



DISCLOSURE STATEMENT

ALTHORP VILLAGE

20 SEPTEMBER 2024

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1. IMPORTANT INFORMATION FOR INTENDING RESIDENTS

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

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

You should read this Disclosure Statement carefully.

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

Ask questions.

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

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

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

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

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

2. INTRODUCTION

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

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

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

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

3. DIRECTORY

| | |
|---|--|
| Date of Disclosure Statement | 20 September 2024 |
| Date Lodged for Registration | 20 September 2024 |
| Village Name | Althorp Village |
| Village's Street Address, Registered Office and Address for Service | 9 Grantston Drive, Pyes Pa, Tauranga |
| Operator | Althorp Village Limited A company registered under the Companies Act 1993 under number 1104722. |
| Operator's Directors | David John Church Mary Jane Church Alexander Talbot Munro Joanne Caroline Munro Andrew Douglas Church Kaley Lorraine Lewitt |
| Operator's Registered Office and Street Address | 9 Grantston Drive, Pyes Pa, Tauranga |
| Operator's Contact Details | Phone: (07) 543 4008 Email: manager@althorpvillage.co.nz |
| Operator's Agent | Michelle Prosser, Village Manager |
| Operator's Agent's Contact Details | Phone: (07) 543 4008 Ext. 1 Email: enquiries@althorpvillage.co.nz |
| Statutory Supervisor | Covenant Trustee Services Limited |
| Statutory Supervisor's Contact Details | Address: Level 6, 191 Queen Street, Auckland Phone: 09 302 0638 Email: info@covenant.co.nz |

4. DETAILS OF THE VILLAGE

State of the Village

The Village was constructed in stages between 2001 and 2017. The Village buildings are predominantly constructed of plaster over concrete block.

The Village and its facilities, paths, driveways, roads, grounds, lighting, and heating arrangements are in a good condition and standard of maintenance.

As at the date of this Disclosure Statement, the Village is complete, but we may decide to further develop it in the future.

We are looking at replacing the roof of the Lodge building which houses most of the community facilities and apartments. If we go ahead with this project, residents might experience some inconvenience such as traffic, noise and dust from the construction. Access to certain facilities may be temporarily restricted, and some apartment residents may need to be relocated to temporary accommodation during the construction. We will consult with residents before starting any construction and will take reasonable steps to minimise any impact. The development will not have any effect on the fees payable by existing residents.

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

5. SERVICES AND FACILITIES AT THE VILLAGE

Services Offered at the Village

The following services are available at the Village:

| Service | Details, including frequency and charges |
|---|---|
| Gardening and lawn mowing | Gardening and lawn mowing of the common areas of the Village is carried out by us as required. |
| Repair and maintenance | Repairs and maintenance of the common areas of the Village and the Homes will be carried out by us as required. Some of the costs of this service are included in the Weekly Fee. Some costs are invoiced to residents as set out in section 9. |
| Provision of meals | An evening meal can be provided on request. For residents of Serviced Apartments this is included in their Services Payment, for all other residents this is charged on an at cost basis as an Additional Service. |
| Laundry services | Laundry services are available to residents of Serviced Apartments, this cost of these services would be included in their Services Payment. |
| Hairdressing and other personal care services | A hairdressing salon is available in the Village. Residents who use this service pay the service provider directly. |
| Transport services | We arrange regular shopping trips on the Village buses. |
| Recreation and entertainment services | We arrange recreational and entertainment services. Some services incur an Additional Services Fee and some are included in the Weekly Fee. |

| Service | Details, including frequency and charges |
|----------------------------|---|
| Security Services | We arrange nightly patrols of the Village. |
| Smoke alarm monitoring | We have contracted a third party to provide 24 hour monitoring of smoke alarms in the Village. |
| Emergency alarm monitoring | All homes have an emergency alarm installed. The alarms are monitored by St John Ambulance. When an emergency alarm is activated St John is alerted and responds in accordance with their processes and policies. |

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

Facilities Offered at the Village

The following facilities are available at the Village:

| Facilities | Details, including limits on availability and charges |
|--------------------------------|--|
| Dining facilities | Dining facilities are available. No chef is employed but the kitchen is available for caterers on a user pays basis. |
| Lounge | Available 6.00am to 10.00 pm daily. |
| Theatre/ TV room | Available 6.00am to 10.00 pm daily. |
| Library | Available 6.00am to 10.00 pm daily. |
| Gymnasium | Available 6.00am to 10.00 pm daily. |
| Games room | Available 6.00am to 10.00 pm daily. |
| Billiards/Pool | Available 6.00am to 10.00 pm daily. |
| Art & craft room | Available 6.00am to 10.00 pm daily. |
| Spa pool | 2 spa pools available 6.00am to 10.00 pm daily. |
| Swimming pool | Available 6.00am to 10.00 pm daily. |
| Tennis court/ Croquet green | Available during daylight hours. |
| Pétanque court | Available during daylight hours. |
| Bowling green | Full sized. Available during daylight hours. |

| Facilities | Details, including limits on availability and charges |
|-------------------|--|
| Golf Range | Available during daylight hours. |
| Hobby shed | Available 10.00am to 4.00pm daily. |

The cost of providing these facilities is included in the Weekly Fee (unless otherwise specified above).

Planned Services and Facilities

We do not plan to offer any further services or facilities at this time.

Services and Facilities Not Offered at the Village

The following services and facilities are not offered at the Village: nursing and medical services, shops and other services for the provision of goods, communal laundry facilities, and health clinic, and there are currently no plans to make these services and facilities available.

Moving into the Care Facility

Radius Althorp Hospital ("the Hospital") is situated next to the Village. As at the date of this disclosure statement, we have an agreement with the operator of the Hospital to give residents priority access to residential care in the Hospital subject to availability of a suitable bed and the resident meeting relevant assessment criteria. The operator of the Hospital may require the resident to be needs assessed prior to transferring to the Hospital. If the resident has not been needs assessed as requiring residential care then the resident will not be able to access any Government subsidies which may be available to cover all or part of the resident's care. If a resident transfers to the Hospital then they will be required to enter into an admission agreement with the operator of the Hospital and will be responsible for all costs associated with their care, which may include premium room charges.

As at the date of this disclosure statement, the Hospital provides approximately 117 care beds, of which 57 beds provide rest home / hospital level care, 30 beds provide dementia level care, and 30 beds provide psychogeriatric level care. The operator of the Hospital may, in its discretion, change the number of beds it provides in total, or in each category, or change the categories of care it makes available.

6. YOUR OCCUPATION RIGHT AGREEMENT AND YOUR RIGHTS

Nature of Your Interest and Occupancy Rights

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

The rights granted to you under your Occupation Right Agreement are personal contractual rights only and cannot be registered. The Occupation Right Agreement

does not give you any interest in land, ownership right or tenancy in the Village or your Home.

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

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

Effect of Marriage or Civil Union on Your Occupation Right Agreement

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

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

Varying Occupation Right Agreement

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

Your Rights

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

| Right | Details, conditions and any limitations |
|---|--|
| To mortgage or otherwise borrow against your interest in your Home, or to grant a security interest in the termination proceeds | You need to get our prior written consent to any such borrowing or security interest. As you do not have an interest in land you cannot grant a mortgage. |
| To have a member of your family (including a de facto partner) stay with you in your Home, or to have a person stay with you in your Home as a companion or carer | You may have up to two guests stay with you for no longer than three months in any 12 month period. If you get our prior written consent, you may have guests for longer stays or have a larger number of guests. We may require any guest to leave if we consider other residents' enjoyment of the Village is negatively affected by their stay. |

| Right | Details, conditions and any limitations |
|----------------------------|--|
| To keep a pet in your Home | Only birds, cats and small dogs with our prior written consent. Such consent can be withdrawn at any time. |

Rights you do not have

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

| |
|---|
| To sell or market your Home. Please see section 10 for further information on how we sell and market the Home following termination of your Occupation Right Agreement. |
| To have a person board with you in your Home. |
| To have a person stay in your Home to mind it for you while you are away. |
| To let or sub-licence your Home to another person. |

Limits on living in or using your Home

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

| | |
|-----------------------------|---|
| Alterations | <p>You must not make any alterations or additions to your Home or modify the Operator's Chattels, fit aerials or other items without our prior written consent.</p> <p>However, if you have a disability you are entitled to alter your Home 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 Home to be reinstated to its original condition on termination (at your cost).</p> |
| Personal use and occupation | Your Home must only be used for your personal use and occupation, subject to any rights to have people stay in your Home as described above. |

| | |
|--------------------------------|--|
| Rules | All residents are expected to comply with our Village Rules at all times and ensure their guests are made aware of and comply with the Rules. The Rules may be changed by us provided we first consult with all residents and any such amendment does not affect or detract from your existing rights. Any changes to the Rules do not take effect until we give you notice of the changes. |
| Your relationships with others | You must not do anything or allow anything to be done (within your control) which is or could be a nuisance or annoyance or cause distress to other residents, us, people who work at the Village or guests. You must also respect the rights of, and treat with courtesy, other residents, us, the people who work at the Village and the people who provide services at the Village. Your use of Community Facilities and any Services is to be exercised with care and consideration for others. |
| Damage | You must not do anything which damages your Home. |
| Access to your Home | You will permit us at all reasonable times to enter your Home for the purpose of carrying out an inspection, to give you care and assistance, or to carry out any repairs or alterations we consider necessary. In doing so we will try to cause you as little disturbance as possible, and to the extent possible, we will try to give you at least 24 hours' notice. |
| Parking | You may only park in your garage attached to your Home or your allocated car park. If we consent to you bringing a caravan, boat, camper van, trailer or similar item to the Village then you must park this in the designated parking area. Parking for these items is not allocated but you must comply with any direction we give you regarding parking location. We can withdraw our consent and require your vehicle be removed from the Village if we consider it is interfering with other residents' enjoyment of the Village or the safety of people in the Village. |

7. ENTRY AND EXIT PAYMENTS

Entry Payment

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

The Entry Payment depends on the Home you are interested in. The amount for the Home you are interested in is shown in section 16. It is set by us and reflects the market price of an Occupation Right Agreement for that Home (in our opinion). In some circumstances we may be willing to negotiate this amount with you but we are not obliged to do so. The amount of the deposit is agreed between us on application.

Exit Payment

After the Occupation Right Agreement is terminated and on the Exit Payment Date, we pay to you the Exit Payment, which is an amount equal to the Entry Payment, subject to the following deductions:

- The Village Contribution, which is a maximum amount equal to 30% of the Entry Payment.

For Apartments, Units, Townhouses and Villas:

The Village Contribution accrues to us at the rate of 7.5% of the Entry Payment per year, calculated on a daily basis from the Commencement Date until the earlier of the Termination Date (or later Vacation Date) or the expiry of four years.

For Serviced Apartments:

The Village Contribution accrues to us as follows:

- 10% of the Entry Payment accrues in one lump sum on the Commencement Date;
- an amount equal to 10% of the Entry Payment per year accrues on a daily basis from the Commencement Date until the earlier of the Termination Date (or later Vacation Date) or the expiry of two years.

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

- The outstanding balance of any payments due to us under the Occupation Right Agreement, including any Weekly Fees, Services Payments, Additional Services Fees or utilities charges;
- Any transfer fee payable by you in respect of a transfer between homes in the Village; and
- Any other money due or that will be due from you under the Occupation Right Agreement.

Circumstances in which you are entitled to a Refund

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

You will also be entitled to a refund of your Entry Payment, if you avoid your Occupation Right Agreement under section 31(1) of the RV Act. Please see section 13 for further details.

If you have paid a deposit but your application does not proceed for reasons other than you exercising your above cancellation rights, you are entitled to a refund of that deposit (but not any interest earned on that deposit).

8. ONGOING CHARGES

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

Weekly Fee

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

The Weekly Fee is calculated as a proportion of the Village Outgoings. We may change the Weekly Fee at any time to reflect actual changes in the outgoings of the Village and any change will take effect one month after we give notice of the change.

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

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

Services Payment

If your Home is a Serviced Apartment we will provide you with the Services and you will pay us a Services Payment.

The amount of the Services Payment is determined by us and advised to you when you apply for the Services. We may change the Services Payment where there is a change in the Services provided to you or in the cost to us of providing the Services. Any increase will take effect one month after we give you notice of the increase.

The Services Payment is payable by you in advance by direct debit from the date we start providing Services to you until the earlier of the date you stop receiving the Services or the date you stop permanently living in your Home.

We retain the Services Payment we receive to cover our costs of providing the Services.

Additional Services Fee

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

Additional Services Fees are payable by you by direct debit.

Other Costs

You are liable to pay all your utility costs relating to your Home directly to the relevant provider. Where we provide you with any utilities directly the costs of these utilities will be payable by you by direct debit except where we, in our discretion, include any utilities in the Weekly Fee.

If any charge is not paid within five Working Days of the due date, we are entitled to charge default interest on the outstanding amount at the rate prescribed in Schedule 2 of the Interest on Money Claims Act 2016 until it is paid.

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

9. MAINTENANCE, REFURBISHMENT AND INSURANCE

Our Maintenance Responsibilities

We are responsible for maintaining the common areas and buildings of the Village (including each Home) and keeping them in good order and condition. The costs of this maintenance are included in the Weekly Fee except where costs are the responsibility of a resident under the occupation right agreement.

We will repair or replace the Operator's Chattels when we consider repair or replacement is required. We will meet the cost of this repair or replacement except where we consider this is required due to damage which is beyond Fair Wear and Tear.

We endeavour to ensure that the Village meets residents' current needs by maintaining the Village in good order and condition. We cannot ensure that the Village meets your changing needs but residents currently do benefit from priority access to the neighbouring hospital, Radius Althorp Hospital, as set out in section 5.

The Village (including the Homes, facilities, grounds and common areas) meets the requirements of the national standards identified in NZS 4121:2001 (Design for Access and Mobility: Buildings and Associated Facilities), to the extent that it applies.

Maintenance or Sinking Fund

The balance of the sinking fund as at 12 September 2024 is \$595,743.57 . Your contribution towards the sinking fund is made through your Weekly Fee.

The fund can be used for major repairs or maintenance to roading, Community Facilities (interior and exterior), and the exterior of the Homes (including patios, pergolas, decks and trellises), and replacement of Village motor vehicles and equipment (if required) but cannot be used for refurbishing the interior of a vacant Home following termination.

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

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

Your Maintenance Responsibilities

You are responsible for keeping your Home and its surrounds, together with the Operator's Chattels, in good working order and in a tidy, clean and proper condition.

You are responsible for replacing (at your cost) all light bulbs, remote controls and their batteries as and when they break or wear out. The replacement items must be of at least the same quality as those installed at the Commencement Date.

If you wish to have the interior of your Home upgraded or refurbished during the term of the Occupation Right Agreement (for example, have the carpet or curtains replaced (other than where we consider replacement is necessary), or interior walls repainted), then we will arrange for the works to be carried out, and you will be responsible for paying such costs upon invoice.

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

- Costs of any repairs or replacements to the interior of your Home;
- Costs of repairing any damage to the Village or the Operator's Chattels caused by you or your guests (beyond fair wear and tear).

Our Insurance Responsibilities

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

We hold the following insurance policies:

- Comprehensive full replacement insurance in respect of all retirement village property, capital improvements, and additional fittings provided by you up to the amount set out in the current insurance valuation of the Village;
- Material damage and business interruption insurance;
- Motor vehicle insurance;
- General liability insurance;
- Statutory liability insurance;
- Machinery breakdown; and
- Management liability insurance.

All policies are subject to excesses.

Your Insurance Responsibilities

You are strongly recommended to (but are not required to) insure your personal belongings for loss and damage under an appropriate policy. You are required to insure any vehicle that you keep at the Village. We are not responsible for any loss or damage to your belongings or vehicle.

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

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

Damage or Destruction of your Home

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

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

date of the Damage Event until your Home or its replacement is ready for occupation by you following repair or replacement. If we are providing temporary accommodation to you, you will pay the actual cost of personal services and outgoings relating to that temporary accommodation. If we provide you temporary accommodation within the Village then you will pay the Weekly Fee in respect of that temporary home.

- If, following a Damage Event, we decide it is not practicable to repair or replace your Home the Occupation Right Agreement is automatically terminated (unless the bullet point below applies), and we will pay you the Exit Payment without deducting any Village Contribution, but we will be entitled to deduct any other amounts due to us.
- If, following a decision not to repair or replace your Home as set out in the bullet point above, we offer you an option to transfer to another Home (either pre-existing or yet to be constructed) in the Village and you do not accept such offer, the usual Exit Payment provisions and deductions will apply including the Village Contribution.

10. TERMINATION OF OCCUPATION RIGHT AGREEMENT

Exit Payment Date

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

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

Ongoing Charges Payable after Termination

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

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 Home. You are not liable for any capital loss when a new resident enters into an Occupation Right Agreement for the Home.

Effect of Termination on Other Persons Living in Home

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

Marketing of the Home

We control the sale and marketing of the Home when your Occupation Right Agreement terminates. Following termination, we will take all reasonable steps to obtain a new resident for the Home. 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 Home or the Village.

We will consult with you about when the Home 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 after six months a new Occupation Right Agreement is not entered into, we will obtain a valuation (at our cost) of the Home by an independent registered valuer with experience in valuing retirement village units, to establish a suitable price for marketing the Home. We will market the Home 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 Home becoming available for re-occupation, you may be able to give a Dispute Notice if you have grounds to do so under the RV Act.

We may, in our discretion, agree to pay you the Exit Payment less deductions prior to issuing a new Occupation Right Agreement for the Home. If so we will make payment within 20 Working Days of the date of such agreement.

Transfer Payments

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

- The availability of another home;
- Our being satisfied that the home will be suitable for you;
- You terminating your original occupation right agreement and entering into a new occupation right agreement on our then current terms; and
- You paying a transfer fee in accordance with our transfer policy in place at that time. As at the date of this disclosure statement they transfer fee is an amount equal to 5% of the entry payment for the new home.

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

11. OWNERSHIP, MANAGEMENT AND SUPERVISION OF THE VILLAGE

Our Interest in the Village

As the Operator, we are responsible for meeting all the obligations to you under your Occupation Right Agreement. We own the underlying freehold interest in the Village land, which is registered as identifiers 581397 and 644431 (South Auckland Land Registration District).

The Village land is subject to the following charges:

- A first-ranking encumbrance and a second-ranking general security agreement in favour of the Statutory Supervisor to secure our obligations to residents. There is no maximum sum secured by these charges.
- A second-ranking mortgage in favour of Bank of New Zealand ("BNZ") and a first ranking general security agreement to secure all amounts payable to BNZ, in particular the amounts payable pursuant to a credit card facility which has a facility limit of \$6,000. The amount drawn down on this credit card facility fluctuates.
- An encumbrance in favour of Tauranga City Council securing obligations in relation to future use of the Village land (only affects record of title 581397).

Management Arrangements for the Village

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

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

Key Staff at the Village

We employ the following key staff in the Village, who can be contacted on the following phone numbers:

| | | |
|------------------|---------------------------------|----------------------|
| Michelle Prosser | Village Manager | (07) 543 4008 Ext. 1 |
| Claire Keen | Sales Manager | (07) 543 4008 Ext 2 |
| Christine Round | Financial Controller | (07) 543 4008 Ext. 3 |
| Donna Williams | Lodge Receptionist | (07) 543 4008 Ext. 0 |
| Robyn Dawson | Serviced Apartment Receptionist | (07) 543 9374 |

Staff are available at the Village between the hours of 8.30am and 4.30 pm Monday to Friday. The Village Manager is also available outside these times by appointment.

The Operator has been responsible for the development and management of the village since November 2000. Its core duties are to ensure resident satisfaction and manage the facility in a correct and proper way, ensuring the lifestyle and security of the residents, and to control expenditure in a responsible and transparent manner. It is also the Operator's role to consult with residents on changes that may affect them.

Residents' Committee

A residents' committee is established at the Village and represents the Althorp Village Residents' Association (of which all Residents are members). The committee's role is to represent and promote the welfare and interests of the Village and to maintain liaison with the Village management on matters affecting Village administration. We are not bound to incur any expenditure by any decision of the residents' committee.

Supervision of the Village

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

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

The core duties of a statutory supervisor are to:

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

12. DOCUMENTS AVAILABLE

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

- Our audited financial statements;

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

Financial Accounts

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

13. COOLING-OFF PERIOD

The cancellation provisions in the Occupation Right Agreement offered to residents for Homes 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.

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

- (1) *An occupation right agreement must contain a provision allowing a resident (other than a person who is a resident solely because paragraph (c) of the definition of resident applies to that person) to cancel the agreement,—*
- (a) *without having to give any reason, by notice given not later than 15 working days after the agreement is signed by the resident; and*
 - (b) *if the agreement relates to a residential unit to be built or completed at a later date and the residential unit is not finished to the point of practical completion within 6 months after the proposed date for completion of the unit, by notice given at any time after the expiry of that 6-month period.*
- (2) *Notice of cancellation—*
- (a) *must be in writing and in a form that indicates (irrespective of the exact words used) the intention of the resident to cancel the agreement; and*
 - (b) *may be given by the resident or any person authorised in writing by the resident to act on his or her behalf.*
- (3) *The notice may be given to—*
- (a) *the operator; or*

- (b) *the real estate agent or other person who dealt with the resident on behalf of the operator when the resident acquired an occupation right, unless the operator has notified the resident that the person has ceased to act on behalf of the operator; or*
 - (c) *any person who the operator has notified the resident is a person authorised to receive communications on behalf of the operator.*
- (4) *The operator is entitled to reasonable compensation for services provided to the resident under the occupation right agreement and for damage to a residential unit or any facilities in the retirement village for which the resident is responsible before the cancellation takes effect.*
- (5) *Despite subsection (1), an occupation right agreement may contain a cancellation provision of the kind referred to in subsection (1) that is more favourable to the resident than the provision referred to in subsection (1), but, if the agreement fails to contain any provision of the kind referred to in subsection (1) or contains a provision that is less favourable to the resident than that provision, the agreement is deemed to contain the provision referred to in subsection (1).*

Definitions relating to cooling-off period

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

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

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

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

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

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

resident means any of the following:

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

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

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

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

14. INFORMATION ABOUT AVOIDING OCCUPATION RIGHT AGREEMENT

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

Section 31 of the RV Act gives you the right to avoid an agreement that you enter into for the right to occupy a residential unit in a retirement village, but only if you enter

into the agreement in the circumstances described in a row of the table below and the circumstances involve:

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

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

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

You should seek legal advice before using the right.

If you use the right, you are entitled to a refund of some amounts you paid for the right to occupy the unit and for services or facilities that were not provided, interest on

those amounts, and your actual and reasonable costs associated with using the right (such as legal expenses and removal costs).

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

15. GLOSSARY

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

| Term | Meaning |
|----------------------------|---|
| Occupation Right Agreement | The document which sets out your right to occupy a Home at the Village. It also specifies the terms and conditions that apply to that occupation right. |
| Operator’s Chattels | Any chattels installed in your Home by us. |
| Resident | A person or persons who have entered into an Occupation Right Agreement for a Home. |
| Home | A villa, townhouse, unit, apartment or serviced apartment at the Village which is used for the accommodation of a resident. |
| Hospital | Means the aged care facility known as Radius Althorp Hospital, which is adjacent to the Village and which is currently operated by Radius Residential Care Limited. |
| 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 Althorp Village, including the Homes and all communal areas and facilities used by residents. |

16. ESSENTIAL INFORMATION FOR YOU

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

| | |
|--------------|------------------------|
| Your name(s) | [] and [] |
|--------------|------------------------|

| | |
|----------------------|--|
| Home | [Villa/Apartment/Townhouse/Unit/Serviced Apartment] [insert home number] |
| Carpark(s) | Not applicable/[description] |
| Storage Locker | Not applicable/[description] |
| Entry Payment | [\$ []] |
| Village Contribution | Maximum amount of \$[] (being 30% of the Entry Payment) |
| Weekly Fee | [\$ [] per week (being \$[] per month, paid monthly in advance) |
| Services Payment | <i>[For Serviced Apartments Only]</i> [\$ [] per week (being \$[] per month, paid monthly in advance) <i>[For all other unit types]</i> Not Applicable |

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

| Term | Entry Payment | Village Contribution | Estimated Financial Return |
|-------------|----------------------|-----------------------------|-----------------------------------|
| Two years | [\$ []] | [15/20]% of Entry Payment | [\$ []] |
| Five years | [\$ []] | 30% of Entry Payment | [\$ []] |
| Ten years | [\$ []] | 30% of Entry Payment | [\$ []] |

Assumptions:

The estimated financial return is calculated on the following assumptions:

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

- No deductions from the Exit Payment except for the Village Contribution are required to be made.

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

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

SCHEDULE

Homes at the Village

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

| Type of Home | Completed | Vacant | Occupied | To be Completed |
|--------------------|------------|-----------|------------|-----------------|
| Villa | 137 | 1 | 136 | 0 |
| Townhouse | 14 | 1 | 13 | 0 |
| Unit | 6 | 0 | 6 | 0 |
| Apartment | 39 | 7 | 32 | 0 |
| Serviced Apartment | 14 | 2 | 12 | 0 |
| TOTAL | 210 | 11 | 199 | 0 |

Disposals in the last 12 Months

Listed below are details of Homes which were disposed of in the 12 months prior to 19 September 2024 which have been previously occupied:

| Home Type | Home Number | Time Taken to Dispose of (in days) |
|-----------|-------------|------------------------------------|
| Townhouse | 16 | 28 |
| | 39 | 315 |
| Villa | 9 | 232 |
| | 19 | 266 |
| | 90 | 328 |
| | 67 | 140 |
| | 23 | 74 |
| | 50 | 31 |
| | 63 | 33 |
| | 123 | 48 |

| Home Type | Home Number | Time Taken to Dispose of (in days) |
|---------------------------|--------------------|---|
| | 136 | 14 |
| | 17 | 52 |
| | 92 | 16 |
| | 95 | 80 |
| | 107 | 50 |
| | 143 | 65 |
| | 72 | 126 |
| | 148 | 168 |
| | 113 | 55 |
| | 116 | 23 |
| | | |
| Apartment | 503 | 370 |
| | 508 | 170 |
| | 507 | 48 |
| | 411 | 217 |
| | | |
| Serviced Apartment | 1136 | 89 |
| | 1138 | 200 |
| | 1140 | 76 |
| | 1128 | 68 |
| | 1139 | 65 |
| | 1132 | 28 |

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

- Villas – 100 days.
- Townhouses - 172 days.
- Apartments – 201 days.
- Serviced Apartments – 88 days.
- TOTAL – 115 days.

The time taken to dispose of a previously occupied Home is calculated from the date the prior resident vacates the Home until the earlier of the date we settle an Occupation Right Agreement for the Home to a new resident or the date the Resident receives their Exit Payment.

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

There were no previously unoccupied Homes (i.e. Homes which were newly constructed) disposed of in the twelve months prior to the date of this Disclosure Statement.