your Occupation Right Agreement terminates. Following termination, we will take all reasonable steps to obtain a new resident for the Care Suite. You do not have any control over the selling and marketing process but are entitled to introduce a new resident to us. We are not obliged to accept any prospective resident who we consider as unsuitable for the Care Suite or the Village.

We will consult with you about when the Care Suite 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.

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 a new Occupation Right Agreement is not entered into within six months of termination, we will obtain a valuation (at our cost) of the Care Suite by an independent registered valuer with experience in valuing retirement village units, to establish a suitable price for marketing the Care Suite. We will market the Care Suite 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 Care Suite 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.

8.6 Transfer Payments

We acknowledge that you may wish to move to another Care Suite within the Village. All transfers are at our discretion, and will be subject to the availability of another Care Suite, to our being satisfied that the Care Suite will be suitable for you and to you being able to meet the financial terms of transfer. The following financial terms of transfer will apply:

<p>Transferring between Care Suites for a different level of care</p>	<p>Care suites are certified for either dual rest home and hospital level care or dementia level care. The number of care suites certified for each level and the total number of certified care rooms in the Care Home is set out in Schedule 2.</p> <p>If your needs change over time and you are assessed as requiring a level of care which cannot be provided in the Care Suite, you will need to make alternative arrangements to receive such care which may require you leaving the Village. If a replacement care suite certified for the level of care that you require is available at the Village you may be able to transfer to that replacement care suite subject to the following terms:</p> <ul style="list-style-type: none"> • You will need to fund the current capital sum for the new care suite. • Your Daily Care Fee will be payable at the applicable rate for the level of care you require. • If your Net Management Fee has fully accrued, no further net management fee is payable. If your Net Management Fee has not fully accrued by the date of transfer, the outstanding
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	<p>percentage will continue to accrue based on the capital sum for the replacement care suite.</p> <ul style="list-style-type: none"> You will need to pay a transfer fee of 2% (plus GST if any) of the capital sum for the replacement care suite each time you transfer. This is a contribution to our direct and indirect costs associated with the transfer.
Transferring for preference	<ul style="list-style-type: none"> You will need to fund the current capital sum for the new care suite. Your Daily Care Fee will continue at the same rate, unless you will be receiving a different level of care. You will need to pay a total Net Management Fee across both care suites calculated as 30% of the higher capital sum for the original Care Suite and the capital sum for the new care suite. If we agree to you transferring for preference more than once, a further net management fee will be payable on our terms. You will need to pay a transfer fee of 2% (plus GST if any) of the capital sum for the new care suite. This is a contribution to our direct and indirect costs associated with the transfer.

9. Ownership, management and supervision of the Village

9.1 Our Interest in the Village

As the operator of the Village, we are responsible for meeting all the obligations to you under your Occupation Right Agreement. Further details of our ownership interest in the Village can be found in Schedule 2.

We have granted a first ranking mortgage over part of the village land and a first ranking encumbrance over the remaining part in favour of the Statutory Supervisor. The amount secured by these charges cannot be ascertained at the date of this Disclosure Statement because the charges secure performance by us of all our obligations under the Deed of Supervision.

We have also granted security in favour of Metlifecare Limited as security trustee comprising a second ranking mortgage over the village land and a General Security Agreement over all of its assets. The mortgage and the General Security Agreement (granted in favour of Metlifecare Limited as security trustee) secure all amounts owing from time to time by us to Metlifecare Limited and Palmerston North Māori Reserve Corporate Trustee Limited including under the following loan arrangements:

- (a) Shareholder loan from Metlifecare Limited to us of \$2.226m; and
- (b) Shareholder loan from Palmerston North Māori Reserve Corporate Trustee Limited to us of \$2.226m.

9.2 Management Arrangements for the Village

We have appointed Metlifecare Limited as the Manager to carry out the day to day management of the Village including the provision of core IT and financial systems pursuant to the terms of a Management Agreement, a copy of which is available upon request. The Manager owns a large group of retirement villages and holds a 50% interest in Metlifecare Palmerston North Limited.

We pay the Manager a management fee which is, at the date of this Disclosure Statement, ~\$395,000 (excluding GST) per year. The Management Agreement does not have a fixed end date.

The Manager prepares its own audited financial statements which can be viewed publicly on the New Zealand Companies Register by searching Metlifecare Limited.

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

9.3 Key Staff at the Village

We have appointed a Village Manager with suitable previous work experience whose primary duty is to oversee the running of the Village. In addition to the Village Manager, we have also appointed a Nurse Manager who is responsible for managing the operation of the Care Home. The Village Manager will usually be available at the Village during normal business hours, Monday to Friday, and the Care Home is appropriately staffed at all times. In an emergency, the Village Manager can be contacted on their mobile number which is listed in clause 3 and residents can contact Care Home staff through the call bell in their Care Home at any time.

9.4 Residents' Committee

9.5 Supervision of the Village

We have appointed a Statutory Supervisor for the Village. Its contact details are in clause 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:

- (a) 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
- (b) Monitor the financial position of the retirement village; and
- (c) Report annually to the Registrar and residents on the performance of its duties and the exercise of its powers; and
- (d) 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).

10. Documents available

10.1 Documents available on request

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

- (a) Our audited financial statements;
- (b) Sample of the Occupation Right Agreement;
- (c) Sample of the Admission Agreement;
- (d) Rules relating to the Village;
- (e) The Deed of Supervision between us and the Statutory Supervisor.

10.2 Financial accounts

The RV Act requires us to prepare and register our audited financial statements. These financial statements are prepared by us and audited by PwC. 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".

11. Cooling-off period

11.1 Cooling-off period

The cancellation provisions in the Occupation Right Agreement offered to residents for Care Suites 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 Care Suite is not complete and is not completed to the point of practical completion within six months after the proposed date of completion of the Care Suite, 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. We set out below 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 relation to cooling-off period

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 –

- (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.

12. Information about avoiding an Occupation Right Agreement

This clause is as set out in Schedule 5 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) a significant detriment to you; or
- (b) a material (not merely technical or minor) breach of the RV 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 RV Act and refuse to pay the refund while the dispute is unresolved.

13. Glossary

Set out below 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
Admission Agreement	The document which sets out the residential care services that we will provide to you in the Care Suite. It also specifies the terms and conditions that apply to those residential care services.
Care Home	Any areas certified to deliver care services within the Village.
Care Suite	A Care Suite at the Village which is used for the accommodation of a resident to receive aged residential care under the terms of an Occupation Right Agreement and an Admission Agreement.
Last Accrual Date	The later of: (a) The date of termination of the Occupation Right Agreement; and (b) The date that the Care Suite is vacated and all of your personal belongings are removed.
Occupation Right Agreement	The document which sets out your right to occupy a Care Suite at the Village. It also specifies the terms and conditions that apply to that occupation right.
Operator's Chattels	Any chattels installed in your Care Suite by us, as set out in your Occupation Right Agreement.
Repayment Date	The date on which we are required to pay the Repayment Sum to you, as described in clause 8.1.
Repayment Sum	The amount equal to the Capital Sum less any payments or other amounts that you owe to us, as set out in clause 5.2.
Resident	A person or persons who has been granted the right to occupy a Care Suite under an Occupation Right Agreement.
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 Palmerston North Village, including the Care Suites, the Care Home and all communal areas and facilities used by residents.

Schedule 1 | Essential information for you

1. Information regarding the Care Suite you are interested in

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

Resident (“you”)	[]
Care Suite	[]
Capital Sum	[]
Net Management Fee	[]
Daily Care Fee	[]

2. Estimated financial return

Set out below is an example of the estimated financial return that the Licensee could expect to receive following termination of the Occupation Right Agreement:

Term	Capital Sum	Net Management Fee	Estimated Financial Return
Two years	[]	[]	[]
Five years	[]	[]	[]
Ten years	[]	[]	[]

Assumptions

The estimated financial return is calculated on the following assumptions:

- (c) your Capital Sum is as set out above;
- (d) the Net Management Fee is calculated in accordance with the Occupation Right Agreement and there has been no damage caused to the Care Suite; and
- (e) no deductions from the refund are required, except for the Net Management Fee.

The method of calculating the above information is in accordance with the details set out in clause 5.2(a) 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 2 | Details of the Village

Palmerston North Village – Care Suites

1. Date Disclosure Statement lodged for registration

1 May 2026.

2. State of the Village

This information is current as at the date the Disclosure Statement was lodged for registration.

The original Village buildings were completed between 1994 and 2003. The buildings are predominantly constructed from brick, plaster, and cedar weatherboard with metal tile roofing and concrete roof tiles and butynol. Their condition and state of maintenance (together with the state of the paths, driveways, roadways, grounds, lighting and heating arrangements and the security arrangements) is reasonable.

The development of 43 new villas located at Carroll Street and Ngata Street has been completed. The first stage, comprising 23 villas, was completed in April 2023. The second stage, comprising a further 20 villas, was completed in June 2024.

We have completed work to modernise the Community Centre building, the serviced apartment area and the Care Home. We have also recently converted 17 serviced apartments into care suites within the Care Home.

The facilities, grounds, and common areas of the Village may not meet the requirements of the national standards identified in NZS 4121:2001 Design for Access and Mobility: Buildings and Associated Facilities, but the Care Suite has been designed to meet those standards to the extent that they apply.

The number and type of Units at the Village, along with information on the number of sales in the last 12 months is set out in Schedule 3.

3. Services offered at the Village

The following table outlines the services provided or available at the Village for care suite residents. Unless specified above, the costs of providing the above services are included in the Daily Care Fee.

Service	Available	Nature, extent, and frequency and charges
Gardening and lawn mowing	Yes	Lawn mowing and maintenance of common garden areas arranged by the Village.
Repairs and maintenance	Yes	Maintenance of Village buildings and external areas. Some of these costs are included within the Daily Care Fee and some costs will be invoiced to you as set out in section 7.1.
Nursing and medical services	Yes	As described in the Admission Agreement.
Provision of meals	Yes	As described in the Admission Agreement.

Shops and other services for goods	No	Not available.
Laundry services	Yes	As described in the Admission Agreement.
Hairdressing services	Yes	Offered by external provider based on demand; available by appointment; user pays.
Personal care services	Yes	As described in the Admission Agreement.
Transport services	Yes	As described in the Admission Agreement.
Recreation and entertainment services	Yes	Regular activities organized at the Village. Occasionally there may be a user pays charge.
Security and emergency call services	Yes	An emergency call button is provided within your Unit. If the call button is activated, we will respond 24 hours a day, 7 days a week as described in the Admission Agreement.
Household support/cleaning services	Yes	As described in the Admission Agreement.

3. Facilities offered at the Village

The following table outlines the facilities available and not available at the Village for care suite residents. Residents may use available facilities during reasonable hours set by us from time to time and in accordance with the Village's rules. There is no additional cost for providing these facilities (unless otherwise specified).

Facility	Availability
Dining facilities	Available within the Care Home
Lounge and television room	Available within the Care Home
Communal laundry facilities	Not available
Gymnasium	Not available
Spa pool	Not available
Health clinic	Not available
Swimming pool	Not available
Tennis court	Not available
Pétanque court	Not available
Bowling green	Not available
Library	Available
Other facilities	
Chapel	Available

Billiards/Pool Table	Not available
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4. Care Home at the Village

The Care Home situated at the Village provides aged residential care as follows:

Level of care	Number of rooms
Dual-certified for Rest Home and Hospital	55

Secure dementia care is not available in the Village. If you are assessed as requiring this level of care, then you will need to move out of the Village to receive this care. However, subject to availability, you may be able to transfer to another Metlifecare Care Facility which does offer the level of care you require.

5. Our Interest in the Village

We own the underlying freehold interest in the Village land, which is registered as follows:

Record of title	
	WN12D/513, WN12D/514, WN12D/724, WN12D/725, WN12D/726, WN13A/1290, WN15C/54, WN20A/553, WN20A/955, WN20A/1131, WN20A/1220, WN20A/1254, WN20A/1270, WN20A/1309, WN20A/1405, WN20A/1457, WN20A/411, WN20A/412, WN23D/713, WN28A/692, WN45A/956, WN11C/845, WN11C/844, WN11C/843, WN11C/842, WN11C/1274, WN12A/740, WN12A/950, WN12A/949, WN12A/948, WN12A/742, WN12A/743, WN12B/32, WN12B/485, WN15D/659, WN20A/552, WN41B/149, WN11C/1271 and WN12A/680

Schedule 3 | Village sales information

1. Units at the Village

As at 1 May 2026, there are the following Units in the Village:

Type of Unit	Completed	Vacant	Occupied	To be Completed
Villa	92	1	91	0
Serviced Apartment	33	1	32	0
Care Suite	16	1	15	0
TOTAL	141	3	138	0

2. Disposals (sales) of previously unoccupied Units in the last 12 months

Listed below are details of Units which were disposed of (sold) in the 12 months prior to 1 May 2026 which have not previously been occupied (i.e. no ORA has previously been issued to a resident for this Unit):

Villa	Time Taken to Dispose of (in days)
PAN - Villa - Unit 88	650
PAN - Villa - Unit 75	349
PAN - Villa - Unit 84	349
PAN - Villa - Unit 77	494
PAN - Villa - Unit 73	517
PAN - Villa - Unit 86	482
PAN - Villa - Unit 51	852
PAN - Villa - Unit 56	879
PAN - Villa - Unit 89	433
PAN - Villa - Unit 90	608
PAN - Villa - Unit 85	594

Serviced Apartment	Time Taken to Dispose of (in days)
-	-

Care Suite	Time Taken to Dispose of (in days)
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PAN - Care Suite - Care Suite 039 A	22
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The average time taken to dispose of previously unoccupied Units was:

- Villas – 564 days.
- Serviced Apartments – nil.
- Care Suites – 22 days.

The time taken to dispose of a previously unoccupied Unit is calculated from the date the Unit is available for occupation until the date we settle an Occupation Right Agreement for the Unit.

3. Disposals (resales) of previously occupied Units in the last 12 months

Listed below are details of Units which were disposed of (resold) in the 12 months prior to 1 May 2026 which have been previously occupied:

Villa	Time Taken to Dispose of (in days)
PAN - Villa - Unit 19	231
PAN - Villa - Unit 54	585
PAN - Villa - Unit 92	112
PAN - Villa - Unit 18	148
PAN - Villa - Unit 42	116
PAN - Villa - Unit 10	273
PAN - Villa - Unit 11	0
PAN - Villa - Unit 26	332
PAN - Villa - Unit 48	593
PAN - Villa - Unit 32	141

Serviced Apartment	Time Taken to Dispose of (in days)
PAN - Serviced Apartment - Serviced Apartment 16	135
PAN - Serviced Apartment - Serviced Apartment 26	102
PAN - Serviced Apartment - Serviced Apartment 03	56
PAN - Serviced Apartment - Serviced Apartment 08	433
PAN - Serviced Apartment - Serviced Apartment 21	118
PAN - Serviced Apartment - Serviced	175

Apartment 12 A	
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Care Suite	Time Taken to Dispose of (in days)
PAN - Care Suite - Care Suite 046 A	77
PAN - Care Suite - Care Suite 040 A	66
PAN - Care Suite - Care Suite 050 A	148
PAN - Care Suite - Care Suite 037 A	76

The average time taken to dispose of previously occupied Units was:

- Villas – nil.
- Serviced Apartments – nil.
- Care Suites – 92 days.

The time taken to dispose of a previously occupied Unit is calculated from the date the prior resident leaves the Unit until the date we settle an Occupation Right Agreement for the Unit to a new resident.

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