

# Disclosure Statement for the Purposes of the Retirement Villages Act 2003

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**OMOKOROA COUNTRY ESTATE LIMITED**

**OMOKOROA COUNTRY ESTATE**

**Table of Contents**

1. Statement of Information for Intending Residents ..... 1

2. Directory ..... 2

3. Ownership, Management and Supervision ..... 4

4. State of Retirement Village, Services, Charges and Accounts ..... 10

5. Occupation Right Agreements, Terminations, Deductions and Estimated Financial Returns ..... 20

6. Other Matters..... 26

7. Information Sheet ..... 30

Schedule 1 - State of the Village..... 31

**DATE****2023**

## **1. Statement of Information for Intending Residents**

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### **1.1 Important information for intending residents**

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 operation of the Village before you sign an occupation right agreement (i.e., a document that confers on any person the right to occupy a residential unit within the retirement 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:

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

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- 2.1 **Name of the Retirement Village:** Omokoroa Country Estate
- 2.2 **Date of registration of Retirement Village:** 9 October 2007
- 2.3 **Address of the Retirement Village:**
- 2.3.1 **Street address:** 5 Anderley Avenue  
Omokoroa  
Tauranga
- 2.3.2 **Registered office:** 6E Pope Street  
Addington  
Christchurch 8011
- 2.3.3 **Address for service:** 6E Pope Street  
Addington  
Christchurch 8011
- 2.4 **Operator's details:**
- 2.4.1 **Name:** Omokoroa Country Estate Limited
- 2.4.2 **Street address:** 5 Anderley Avenue  
Omokoroa  
Tauranga
- 2.4.3 **Registered office:** 6E Pope Street  
Addington  
Christchurch 8011
- 2.4.4 **Postal address:** 5 Anderley Avenue  
Omokoroa  
Tauranga 3114
- Telephone:** (07) 548 1100
- 2.4.5 **Contact person:** Tania Young (Relationship Manager)
- 2.5 **Relationship Manager's details:**
- 2.5.1 **Name:** Tania Young
- 2.5.2 **Experience:** Various in business and retirement village administration, service and property management
- 2.5.3 **Address:** 5 Anderley Avenue  
Omokoroa  
Tauranga 3114
- 2.5.4 **Telephone:** (07) 548 1100

- 2.5.5 **After Hours Mobile phone:** 027 5617 917
- 2.5.6 **E-mail Address:** relationsmanager@ocestate.co.nz
- 2.5.7 **Contact times:** Monday to Friday, 10 am to 2 pm (excluding public holidays and annual leave periods)
- 2.6 **Statutory supervisor's details:**
- 2.6.1 **Name:** Covenant Trustee Services Limited
- 2.6.2 **Street address:** Level 6  
191 Queen Street  
Auckland 1010
- 2.6.3 **Registered Office:** Level 6  
191 Queen Street  
Auckland 1010
- 2.6.4 **Postal address:** PO Box 4243  
Shortland Street  
Auckland 1140
- 2.6.5 **Telephone:** (09) 302 0638
- 2.6.6 **E-mail Address:** info@covenant.co.nz
- 2.6.7 **Contact person:** Garreth Heyns
- 2.7 **Directors of the Operator:**
- 2.7.1 Valmai Keryn Faye Maunder
- 2.7.2 Fraser John Sanderson
- 2.7.3 Gary Ian Curtis
- 2.7.4 Nicola Ann Burley

### 3. Ownership, Management and Supervision

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#### 3.1 Ownership structure and occupancy rights

3.1.1 **Legal nature of Operator:** Omokoroa Country Estate Limited (**Operator**) is a private limited liability company. The 300,000 shares in the company are owned by Valmai Keryn Faye Maunder and Fraser John Sanderson, who hold 150,000 shares each.

3.1.2 **Directors of the Operator:** The Directors of the Operator are described in the Directory.

3.1.3 **The Operator's interest in the Village:** The Operator retains ownership of the freehold estate in the land and buildings comprising the Village. The Village land is comprised and described in Certificates of Title SA22C/1149, SA56C/814, SA66D/964, SA70A/372, SA70A/373 and SA69B/120 (South Auckland Registry).

3.1.4 **Nature and extent of security interests affecting the Operator's interest in the Village:** The Operator has granted:

- (a) A first ranking security in favour of the Statutory Supervisor over the Village, comprising:
  - (i) Mortgage instruments B509724.3, B662786.1 and 6214167.1 (South Auckland Registry) and Encumbrance instrument numbers 7531100.1, and 9406667.2 registered against the Village land; and
  - (ii) A security interest in all present and after acquired property of the Operator granted pursuant to a Debenture Trust Deed, registered in the Personal Property Securities Register as financing statement number F7799JD124G24X30/C0001.

The amount secured and the maximum amount able to be secured by these securities cannot be ascertained as at the date of this disclosure statement because the securities secure the performance by the Operator of all its liabilities pursuant to a Deed of Supervision and a Debenture Trust Deed, both entered into by the Operator and the Statutory Supervisor in respect of the Village.

- (b) A second ranking security in favour of the Bank of New Zealand over the Village, comprising:
  - (i) Mortgage instruments B509724.4, B662786.2 and 6214167.2 (South Auckland Registry), registered against the Village land; and
  - (ii) A security interest in all present and after acquired property of the Operator granted pursuant to a Debenture/General Security Agreement registered in the Personal Property Securities Register as financing statement number F99M3288WZSJ8P3M/C000.8.

The maximum amount able to be secured by these securities is \$1,000,000.00. As at the date of this disclosure statement the sum secured is \$0.

The Operator, Statutory Supervisor and Bank of New Zealand are parties to a Security Sharing Deed which regulates the priorities between the securities referred to above in the event of a default by the Operator and where either secured party wishes to enforce their security.

3.1.5 **Nature of residents' tenure interest in the Village:** Each resident must enter into an Occupation Right Agreement with the Operator. An Occupation Right Agreement

grants to the named resident the right to occupy a home in the Village and the right, in common with other residents of the Village, to use the community facilities and common areas of the Village and to receive the general services provided by the Operator on the terms and conditions set out in that document. Each resident's rights rest in contract only. Residents do not have any interest in the land on which their chosen home in the Village is situated. A separate certificate of title is not issued for each home. Each resident's interest is not secured. However, the Statutory Supervisor's security described at paragraph 3.1.4(a) is held by the Statutory Supervisor for the benefit of all residents of the Village.

### 3.2 The resident's interest in the home

3.2.1 ***Rights of the resident in relation to the home:*** The resident has the right to:

- (a) Grant a security interest in the termination proceeds which are paid by the Operator to the resident following the termination of the Occupation Right Agreement. Such a security interest can only be granted with the Operator's prior written consent. This right is subject to the prior right of the Operator to deduct from such proceeds, any amounts owed by the resident to the Operator in terms of the Occupation Right Agreement.
- (b) Have a member of the resident's family (including a de facto partner) stay with the resident in the home. The resident is entitled to have members of the resident's family stay in the home for short periods of time, but the same person cannot stay for more than four weeks in any one year. The Operator will consent to a de facto, married or civil union partner of the resident living in the home where that person would otherwise meet the Operator's normal entry criteria and such person agrees to be bound by the Occupation Right Agreement, as the Operator considers appropriate.
- (c) Sell or market the home. Following the termination of the resident's Occupation Right Agreement, the Operator will market a new Occupation Right Agreement for the home. However, the resident is entitled to introduce a new resident to the Operator at any time who is willing to pay the market value for an Occupation Right Agreement in respect of the home and who satisfies the Operator's normal entry criteria for the Village. The Operator will not pay a commission for any such introduction.

3.2.2 ***Rights that the resident does not have in relation to the home:*** The resident is not entitled to:

- (a) Grant a mortgage or otherwise borrow against the resident's interest in the home. The resident is able to grant a security interest against the termination proceeds, as described at paragraph 3.2.1(a).
- (b) Let or sub-licence the home to another person.
- (c) Have a person board with the resident in the home.
- (d) Have a person stay with the resident in the home as a companion or carer for the resident, other than as set out at paragraph 3.2.1(b).
- (e) Have a person stay in the home to mind it for the resident while the resident is away.
- (f) Keep a pet in the home without the prior written consent of the Operator, which may be withheld at the Operator's discretion and may be withdrawn at any time if in the Operator's opinion the pet becomes a nuisance.

3.2.3 **Rules that apply to the Village:** The resident must comply with the rules of the Village. The Operator may amend the rules from time to time. The rules are adopted for the efficient management and operation of the Village. Each resident and his, her or their guests are required to comply with the rules as a term of the Occupation Right Agreement.

3.2.4 **Limits on the resident living in and using the home:** The resident is not entitled to:

- (a) Use or permit the home to be used other than as a private residence.
- (b) Damage or misuse the home, including do anything or allow anything to be done that may cause a blockage or interfere with utility services to or from the home.
- (c) Make alterations or additions to the home or fit any radio or television aerials, satellite dishes or other appurtenances to or about the home, without the consent of the Operator. However, if the resident has or develops disabilities the resident may (at the resident's cost and under the supervision of the Operator) alter the home to meet the resident's needs. Following the vacation of the home the resident must reinstate the home to the condition it was in prior to such works being undertaken.
- (d) Damage or misuse the Village or any of its community facilities and common areas.
- (e) Do anything or omit to do anything that causes nuisance or annoyance to the other residents in the Village, or voids or increases the insurance premium payable by the Operator for the Village.
- (f) Use any portion of the Village as a garden, without the prior consent of the Operator.
- (g) Hang any washing other than on clothes lines, provided for that purpose.
- (h) Inscribe, paint or display any sign, notice or advertisement at the home, without the prior consent of the Operator.
- (i) Park or stand any vehicle other than in designated parking areas.
- (j) Leave the home vacant for more than seven days, without first advising the Operator.
- (k) Deposit any waste or rubbish, other than in approved receptacles.
- (l) Obstruct the use of the community facilities and common areas of the Village.

3.2.5 **Sale or marketing of a new Occupation Right Agreement for the home:**

- (a) The Operator will control the sale and marketing of a new Occupation Right Agreement for the home following termination of the resident's Occupation Right Agreement and vacation of the home by the resident. However, the resident is entitled to introduce a new resident to the Operator at any time, who is willing to pay the market value for an Occupation Right Agreement in respect of the home and who satisfies the Operator's normal entry criteria for the Village. The Operator will not pay a commission for any such introduction.
- (b) The Operator will market an Occupation Right Agreement for the home in accordance with the terms of the Occupation Right Agreement.

- (c) The Operator will market an Occupation Right Agreement for the home at the market value for the same, as determined by the Operator.
- (d) The Operator may agree to buy the resident's interest in the home.
- (e) The rights of the resident, if there is a delay in the sale of a new Occupation Right Agreement for the home, are:
  - (i) to be consulted by the Operator about the marketing plan for the same;
  - (ii) to be informed on a monthly basis about progress with marketing, including the steps taken to market a new Occupation Right Agreement for the home and any progress achieved in finding a new resident;
  - (iii) if an Occupation Right Agreement has not been entered into in respect of the home within six months of the later of the termination date of the resident's Occupation Right Agreement or the date the resident stops living in the home and removes all their possessions, the Operator must obtain, at its expense, a valuation of the home by an independent registered valuer experienced in retirement villages and the Operator must market the home at the price established by that valuation and if the resident disagrees with that valuation and obtains another valuation (at the resident's cost), the Operator must give consideration to the second valuation in determining a suitable price for an Occupation Right Agreement in respect of the home; and
  - (iv) if an Occupation Right Agreement has not been entered into in respect of the home within nine months of the later of the termination date of the resident's Occupation Right Agreement or the date the resident stops living in the home and removes all their possessions, the resident may give a dispute notice concerning the sale process, in accordance with the Occupation Right Agreement.

**3.2.6 *Circumstances in which the resident is entitled to a refund of the capital sum paid and how it is calculated:***

- (a) Following termination of the Occupation Right Agreement, a termination payment, being an amount equal to the purchase price originally paid by the departing resident, shall be paid by the Operator to the resident (or the resident's personal representatives).
- (b) The termination payment will usually be paid by the Operator to the resident, five working days after:
  - (i) the Operator holds a validly executed and certified Occupation Right Agreement with a new resident in respect of the home;
  - (ii) the expiry of the new resident's cooling off rights; and
  - (iii) the Operator receiving payment of the purchase price specified in the new resident's Occupation Right Agreement.
- (c) Where the Occupation Right Agreement is terminated by the Operator then the Operator must pay the termination payment to the resident within 7 days after the date on which termination notice took effect.
- (d) Where the Occupation Right Agreement is terminated by the Operator following the damage or destruction of the home or Village, then the Operator must pay the termination payment to the resident upon the later of:

- (i) where the damage or destruction is not an insured loss or damage event, that date which is reasonable under the circumstances; or
  - (ii) where the home is damaged or destroyed through no fault of the Resident and the Operator has decided not to repair or replace the home, no later than ten Working Days after the date the Operator or the Statutory Supervisor receives payment in full under any insurance policy covering the home.
- (e) Where the resident has died, the executors or administrators of the resident's estate must provide proof of the grant of probate or letters of administration to the Operator before the termination payment will be made.
  - (f) At the time the resident receives the termination proceeds, the resident must pay the Facilities Fee and all such other amounts as shall be owing by the resident to the Operator in terms of the Occupation Right Agreement. The resident is not required to pay any Facilities Fee if the Occupation Right Agreement is terminated by the Operator in the circumstances set out in clause 3.2.6(d) above.
  - (g) The Operator, when making any payments due to the resident, is entitled to set off against such payments, any payments due from the resident to the Operator.

### 3.3 Management arrangements

#### 3.3.1 *Relationship Manager:*

- (a) The Operator has a Relationship Manager whose name, experience, contact details and times of availability are described in the Directory.
- (b) The Relationship Manager and general staff can be contacted through the Village office or by telephone or email as set out in the Directory.
- (c) The times during which the Relationship Manager and general staff will be available at the Village are set out in the Directory. The Relationship Manager and general staff can only be contacted during these times.
- (d) The core duties of the Relationship Manager are to administer the day to day affairs of the Village, to manage staff under his/her supervision and to arrange the provision of any services. The Relationship Manager keeps all day to day accounts of the Village on behalf of the Operator and assists with all compliance matters.
- (e) The Relationship Manager does not have a management agreement with the Operator.

#### 3.3.2 *Property Manager:*

The Village has a Property Manager whose core duties are to ensure all of the required repairs and maintenance work to the buildings and grounds within the Village are carried out promptly and efficiently.

#### 3.3.3 *Residents Committee:*

The Village has a residents' committee. The residents elect the committee members generally comprising eight residents. Its role and function is to consult with the Relationship Manager over any resident's issues.

### 3.4 **Statutory Supervisor:**

- 3.4.1 **Obligation to appoint:** 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 exempts the operator from the requirement.
- 3.4.2 **Core duties:** 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 homes or facilities at the Retirement Village; and
  - (b) monitor the financial position of the Village; and
  - (c) report annually to the Registrar and residents on the performance of its duties and exercise of its powers; and
  - (d) perform any other duties that are imposed by the Act or any other Act, any Regulations made under the Act and any document of appointment.
- 3.4.3 **Statutory Supervisor's details:** The name and contact details for the Statutory Supervisor of the Village are set out in the Directory.
- 3.4.4 **Exemption:** There is no exemption from the requirement to appoint a Statutory Supervisor.

## 4. State of Retirement Village, Services, Charges and Accounts

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### 4.1 State of Village

#### 4.1.1 Details of buildings

<i>Building</i>	<i>Year</i>	<i>Age</i>	<i>Construction Material</i>	<i>Condition</i>	<i>Maintenance</i>
Village Centre, facilities listed at paragraph 4.1.2	1991	32 yrs	Concrete, brick, cedar, concrete roof tiles, aluminium windows	Good	Continuously
Stage 1 63 homes	1987- 1996	27-36 yrs	Concrete, brick, cedar, concrete roof tiles, aluminium windows	Good	Continuously
Stage 2 19 homes	1998- 2000	23-25 yrs	Concrete, brick, cedar, ceramic roof tiles, aluminium windows	Good	Continuously
Stage 3 17 homes	2002- 2004	19-21 yrs	Concrete, brick, cedar, ceramic roof tiles, aluminium windows	Good	Continuously
Stage 4 34 homes	2004- 2011	12-19 yrs	Concrete, brick, cedar, ceramic roof tiles, aluminium windows	Good	Continuously
Stage 5 17 homes	2012- 2016	7 – 11 yrs	Concrete, brick, cedar, Boral roof tiles, aluminium windows	Very Good	As required
Stage 6 4 homes	2018- 2019	4 – 5 yrs	Concrete, lightweight cladding, Boral roof tiles, aluminium windows	Very Good	As required

#### 4.1.2 Details of other improvements

<i>Improvement</i>	<i>Nature of Improvement</i>	<i>Condition</i>	<i>Maintenance</i>
Paths	Access around Village and paths to each home	Good	Continuously
Driveways	Driveways to service each home	Good	Continuously
Roads	Access around Village	Good	Continuously
Grounds	Landscaped grounds, including five garden areas and lawns	Good	Continuously
Lighting	External roads and paths are sufficiently lit	Good	Continuously

Heating	Electric heating in most homes and common areas	Good	Continuously
Security features	Security Cameras capture all vehicles or people entering Anderley Avenue from Omokoroa Road and also vehicle number plates	Good	As required
Smoke alarms	All homes and common areas have systems that meet Building Act requirements	Good	Continuously

4.1.3 **Stage of completion and new homes planned:** The Village is mostly completed with the projected completion date being in 2025. Up to a further 6 new homes may be built at the Village.

4.1.4 **Effect on existing residents of planned new homes:** The Operator will take reasonable steps to minimise any disturbance caused by development at the Village and will keep residents' informed as to progress. The Operator gives equal emphasis to the sale of Occupation Right Agreements for new and existing homes.

4.1.5 **Number of homes occupied, unoccupied and still to be completed:** Refer to the Schedule.

4.1.6 **Details of home disposals in last 12 months:** Refer to the Schedule.

4.1.7 **Average time to dispose of occupied homes (in days):** Refer to the Schedule.

4.1.8 **Average time to dispose of unoccupied homes (in days):** Refer to the Schedule.

#### 4.2 Services and facilities at the Village:

##### 4.2.1 Services:

Service	Nature	Extent	Frequency
Gardening	<i>The Village has six areas rostered and the gardeners maintain all the gardens with a week spent in each of the six areas</i>	<i>Common gardens surround the entire Village</i>	<i>Gardens are divided into six areas and each area is maintained by the gardeners on a rotational basis</i>
Lawn mowing	<i>Lawns surround the Village</i>	<i>Lawns are mowed regularly</i>	<i>Weekly during the growth period and then up to once every three weeks as the growth requires</i>
Repairs and maintenance	<i>As and when required to all buildings</i>	<i>All home repairs are requested in writing on a repairs and maintenance sheet, then filed in the Village</i>	<i>Repair person on site as and when required</i>

		<i>office once the repair has been undertaken.</i>	
<i>Nursing and medical services:</i>	<i>Not in the Village but is available from the nearby Acacia Park</i>	<i>Acacia Park Care Facility is situated only a short walking distance away. A Medical Centre is situated next but one to the Village and includes doctors, dentist, physiotherapist, podiatrist and a pharmacy. District Nurses or Care Givers may visit residents at the Village.</i>	
<i>Provision of meals</i>	<i>Not in the Village</i>	<i>However, midday meals are available from the nearby Care Facility on weekdays at the resident's cost. Also, catered functions are available at times in the Village Dining Room</i>	
<i>Shops and other services for provision of goods</i>	<i>Not available</i>	<i>A short stroll away is a FreshChoice supermarket.</i>	
<i>Laundry Services</i>	<i>Not available</i>	<i>All homes have their own laundry</i>	
<i>Hairdressing and other personal care services</i>	<i>Not in Village but one nearby</i>	<i>A local hairdresser has a salon within a short walking distance of the Village</i>	
<i>Transport Services</i>	<i>Village minibus</i>	<i>The Village minibus generally makes weekly shopping trips into Tauranga City. It also makes other trips and outings when organised. The local bus service for the City bus route is also available</i>	<i>Weekly and other times at the Relationship Manager's discretion</i>
<i>Recreation and entertainment services</i>	<i>Determined by the Relationship Manager</i>	<i>Determined by the Relationship Manager</i>	<i>In accordance with the Relationship Manager's booking schedule</i>

4.2.2 **Facilities:**

<b>Facility</b>	<b>Description</b>	<b>Availability</b>
<i>Dining facility</i>	<i>Is set up for 92 residents to dine but can be extended to 140 for large functions by using stored folding tables and extra stacking chairs. It can be available upon request for special occasions with family and friends.</i>	<i>All bookings to be made via the Relationship Manager</i>
<i>Lounge or television room</i>	<i>Lounge room with SKY TV</i>	<i>At all reasonable times</i>
<i>Conference room</i>	<i>Overhead Projector for Presentations or , DVD Movies,</i>	<i>As scheduled by the Relationship Manager</i>
<i>Laundry</i>	<i>Not available. A laundry area is provided in each home</i>	
<i>Gymnasium</i>	<i>Small gymnasium with a variety of exercise machines and weights</i>	<i>At all reasonable times</i>
<i>Spa pool and swimming pool</i>	<i>Indoor pool, separate spa pool and changing rooms</i>	<i>At all reasonable times</i>
<i>Health clinic</i>	<i>Not available</i>	
<i>Tennis court</i>	<i>Not available</i>	
<i>Petanque court</i>	<i>Not available</i>	
<i>Bowling green</i>	<i>Outdoor Greenguage Turf</i>	<i>At all reasonable times</i>
<i>Library</i>	<i>Extensive selection of books to cater for all types of reading</i>	<i>At all times when the Village Centre is open</i>
<i>Kitchen facility</i>	<i>Kitchen is available to residents for catered dinners or for special occasions with family and friends</i>	<i>Bookings to be made via the Relationship Manager</i>
<i>Croquet lawn</i>	<i>Standard outdoor lawn playing area</i>	<i>At all reasonable times</i>
<i>Snooker and billiards room</i>	<i>Contains billiard/snooker tables and associated chairs</i>	<i>At all reasonable times</i>
<i>Painting and pottery studio</i>	<i>Separate arts and craft studio</i>	<i>At all reasonable times</i>
<i>Wood and metal workshop</i>	<i>Separate wood and metal workshop</i>	<i>At all reasonable times</i>

- 4.2.3 **Services and facilities to be provided:** The Operator has no plans to provide any additional services or facilities.

### 4.3 Charges

- 4.3.1 **Charges for services and facilities:** Each resident is required to pay the following charges on the terms set out in their Occupation Right Agreement:

- (a) **Village Outgoings Charge:** The Village Outgoings Charge is a weekly fee payable by the resident to the Operator.

The Village Outgoings Charge is payable by the resident in consideration of the Operator agreeing to pay all the operating expenses of the Village.

The Village Outgoings Charge will be payable from the commencement date of the resident's Occupation Right Agreement until the date on which the residents Occupation Right Agreement is terminated and the home permanently vacated.

If the home has been damaged or destroyed through no fault of the resident and is uninhabitable, and if the Operator is not providing temporary accommodation to the resident, the Operator will stop charging the Village Outgoings Charge and any Additional Services Charge from the date of the damage or destruction. Such charges will resume once the home has been repaired or replaced and is ready for occupation by the resident, if the Occupation Right Agreement has not been terminated. If the home has been damaged or destroyed through no fault of the resident and is uninhabitable, and the Operator provides temporary accommodation to the resident, the resident shall pay to the Operator the Additional Services Charge and the Village Outgoings Charge relating to that temporary accommodation (which may not be the same amount as the Additional Services Charge and the Village Outgoings Charge for the damaged or destroyed home).

- (b) **Additional Services Charge:** The Additional Services Charge is a weekly calculated fee payable by the resident to the Operator, being the sum of additional charges incurred by the resident for the provision of additional services (if any) by the Operator. The provision of such services and the charging for the same is by agreement between the parties.

The Additional Services Charge is payable by the resident in consideration of the Operator supplying the Additional Services (if any).

The Additional Services Charge is calculated on a cost recovery basis. No margin is included by the Operator.

Any Additional Services Charge will be payable from the date the resident begins to receive the relevant services and will cease on the date the resident's Occupation Right Agreement is terminated and the home vacated.

- (c) **Weekly Fee:** The Village Outgoings Charge and Additional Services Charge are payable together as the Weekly Fee.

The Weekly Fee is payable by a resident to the Operator by monthly payments in advance. The resident will be given an invoice by the Operator for the Weekly Fee in any of the following circumstances:

- (i) when it is the first payment made under the resident's Occupation Right Agreement;
- (ii) when the amount to be charged has been amended; or

- (iii) when the resident requests an invoice.

The amount of the Additional Services Charge may be reviewed and changed by the Operator from time to time. If the Operator wishes to change the Additional Services Charge in a way that may have a material impact on the residents' occupancy or ability to pay for the services, then the Operator will provide a reasonable opportunity for consultation with the residents and the Statutory Supervisor before making the change. The Operator will give at least four weeks' notice of any change to the Additional Services Charge.

The current Village Outgoings Charge is disclosed in paragraph 3 of the Schedule. The Operator is entitled to increase the Village Outgoings Charge on 1 April of each year by an amount equivalent to the movement in the Consumer Price Index for the previous calendar year. The Operator may but is not required to reduce the Village Outgoings Charge. The review calculation is set out in Schedule 2 of the Occupation Right Agreement. The Operator will give to the Resident 10 working days written notice of the amount of the new Village Outgoings Charge prior to deducting such amount from the Resident's bank account or invoicing the Resident. The Operator may charge different amounts of Village Outgoings Charge to other residents of the Village.

- (d) *Facilities:* There is no specific charge for the provision of the Village community facilities and common areas (other than as included in the Village Outgoings Charge) as the right to use these facilities forms part of the Facilities Fee paid at the time the resident leaves the Village.

#### 4.3.2 **Payments to secure an interest in the home**

- (a) *Purchase price:* A resident is required to pay the purchase price to the Operator for an Occupation Right Agreement in respect of the nominated home. The amount of the payment is described in the Information Sheet. This payment is determined by the Operator as an appropriate capital sum for the right to occupy the home and, in common with the other residents, use the community facilities and common areas and receive the general services at the Village.
- (b) *Facilities Fee:* The resident is required to pay a Facilities Fee equal to 30% of the purchase price following termination of the Occupation Right Agreement. Although payable following termination, if the due date for payment of the termination payment is less than 5 years from the commencement date of the resident's Occupation Right Agreement, then the Facilities Fee will be discounted by 6% per year from the due date for payment of the termination payment for the remainder of the 5 years, pro-rated on a daily basis. By way of example, if the due date for payment of the termination payment is 1 year after the commencement date of the resident's Occupation Right Agreement then the Facilities Fee will be 30% less 24%. If the home has been damaged or destroyed through no fault of the resident and is uninhabitable, and the Operator does not provide temporary accommodation to the resident, the period of months (and days if applicable) from the date of the damage or destruction to;
  - (i) if the Occupation Right Agreement is not terminated, the date the home is repaired or replaced by another home and ready for occupation; or
  - (ii) if the Occupation Right Agreement is terminated by the Resident, the due date for payment of the termination payment;

shall be included in the calculation of any discount of the Facilities Fee.

The resident is not required to pay any Facilities Fee if the Occupation Right Agreement is terminated by the Operator in the circumstances set out in clause 3.2.6(d) above.

**4.3.3 *Payments on permanently leaving the home:*** The following charges are payable by the resident to the Operator:

- (a) *Facilities Fee:* See paragraph 4.3.2(b) above.
- (b) *Repair of damage:* The resident is required to pay the cost of restoring the home to the condition it was at the commencement of the resident's Occupation Right Agreement after taking into account fair wear and tear during the term of the resident's stay. Damage caused by smoking does not constitute fair wear and tear. Any such cost will be assessed by a current member of the New Zealand Institute of Quantity Surveyors (Incorporate) appointed by the Operator in accordance with clause 13.3 of the Occupation Right Agreement. This does not apply if the home is destroyed or damaged and is not repaired or reinstated and the Occupation Right Agreement is terminated.
- (c) *Disability modifications:* The cost of removing any disability modifications made by the resident to the home. This does not apply if the home is destroyed or damaged and cannot be repaired or reinstated and the Occupation Right Agreement is terminated.
- (d) *Removal costs:* If the resident does not remove from the home all of the resident's possessions on termination then the Operator may remove the possessions and place them into storage. The cost of this removal and storage shall be charged to the resident and deducted from payments due to the resident. The Operator may sell the possessions if they are not collected in 60 days.
- (e) *Weekly Fee:* Any outstanding Weekly Fee. To this end:
  - (i) The Village Outgoings Charge will be payable on the terms set out at paragraph 4.3.1(a): and
  - (ii) Any Additional Services Charge will be payable on the terms set out at paragraph 4.3.1(b).
- (f) *Outstanding charges:* any other amounts due to the Operator under the Occupation Right Agreement.

These payments will be made by the resident at the time that a new Occupation Right Agreement for the home is settled. The Operator is entitled to set these payments off against the termination payment which it pays to the outgoing resident. The payments are inclusive of GST (if any) unless otherwise noted.

**4.3.4 *Payment on transferring to another home:*** The payments described at paragraph 4.3.3 will be payable where the resident wishes to move from their existing home and move to another home in the Village, as the resident will be required to terminate their existing occupation right agreement and enter into a new occupation right agreement for the other home.

**4.3.5 *Periodic charges payable by the resident:***

- (a) *Village Outgoings Charge:* The Village Outgoings Charge is described at paragraph 4.3.1(a) and the current amount is disclosed in paragraph 3 of the Schedule. The Operator is entitled to increase the Village Outgoings Charge on 1 April of each year by an amount equivalent to the movement in the Consumer

Price Index for the previous calendar year. The Operator may but is not required to reduce the Village Outgoings Charge.

- (b) *Additional Services Charge:* The Additional Services Charge is described at paragraph 4.3.1(b). The amount of the Additional Services Charge can only be calculated once the additional services have been agreed between the resident and the Operator. The Additional Services Charge is reviewed when required.
- (c) *Weekly Fee:* The Weekly Fee (comprising the Village Outgoings Charge and Additional Services Charge) is described at paragraph 4.3.1(c). The Weekly Fee must be paid to the Operator by direct debit from the resident's bank account on the first day of each month. If it is the first payment made under the resident's Occupation Right Agreement, or if the amount to be charged has been amended, or if the resident requests an invoice, then the amount to be deducted will be notified in an invoice delivered to the resident.

4.3.6 ***Additional charges or expenses:*** In addition to the charges disclosed elsewhere in this section 4, the resident is also required to pay for the following additional charges or expenses under the Occupation Right Agreement and these charges and expenses will relate only to the time the resident remains in the Village:

- (a) *Utility charges:* The supply of telephone connection, telephone rental and tolls, and any other utility charges in respect of the home. Such charges are payable to the utility company which supplies the service.
- (b) *Repair charges:* The cost of all repairs and maintenance to the interior of the home including any repairs as a result of damage caused beyond fair wear and tear. In general terms the Operator will pay for the replacement of all Operator chattels and house hardware when they are beyond repair.
- (c) *Third party providers:* The resident will be responsible for the payment of any external service providers the resident uses.
- (d) *Default interest:* If the resident fails to make payment of any moneys payable under the Occupation Right Agreement on the due date for payment, then the Operator is entitled to charge interest on such unpaid moneys at the rate of 2% per annum above the commercial lending base rate charged by the Operator's bank, calculated on a daily basis.
- (e) *Insurance excess payment:* If the Village is damaged or destroyed as a result of an act or negligence of the resident or the resident's guests then, without prejudice to the Operator's other rights, the Operator may require the resident to pay the amount of any excess charge to any insurance claim. The current standard excess amount under the Operator's insurance cover is \$500 for each claim in respect of the homes or for each claim in respect of the Retirement Village Common Areas. The excess for burglary is \$500, Theft is \$1,000, Malicious damage is \$1,000, Gradual Damage is \$1,000, Laptops & Computers is \$1,000 for each claim, and the excess for Landslip or Subsidence is \$10,000 for each claim. The Earthquake Commission covers the first \$46,200,000 (Based on \$300,000 + GST per property) of earthquake damage to Homes. The Earthquake Commission excess for Dwellings is currently 1% of the amount payable for the claim with a minimum of \$200 and a maximum of \$1,725, and Land is currently 10% of the amount payable for the claim with a minimum of \$500 and maximum of \$5,000. There is an additional Natural Disaster Excess of 1% of the Material Damage Location Sum Insured but not less than \$2,500, however this does not apply in respect of any insured property that meets the definition of residential building under the EQC Act.

- (f) *Contribution to legal costs:* The resident shall pay, on demand, the Operator's legal costs incurred in the exercise of any discretion, consent or remedy of any default by the resident under the Occupation Right Agreement.
- (g) *Indemnity by resident;* The resident indemnifies the Operator and will reimburse it for any loss or damage suffered by the Operator as a result of the carelessness or negligence of the resident but only to the extent that the Operator is not indemnified under its insurance policies for the Village. Where the acts or omissions of the resident or the resident's invitees has made any of the Operator's insurance void, the resident will, without prejudice to the Operator's other rights, upon demand, compensate and reimburse the Operator in full for such loss or damage.

4.3.7 ***Maintenance, Rates and Insurance Payments:*** The resident is not required to make any separate payments for maintenance, rates and insurance in respect of the land, buildings and the exterior of the homes comprising the Village as these costs are paid by the Operator as part of the Village Outgoings Charge. The resident will be liable for the cost of interior maintenance to the home as described at paragraph 4.4.2 below.

#### 4.4 **Maintenance and refurbishment**

##### 4.4.1 ***Maintenance the Operator is responsible for***

- (a) The Operator is responsible for:
  - (i) maintaining the exterior of the homes but NOT including the maintenance which is the responsibility of the resident as detailed in clause 4.4.2(b):-
    - (A) any outdoor living areas, glass enclosures, conservatories, or
  - (ii) replacing fittings and chattels in the home that can no longer function, are beyond repair and require replacement, but excluding light bulbs.
  - (iii) maintaining connections for all usual utility services to the homes;
  - (iv) ensuring that the grounds surrounding the homes are kept in clean and tidy order
  - (v) maintaining the exterior and interior of all other buildings and the plant and equipment in the Village in a good, clean, tidy repair, order and condition; and
- (b) On being advised of any defect or need for repair to any of the above, the Operator must within a reasonable time take appropriate steps to repair and make good the defect.

##### 4.4.2 ***Maintenance that the resident is responsible for:***

- (a) The resident is responsible, during the term of the Occupation Right Agreement, for keeping the interior of the home and the fixtures, fittings and chattels in the home in good operational condition, including any repairs and routine maintenance, and for replacing all light bulbs that require replacement.
- (b) The resident is responsible, during the term of the Occupation Right Agreement, for maintaining;
  - (i) the exterior surface of the Home's windows and glass doors;

- (ii) the exterior surface of any outdoor living areas, glass enclosures, conservatories, or structures immediately surrounding or attached to the exterior of the Home) ;
  - (iii) if installed by the resident then all parts of any outdoor living areas, glass enclosures, conservatories, or structures immediately surrounding or attached to the exterior of the Home.
- (c) The Operator may from time to time inspect the home and require the resident to undertake such repair and maintenance work.
  - (d) The resident must organise and pay for such repair and maintenance work. The resident may ask the Operator to undertake the work for the resident, otherwise the resident must ensure that all work is carried out in a proper and tradesman like manner by workmen or contractors approved by the Operator.
  - (e) On termination of the Occupation Right Agreement, the resident must pay for any repairs to the interior of the home in accordance with paragraph 4.3.3(b).
- 4.4.3 **Maintenance or sinking fund:** The Village Outgoings Charge payable by the Resident to the Operator does not include any requirement by the Operator for the Resident to contribute to the funding of long-term maintenance and replacement of Village property. The Operator will ensure that it can afford to maintain the Village property.

#### 4.5 Financial Accounts

- 4.5.1 **Financial Reporting Act 1993:** The Financial Reporting Act 1993 requires the Operator to prepare audited financial statements relating to the Operator. The financial statements of the Operator are the financial statements of the Village.
- 4.5.2 **Process for preparing accounts:** The Operator commences the preparation of financial statements to comply with the requirements of the Retirement Villages Act 2003 following the end of each financial year on 31 March and causes these accounts to be audited by independent qualified auditors. The audited accounts must be filed at the Companies Office with the Retirement Village Annual Return due to be filed in September of each year. The Operator will give the Statutory Supervisor a copy of such audited financial statements as soon as they are available and in any event, within 5 months of the end of the financial year.
- 4.5.3 **Financial accounts available to residents:** The Operator will make available to the resident free of charge on request a copy of the most recent audited financial statements of the Operator. These audited financial statements are reviewed by the Operator with residents at the Annual General Meeting each year.
- 4.5.4 **Forecast Village statement:** The Operator prepares at the commencement of each financial year a forecast statement of all income and expenditure relating to the Village and gives the Statutory Supervisor a copy of such forecast statement within 3 months of the commencement of the financial year.
- 4.5.5 **Relationship Manager and Property Manager:** The Relationship Manager and the Property Manager do not have management contracts. There is no contracted management company. As such, no financial statements are prepared for the managers.
- 4.5.6 **Financial Statements:** A copy of the most recent financial statements relating to the Operator are available from the Operator at the Village. These financial statements have been audited.

## 5. Occupation Right Agreements, Terminations, Deductions and Estimated Financial Returns

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### 5.1 Cooling-off period and cancellation of Occupation Right Agreement:

#### 5.1.1 *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,—
  - (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)."

5.1.2 **Definitions:** The following definitions are contained in section 5 of the Retirement Villages Act 2003 and are used in section 28 of the Act, reproduced 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:

**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.

5.1.3 **Favourable provision:** The Occupation Right Agreement does not contain a more favourable cooling-off and cancellation provision than contained in section 28(1) of the Retirement Villages Act 2003.

## 5.2 Varying the Occupation Right Agreement

5.2.1 **Code of Practice:** Any Code of Practice shall be given effect to by the Operator in accordance with section 92 of the Retirement Villages Act 2003.

5.2.2 **Variation:** The terms of an Occupation Right Agreement cannot be varied by the Operator or the resident except by the mutual written agreement of both parties.

## 5.3 Termination of Occupation Right Agreement

5.3.1 **Resident's right to terminate:** The resident is entitled to terminate his, her or their Occupation Right Agreement for any reason and at any time on service of one month's prior written notice to the Operator. Such notice once given cannot be revoked.

5.3.2 **Automatic termination:** The Occupation Right Agreement is automatically terminated upon the death of the resident or the death of the last survivor of joint residents. The Occupation Right Agreement will also terminate if the resident moves to another home in the Village.

5.3.3 **Termination by agreement:** The Occupation Right Agreement may terminate by agreement between the Operator and resident.

5.3.4 **Termination upon damage or destruction:** If the home or Village or a substantial part of either of them is totally or partially destroyed or damaged from any cause;:

- (a) so that the home or Village, as the case may be, is substantially unfit for use and occupation; and
- (b) so extensively that in the Operator's opinion repair or replacement is impracticable or uneconomic; or
- (c) the funds available under the Operator's replacement insurance policy are unavailable or insufficient to allow adequate repair or replacement; or
- (d) the Operator is unable to reasonably obtain all necessary permits and consents to undertake the repair or replacement

then the Operator will meet its obligations set out in the Code of Practice and the Operator will consult with and notify the Resident of the Operator's decision on whether the Home will be repaired or replaced following damage or destruction as soon as reasonably practicable in the circumstances. The Operator may terminate the Occupation Right Agreement or may offer to transfer the Resident to another residential dwelling (either pre-existing or yet to be constructed) in the Village or in another retirement village owned by the Operator in reasonable proximity to the Village with regard to the circumstances giving rise to the situation and if the Resident does not accept such offer, then this Agreement will be treated as if it has been terminated by the Resident.

5.3.5 **Termination by the Operator:** The Operator may terminate the Occupation Right Agreement on the following grounds:

- (a) *Intentional damage:* if the resident, intentionally or recklessly, has caused or allowed, or is highly likely to cause or allow:
  - (i) serious damage to the home, the chattels or the Retirement Village, or damage which has become serious because it continues.
  - (ii) serious injury, harm or distress to the Operator or another resident, or an employee or guest of the Operator or the resident.
- (b) *Abandonment:* The Operator may have grounds for termination on the grounds of abandonment. The Operator must have made reasonable enquiries and determined that the resident has permanently abandoned the home, the Operator must have notified the resident in writing of the Operator's intention to terminate this Occupation Right Agreement unless the resident re-occupies the Home, the Operator must have given the resident at least one month to re-occupy the home, and the resident must have failed to re-occupy the home in the time given.
- (c) *Use contravention:* the resident has used the home other than as a private residential dwelling, has transferred or sub-licensed the resident's rights or granted a security interest in the home, without the Operator's prior written consent;
- (d) *Material breach:* if the resident has materially breached the Occupation Right Agreement. The Operator must have notified the resident in writing of the Operator's intention to terminate the Occupation Right Agreement unless the breach is remedied, the Operator must have given the resident reasonable time, not less than one month, to remedy the breach, the Operator must have taken into account the nature and extent of the breach in determining the time given for the resident to provide a remedy, and the resident must have failed to remedy the breach in the time given;
- (e) *Medical grounds:* If a medical practitioner, after assessing the resident, certifies that the resident's physical or mental health is such that the resident or other residents cannot live safely in the home or their homes. The Operator shall appoint the medical practitioner at the Operator's cost, the medical practitioner appointed must be independent of the Operator, the assessment by the medical practitioner must take into account the care, support and facilities offered in the Village, including the opportunity to transfer to a higher level of care, and support services that could be brought in from outside the Village to support the resident to remain in the Village, and the resident (or support person or holder of an Enduring Power of Attorney for Personal Care and Welfare) may, as part of being consulted on the proposed termination, obtain a second medical opinion at the resident's cost and present it to the Operator.

5.3.6 **Effect of termination on persons living with the resident:** On termination of the Occupation Right Agreement the resident and any person living in the home with the resident will be required to vacate the home immediately.

5.3.7 **Charges that are payable after termination:** The charges that continue to be payable by the resident after the termination of the Occupation Right Agreement but prior to vacating the home are:

- (a) *Facilities and services charges:* The charges for the facilities and services set out at paragraph 4.3.1 will continue to be payable, provided that:

- (i) The Village Outgoings Charge will be payable until the date on which the resident's Occupation Right Agreement is terminated and the resident's home is permanently vacated. ,
  - (ii) Any Additional Services Charge will cease on the date the resident's Occupation Right Agreement is terminated and he, she or they vacate the home.
- (b) *Additional charges:* The charges specified at paragraph 4.3.6 will be payable until the home is vacated.
  - (c) *Termination charges:* The charges payable upon termination, as set out at paragraph 4.3.3.
  - (d) *Termination following damage or destruction:* If the Home has been damaged or destroyed through no fault of the Resident and is uninhabitable and the Occupation Right Agreement is terminated, the Operator will stop charging for any Additional Services Charge and the Village Outgoings Charge from the date of the damage or destruction.

#### 5.3.8 **Process for locating new resident:**

The process to be followed by the Operator in finding a new resident for the vacated home is as follows:

- (a) The Operator will keep the former resident informed on a monthly basis about the progress with the marketing of a new Occupation Right Agreement for the home;
- (b) The Operator will follow up any contact list of persons who have expressed interest in living in the Village and respond to all enquiries about the home in a timely and helpful way;
- (c) The resident has the right to introduce a new resident at any time provided that the Operator is not required to accept any prospective resident who does not meet the normal entry criteria for the Village or whose offer to buy does not, in the Operator's opinion, reflect the market value of an Occupation Right Agreement for the home. No commission will be paid by the Operator for any such introduction.

#### 5.4 **Deductions From Payments**

- 5.4.1 ***Deductions made on entry or exit from the Village and deductions from periodical payments:*** The resident pays the purchase price for an Occupation Right Agreement in respect of the home, upon entry into the Village. The Facilities Fee is only payable following termination of the resident's Occupation Right Agreement. The Facilities Fee and all other termination charges payable by the resident to the Operator described at paragraph 4.3.3, are deducted from the termination payment paid by the Operator to the resident.
- 5.4.2 ***Deductions made for the purposes of maintenance, refurbishment and development:*** The resident is not liable for any maintenance, refurbishment or development costs other than as set out at paragraph 4.4.
- 5.4.3 ***Deductions for rates, maintenance and other outgoings:*** No deduction for rates, maintenance and other outgoings will be made in addition to the Village Outgoings Charge as set out at paragraph 4.3.

5.5 Exposure to a capital gain or capital loss arising out of termination:

5.5.1 The resident will not participate in any increase in value of the home, and therefore is not entitled to any capital gain.

5.5.2 The resident is not required to make any additional payment in the event of any decrease in value of the home, and therefore is not exposed to any capital loss.

5.6 **Estimated financial return on disposal of home:**

The estimated financial return that a resident can expect to receive upon the sale of a new Occupation Right Agreement for the home at intervals of two years, five years and ten years after the resident enters into an Occupation Right Agreement are set out in the Information Sheet.

## 6. Other Matters

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### 6.1 Date of Registration

This disclosure statement was registered with the Registrar of Retirement Villages in May 2023

### 6.2 Details Relating to Certain Security Interests

The Operator advises that no holder of a security interest (to which Section 12(1)(b) of the Retirement Villages Act 2003 applies) has refused consent to the registration of the retirement Village under the Act.

### 6.3 Exemption from Requirement to Comply with Code of Practice

The Operator advises that it has not sought any exemption from the requirement to comply with the provisions of a Code of Practice.

### 6.4 Insurance

6.4.1 **Operator.** The following are the details of the insurance covers that the Operator has obtained for the retirement village:

- (a) Accidental loss or damage to the homes in the Village for a replacement of all dwellings with a replacement value of \$104,159,000;
- (b) Material damage cover for accidental loss or damage in respect of all other Village buildings at replacement value of \$5,822,000 and indemnity value of \$3,632,000 and the Operator's chattels, at replacement value for household chattels at replacement value of \$3,234,000, machinery and contents at replacement value of \$315,000 (the buildings comprising the Village are insured by the Operator), subject to the excesses detailed in clause 4.3.6(e) and a natural disaster insurance excess of 1% of the Material Damage Sum Insured but not less than \$2,500. Site Value of assets not covered by EQC (in respect of mixed use buildings) where a claim is payable under the EQC Act, this excess will be offset by the amount actually paid by the Earthquake Commission to the Operator for the same loss to the same building for the same event;
- (c) Business interruption cover for economic loss due to interruption of normal business operations following an event claimable under the material damage section of up to 36 months and \$14,0050,000
- (d) Business interruption cover for Additional Increased Costs of Working to the value of \$500,000. Plus alternative accommodation costs with a total sum insured of \$9,240,000 for residents of the Village of up to \$50,000 per ORA if a resident is not otherwise insured;
- (e) Motor vehicle cover at market value up to set limits;
- (f) General liability cover for legal obligations to third parties for accidental damage to their property or bodily injury to their person arising from business activities and/or products Limit of Liability \$5,000,000 in the aggregate, with a sub-limit \$500,000 for property in the Operator's care, custody or control, with an excess of \$1,000;
- (g) A Standard Directors and Officers Policy including Directors' and Officers' Liability Limit of Liability \$1,000,000 in the aggregate with an individual directors excess of Nil & a company reimbursement claims excess of \$5,000,

Employment Disputes Liability Limit of Liability \$250,000 in the aggregate with a \$10,000 excess, Statutory Liability Limit of Liability \$2,000,000 in the aggregate with a \$500 excess increasing to \$2,500 for Health & Safety At Work Act 2015, Employers Liability Limit of Liability \$1,000,000 in the aggregate with a \$500 excess. Fidelity Limit of Liability \$100,000 with a \$10,000 excess. Internet Liability Limit of Indemnity \$250,000 with a \$1,000 excess, Legal Prosecution Defence Limit of Liability \$250,000 with an excess of \$1,000.

- (h) The Operator may choose to take out any other relevant insurance policies in relation to the Village.
- (i) All insurance policies taken out by the Operator in relation to the Village must state the:
  - (i) Responsibilities and liabilities of the Operator, residents, and statutory Supervisor as the insured parties;
  - (ii) Amount of any excess an Operator has to pay if a claim is made;
  - (iii) Any exclusions of insurance for the insurance policy;
  - (iv) Responsibilities of the Statutory Supervisor where there is an insured event, including where the Statutory Supervisor receives the insurance payouts as stakeholder for the operator and residents.

6.4.2 **Resident:** The resident is strongly encouraged to arrange insurance protection in respect of the resident's personal belongings, including any vehicles.

## 6.5 Effect of Marriage, etc, on Occupation Right Agreement

If the resident wishes their spouse or partner to have the same rights of occupation as a resident (i.e. to stay on in the home after the resident has vacated), then the resident must terminate the original Occupation Right Agreement and enter into a new agreement, and pay the resulting charges (the Operator may at its discretion reduce the charges according to the particular circumstances).

## 6.6 Financial Assistance

Any financial assistance to residents will be extended at the sole discretion of the Operator. No financial assistance is currently offered.

## 6.7 Statement of information about voiding Occupation Right Agreement

Section 31 of the Retirement Villages Act 2003 gives you the right to void 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:

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

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

*Circumstances:**Period:*

The retirement 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 retirement 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 residential 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.

## 6.8 Documents to be made available

The following documents are available to the resident or his or her personal representative:

- 6.8.1 the most recent audited financial statements that relate to the Operator and comply with the Financial Reporting Act 1993 if that Act applied during the period to which the statements relate;
- 6.8.2 a copy of the Deed of Supervision between the Operator and the Statutory Supervisor;
- 6.8.3 a copy of this Disclosure Statement;
- 6.8.4 a copy of the Occupation Right Agreement;
- 6.8.5 a copy of the rules that apply to the Village, which are attached to the Occupation Right Agreement; and
- 6.8.6 a copy of the Code of Residents' Rights.

## 7. Information Sheet

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### 7.1 Indicative price for an Occupation Right Agreement in respect of the home(s) in which you have expressed an interest

Home no: {Number/Address}                      Price: \${Amount}

### 7.2 Estimated financial return

After:	Purchase Price	Termination Payment	Facilities Payment	Repair Costs	Est. Financial Return
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2 yrs

5 yrs

10 yrs

### 7.3 Notes

7.3.1 The above model assumes that the Occupation Right Agreement has not been terminated by reason of the damage or destruction of the home or Village.

7.3.2 The Facilities Payment has been calculated for a number of full years. The Facilities Payment is calculated on a monthly basis.

7.3.3 The Occupation Right Agreement requires the resident to pay the cost of restoring the home to the condition it was at the commencement of the resident's Occupation Right Agreement after taking into account fair wear and tear during the term of the resident's stay. Damage caused by smoking does not constitute fair wear and tear. Any such cost will be assessed by a current member of the New Zealand Institute of Quantity Surveyors (Incorporate) appointed by the Operator in accordance with clause 13.3 of the Occupation Right Agreement. The amount attributed to repair in the above model is an estimate by the Operator only. The actual cost of repair will differ and may be substantially higher or lower depending on the resident's care of the home. This does not apply if the home is destroyed or damaged and cannot be repaired or reinstated and the Occupation Right Agreement is terminated.

7.3.4 In calculating the estimated total financial return, it is assumed the resident will not owe any other money to the Operator at the time the home is sold. Any other amount owing plus default interest if applicable will also be deducted on termination.

### 7.4 Effect of duration on estimated return

The estimated financial return is affected by the duration of the Occupation Right Agreement because the Facilities Payment accrues monthly over time. However, the Facilities Payment may not exceed 30% of the purchase price after 60 months from the commencement date.

### 7.5 Effect of termination on estimated return

The estimated financial return is affected by a termination of the Occupation Right Agreement arising out of a breach of the agreement by the resident. In the event of a breach, the resident may be required to pay default interest for the non-payment of moneys due under the agreement, together with any insurance excess on damage caused to the Village by the resident and any legal costs incurred by the Operator as the result of the breach.

## Schedule 1 - State of the Village – As at 1 May 2023

### 1. Homes occupied, unoccupied and still to be completed

<i>home type</i>	<i>No. Occupied</i>	<i>No. Unoccupied</i>	<i>No. Not Completed</i>
Homes	142	12	Up to 6

### 2. Details of home disposals in last 12 months

	<i>Homes</i>
Number of disposals of occupied	8
Number of disposals of unoccupied	0

Time taken to dispose (in days):

#### (a) Occupied

Home #	Occupation Ended	Keys returned / Avail. For Refurb	Refurb Completion Date	Appl. For ORA rec'd	Settlement Date	DAYS TO SETTLE after Refurbishment Completed
29	19.10.2021	19.10.2021	19.11.2021	22.2.2022	31.5.2022	193
130	16.2.2022	16.2.2022	16.3.2022	22.3.2022	20.5.2022	65
83	21.12.2021	17.1.2022	5.4.2022	10.5.2022	14.7.2022	100
38	25.3.2022	11.4.2022	16.8.2022	15.5.2022	7.9.2022	22
78	27.5.2022	27.5.2022	7.9.2022	8.6.2022	8.9.2022	1
52	21.1.2022	21.1.2022	7.7.2022	3.6.2022	20.1.2023	197
105	28.9.2022	28.9.2022	20.1.2023	13.10.2022	20.1.2023	0

#### (b) Unoccupied

(0 days signifies sold prior to completion of build)

Average time to dispose of occupied homes after refurbishment is completed (in days)	83 days
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Average time to dispose of unoccupied (new) homes (in days)	N/A
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3. **Weekly Fee**

- (a) The Village Outgoings Charge currently payable by each resident is \$195.00 including GST (if any) per week.