



ASCOT PARK
RETIREMENT VILLAGE

DISCLOSURE STATEMENT

2 September 2020

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DISCLOSURE STATEMENT

This Disclosure Statement dated 2 September 2020 and lodged for registration on 4 September 2020 sets out details about the Village, Ascot Park Retirement Village, the Operator, Ascot Park Retirement Village Limited, and the offer of occupation rights to intending residents for Homes in the Village.

This Disclosure Statement has been prepared pursuant to the Retirement Villages Act 2003, the Retirement Villages (General) Regulations 2006 and the Retirement Villages Code of Practice 2008.

Required statutory information for intending residents, about avoiding an occupation right agreement and details relating to the Cooling-off Period can be found at pages 16 and 21.

Specific details and information relating to a particular intending Resident's personal interest in the Village can be found in the Schedule attached to this Disclosure Statement.

This Disclosure Statement is produced as a plain English document, using as little legal terminology as possible. To assist Residents to read and understand this Disclosure Statement some terms have been defined and are shown with a capitalised first letter. These terms and the full meanings they have are set out in the Glossary on page 18.

DIRECTORY

Name of Village:	Ascot Park Retirement Village
Name of Operator:	Ascot Park Retirement Village Limited
Village's Street Address:	79 King Street, Taradale, Hawkes Bay
Village's Registered Office and Address for Service:	33 Havelock Road, Havelock North, 4130
Operator's Registered Office and Street Address:	33 Havelock Road, Havelock North, 4130
Operator's Contact Details:	Phone: 06 844 7209 Email: info@apr.v.co.nz
Operator's Agent:	Greg Pritchard
Operator's Agent's Contact Details:	Mobile: 021 887 872 Email: info@apr.v.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: team@covenant.co.nz

1. OWNERSHIP STRUCTURE

Details of the Operator

The Operator is a company registered under the Companies Act 1993 under number 7169975. The directors of the Operator are Gregory Pritchard and Susan Pritchard.

Operator's Interest in the Village

The Operator owns the Village land described in Record of Title 927038 Hawkes Bay Land Registration District.

Charges over the Operator's Interest in the Village

The Village land is subject to the following charges:

- (a) A first-ranking encumbrance and a second-ranking general security agreement in favour of the Statutory Supervisor to secure the performance of the Operator's obligations to the Residents and Statutory Supervisor. There is no maximum sum secured by the encumbrance and the general security agreement.
- (b) A second-ranking mortgage and a first ranking general security agreement in favour of ANZ Bank New Zealand Limited to secure all amounts payable to ANZ

Bank. The bank's securities secure facilities with a maximum limit of \$3 million and as at the date of this disclosure statement the amount currently drawn down is \$2,270,000.

2. NATURE OF RESIDENT'S INTEREST AND OCCUPANCY RIGHTS

Intending residents are offered a contractual licence to occupy a Home in the Village. This licence constitutes an Occupation Right Agreement and is secured by the encumbrance and general security agreement in favour of the Statutory Supervisor. The Occupation Right Agreement does not give a Resident any interest in the land the Home is located on or the Village land.

3. MANAGEMENT ARRANGEMENTS FOR THE VILLAGE

Details of Management

The Operator has appointed Bryant House Limited (the "Manager") to undertake responsibility for management of the Village. At present there is no written agreement and no management fee charged for managing the Village. The agreement may be terminated on reasonable notice by either party.

The Operator and the Manager are owned by the same shareholders and they have the same directors. The directors have extensive experience in operating residential care facilities, having owned and operated Bryant House Rest Home and Dementia Care since 2007. The core duties of the Manager are the various services required of it on a daily basis to ensure the efficient management and operation of the Village.

The key staff are:

- Gregory Pritchard, Village Manager;
- Katrina Mirams, Village Administrator.

The Village Manager is usually at the Village between 9am and 5pm on Monday to Friday (except public holidays). In an emergency the Operator's agent can be contacted on 06 8447209 during business hours and 021 887 872 outside of these hours. Outside of these hours the Bryant House Rest Home and Dementia Care's registered nurse can be contacted on 06 844 7209.

Statutory Supervisor

Covenant Trust Services Limited has been appointed as Statutory Supervisor of the Village. Contact details for Covenant can be found in the Directory.

Under the Retirement Villages Act 2003, the Operator of a retirement village must appoint a statutory supervisor for the village unless the Registrar of Retirement Villages grants the Operator an exemption.

The core duties of a statutory supervisor are to:

- provide a stakeholder facility for intending Residents and Residents who pay deposits or progress payments in respect of occupation right agreements or uncompleted Homes or facilities at the retirement village; and
- monitor the financial position of the retirement village; and
- report annually to the Registrar and Residents on the performance of its duties and the exercise of its powers; and
- perform any other duties that are imposed by the Act or any other Act, any regulations made under the Act, and any documents of appointment.

Residents' Committee

Residents may choose to establish a Residents' Committee but no committee is yet established. The role of any committee is to be determined by the Residents, however the Operator is not bound to incur any expenditure by any decision of the Residents' committee.

4. STATE OF THE VILLAGE

State of the Village

Construction of the Village has started and as at the date of this Disclosure Statement, there are three completed Homes and a further four due for completion by the end of September 2020.

The Operator holds resource consent to develop 28 Homes with associated roading and parking, together with communal facilities.

The Village buildings are to be built in stages. It is anticipated, subject to demand, that the Village will be complete by July 2022, however this date may change. Construction of stage one, comprising seven villas with associated access roads and communal parking, has started and is expected to be completed in September 2020.

Construction of stage two, comprising a new care facility, 13 apartments and the community facility is expected to start in early 2021. It is anticipated that stage three will comprise eight further villas.

Details of the Village

The Village will comprise 15 single story villas and 13 apartments, associated village community facilities, including a Community Centre with a communal dining area. A new care facility will be built on the Village land and leased to Bryant House Limited.

The Homes are to be constructed of Metra Construction Panels with Colour Steel roofing tiles. The Village will be complemented with landscaped gardens, roading, pathways and external street lighting.

Three Homes have heat pumps and an HRV system. The balance of the Homes and the Community Centre will have ducted heat pump systems. Homes will also have underfloor heating in the foyer, en suite and kitchen areas and double-glazing. The Homes will be fitted with an emergency nurse call system, which will be monitored by staff 24 hours, seven days a week from the end of stage two.

The effect of development on existing Residents may be that some inconvenience, traffic and noise is caused by construction activity. The Operator will take reasonable steps to minimise noise or disruption to residents during the construction stages. The development will not have any effect on the periodic charges payable by existing Residents.

The information on the number of sales in the last 12 months and the time taken to dispose of the Homes is set out in the attached Schedule Two.

5. SERVICES AND FACILITIES AT THE VILLAGE

Initial Planned Services at the Village

The following services are available:

Service	Details, including frequency and charges
Gardening	Gardening of the common areas of the Village is carried out by the Operator as required.
Lawn mowing	Lawn mowing of the common areas of the Village is carried out by the Operator as required.
Repair and maintenance	Repairs and maintenance of the common areas of the Village and the Homes will be carried out by the Operator as required. Some of the costs of this service are included in the Weekly Fee. Some costs are invoiced to residents as set out below.
Nursing and medical services	Residents may go to and receive nursing services at the Care Facility. These services will be charged at our current rates as notified from time to time on an at cost basis and will be separately invoiced to the Resident as Additional Services Fees.

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

Further Planned Services and Services not Offered

Following completion of the Community Centre the Operator intends to offer laundry services and meals for apartment residents, transport services, security services, recreation and entertainment services, nursing services and restorative care services (at the Care Facility), hairdressing and other personal care services.

There is no intention to offer a shop or other services for the provision of goods at the Village.

Planned Facilities at the Village

No facilities will be available at the Village until the completion of stage two. Once the Community Centre is completed it is intended that the following facilities will be available:

Facilities	Details, including limits on availability and charges
Dining Facilities	A dining area will be located in the Community Centre with shared meals available by arrangement.
Lounge or television room	A lounge and TV area will be located in the Community Centre and will be available for use as required.
Laundry	Communal laundry facilities will be available for Residents of apartments only.
Games Room	Will include a pool table, card table and darts area.
Health clinic	The health clinic will be situated in the Community Centre and services will be provided by independent medical practitioners. Wellbeing services will also be provided out of the health clinic which will be open during the hours advertised on the Village notice board.
Bowling green	A bowling green will be available for use by Residents.
Library	A library will be available to all Residents and will be located within the Community Centre.

Further outside facilities are intended to be provided as construction of the Village progresses and this includes a pétanque court.

The facilities are to be provided in a staged manner over a number of years. The Operator reserves the right to alter, delete or add to the facilities proposed.

There is no intention to provide the following facilities at the Village: swimming pool, spa pool, tennis court or gymnasium.

Rest Home and Hospital Care Facilities in the Village

There is an existing Care Facility located at the Village leased to and operated by Bryant House Limited, who has also been appointed to manage the Village. The Care Facility provides rest home and dementia care, and from the completion of stage two it will also offer hospital care. As part of the development of the Village land a replacement Care Facility is being built and once complete the existing Care Facility will be demolished. The existing Care Facility land will be used for Homes in stage three.

The existing Care Facility has 16 rest home rooms and 17 dementia rooms. The replacement Care Facility is expected to have 17 dementia rooms and 30 rooms that can be used for either rest home or hospital level care.

Residents of the Village will have priority access to the Care Facility over those not resident in the Village subject to availability of a suitable room and having been independently assessed as requiring long term residential care. At the time a Resident moves to the Care Facility the Resident will be obliged to enter into an Admission Agreement and pay for their care including any current premium room charges if the Resident occupies a premium room.

The Operator is also building 13 Homes (apartments) that will be in the same building as the Care Facility and rest home level care can be provided to residents, if assessed, in these apartments. Any resident receiving rest home level care in an apartment will also need to sign an Admission Agreement and pay for their care. Residents may transfer from a villa to an apartment on the terms set out in clause 7 under the heading "Transfers" which includes payment of an Entry Payment and a transfer fee of 3%. If the transfer to an apartment is a resident's first move within the Village only one Deferred Management Fee will be payable across both Homes based on the higher valued Home.

6. PAYMENTS AND CHARGES

Entry Payment

To secure an interest in a Home, the intending resident must pay the Operator an Entry Payment, which is shown in Schedule One attached to this Disclosure Statement. A deposit, as agreed, is payable when an intending resident applies for the Home with the balance of the Entry Payment payable on settlement of the Occupation Right Agreement.

The Entry Payment depends on the Home the intending resident is interested in. It is set by the Operator and reflects the market price of an Occupation Right Agreement for that Home (in the Operator's opinion). In some circumstances the Operator may be willing to negotiate this amount with the intending resident but it is not obliged to do so.

If an intending resident has paid a deposit upon applying for an Occupation Right Agreement but that application does not become unconditional, the intending resident is entitled to a refund of their deposit along with any net interest earned.

Exit Payment

After the Occupation Right Agreement is terminated, the Operator pays to the Resident the Exit Payment, which is an amount equal to the Entry Payment, subject to the following deductions:

- (a) The Deferred Management Fee (DMF), which is a maximum amount equal to 30% of the Entry Payment. The DMF accrues to the Operator as follows:
 - (i) an amount equal to 6% of the Entry Payment (which accrues to the Operator on a daily basis from the Commencement Date until the first anniversary of the Commencement Date); plus
 - (ii) an amount equal to 8% of the Entry Payment per year, calculated on a daily basis, from the first anniversary of the Commencement Date to the earlier of:
 - the expiry of 4 years from the Commencement Date; or
 - the date a new resident pays their Entry Payment.

The DMF is set by the Operator when the Resident applies for an Occupation Right Agreement and represents a contribution towards the provision of communal Village facilities and buildings. The maximum amount and method of calculation of the DMF is set out above;
- (b) The outstanding balance of any payments due to the Operator under the Occupation Right Agreement; and
- (c) Any actual costs of reinstating or repairing any damage over and above Fair Wear and Tear if the Resident causes it or allows it to be caused to the Home. These costs are set by the Operator in its sole discretion upon inspection of the Home when the Resident leaves it.

Where the Occupation Right Agreement is terminated upon damage or destruction of the Home and paragraph 10 applies, the above payments will be adjusted as set out in that paragraph.

Capital Gain and Capital Loss

A Resident is not entitled to any capital gain, nor liable for any capital loss following termination when a new Resident enters into an Occupation Right Agreement for the Home.

Regular Charges

When a Resident enters into an Occupation Right Agreement for a Home, they are liable to pay the regular charges detailed below. The current amounts payable by a particular Resident in relation to the Home they are interested in are shown in Schedule One of this Disclosure Statement.

Weekly Fee

The Weekly Fee covers the Resident's contribution to the Village Outgoings that the Operator incurs in the operation of the Village. The Resident's Occupation Right Agreement sets out details of those Village Outgoings.

The amount of the Weekly Fee will be determined by the Operator and advised to each intending Resident. The Operator may set different Weekly Fee amounts for different types of accommodation in the Village. The Operator is entitled to review the Weekly Fee annually in accordance with changes in the Village Outgoings.

The Weekly Fee will be payable from the commencement of the Occupation Right Agreement until no later than four weeks after the Termination Date or any later Vacation Date. However if the Exit Payment Date arises before the above dates the obligation to pay the Weekly Fee will cease on the Exit Payment Date.

The Operator retains the Weekly Fees it receives to cover the costs of the Village Outgoings.

Services Fee

The Services Fee covers the cost of the Services that the Operator provides to a Resident as set out in that Resident's Occupation Right Agreement. A Resident may elect to increase the level of Services they purchase from the Operator as long as they give the Operator reasonable prior written notice. The Services Fee will then be altered accordingly.

The Operator may change the Services Fee at any time to cover any increased costs of providing the selected Services or it may choose to alter the Services it offers. The Services Fee is payable from the Commencement Date until the date the Resident stops living in the Home.

The Operator retains the Services Fee it receives to cover its costs of providing the Services.

The Weekly Fee and Services Fee will only be increased after the Operator has given one calendar months' notice.

Amounts Payable for Maintenance, Rates and Insurance

Amounts payable for general Village maintenance (excluding internal Home maintenance), rates and insurance (except for insurance of the Resident's personal belongings) are included in the Weekly Fee detailed above.

In some circumstances a Resident may be liable to pay the Operator's insurance excess as detailed in paragraph 9 below.

Other Costs

A Resident is liable to pay all their utility costs relating to the Home directly to the relevant provider, except where any utilities are included in the Weekly Fee or the Services Fee.

Occasional Charges

Additional Services Fee

If a Resident requests the Operator to provide any Additional Services not included in the Services or the Village Outgoings, the Resident will pay the fee as set by the Operator at the time of requesting the Additional Service. The fee will reflect the cost of the Operator providing the service plus a reasonable margin. The Operator will invoice such costs to the Resident at the end of the month and they are payable no later than the 20th of the following month.

Transfer Payment

Where a Resident transfers to another Home within the Village, the Resident will be required to pay a transfer fee of 3% of the new Home's current market value. More information on what is required in order to transfer and the associated costs are set out in paragraph 7 below.

7. RESIDENT'S RIGHTS

Rights the Resident has

A Resident has the following rights:

Right	Details, conditions and limitations
To mortgage or otherwise borrow against the Resident's interest in the Home	A Resident can borrow against the termination proceeds. See box below for details.
To grant a security interest in the termination proceeds	Only with the Operator's prior consent and provided the Operator has entered into an arrangement with the person who the Resident wishes to grant such a security interest to. The Operator is not obliged to enter into such an arrangement.
To have a member of the Resident's family (including a de facto partner of the Resident) stay with the Resident in the Home To have a person stay with the Resident in the Home as a companion or carer for the Resident	A Resident may have friends, relatives or other persons (but not boarders) stay in the Home with the Resident for periods not exceeding three weeks at a time and up to six weeks in total in any 12 month period. The Operator's prior consent is required if the person stays for a longer period. The Operator may end this consent if the Operator considers that the arrangement may interfere with other Residents' quiet enjoyment of the Village.
To keep a pet in the Home	Only with the Operator's prior consent. Such consent can be withdrawn at any time.

Rights the Resident does not have

A Resident does not have the following rights:

- To sell or market the Home. Please see section 10 below for further information on selling and marketing the Home.
- To have a person board with the Resident in the Home.
- To have a person stay in the Home to mind it for the Resident while the Resident is away.
- To let the Home to another person.

Limits on living in or using the Home

<i>Alterations</i>	<p>A Resident may not make any alterations or additions to the Home or modify the Operator's Chattels, fit aerials or other items without the Operator's prior consent.</p> <p>However, if the Resident has a disability they are entitled to alter their Home if it does not meet their needs. If a Resident wishes to make such alterations they must give the Operator written notice and agree the alterations with the Operator. The Operator will undertake such alterations at the Resident's cost and may require the Home to be reinstated to its original condition on termination (at the Resident's cost).</p>
<i>Personal Use and Occupation</i>	<p>The Home must only be used for the Resident's personal use and occupation, subject to any rights to have people stay in the Home.</p>
<i>Nuisance or Annoyance</i>	<p>A Resident must not do anything or allow anything to be done (within the Resident's control) which is or could be a nuisance or annoyance or cause distress to other Residents or to the Operator.</p>
<i>Damage</i>	<p>A Resident must not do anything which damages the Home.</p>
<i>Rules</i>	<p>A Resident must comply with the Operator's rules for the Village. Those rules may be changed by the Operator from time to time. If the Operator wishes to change the rules, it will consult with the Residents and notify them of any changes before requiring Residents to comply with them.</p>

Effect of marriage or civil union on Occupation Right Agreement

The Occupation Right Agreement is a personal licence for the Resident to occupy the Home. As such, if the Resident marries or enters into a civil union, there is no change to the Occupation Right Agreement and it remains in the name of the original Resident.

If the Resident would like their spouse or partner to become a Resident of the Home pursuant to an Occupation Right Agreement, subject to the Operator consenting to the arrangement and approves the entry of the spouse or partner into the Village, the Operator may require the original Occupation Right Agreement to be terminated and replaced with a new Occupation Right Agreement. The Operator may choose not to charge the usual termination amounts but reserves its right to charge an administration fee and recover its legal costs in relation to such arrangement. Alternatively the Operator may consent to the spouse or partner residing in the Home as a long term guest.

Transfers

If a Resident wishes to transfer to another Home within the Village, the Operator will endeavour to accommodate a transfer. This will be subject to the availability of another Home and the Operator being satisfied that it will be suitable for the Resident.

Before a Resident may transfer they must enter a new occupation right agreement for the new Home and pay an Entry Payment at the then current market rate for the new Home. For a Resident's first transfer the Resident will only pay one DMF over both Homes which will be calculated on the higher value of the two Homes. The Resident will also be required to pay a transfer fee of 3% of the new home's current market value.

A Resident will be responsible for all costs associated with physically moving to a new Home and the payment of his or her legal costs associated with the transfer.

Further terms and conditions that will apply to a transfer to another Home will be at the Operator's sole discretion and subject to the transfer policy in place from time to time.

8. MAINTENANCE AND REFURBISHMENT

Operator's Maintenance Responsibilities

The Operator is responsible for maintaining the common areas and buildings of the Village (including each Home) and keeping them in good order and condition. The Operator will make and keep to a long term plan for maintaining and refurbishing the Village.

The Operator endeavours to ensure that the Village meets Residents' current needs by maintaining the Village in good order and condition. The Operator cannot ensure that the Village meets Residents' changing needs but does offer priority access to Residents to the Care Facility for long term residential care as required.

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.

Resident's Maintenance Responsibilities

The Resident is responsible for keeping the interior of the Home and its surrounds, together with the Operator's Chattels, in good working order and in a tidy, clean and proper condition.

If the Resident wishes to have the interior of the Home refurbished or upgraded during the term of the Occupation Right Agreement (for example, have the carpet replaced), then the Operator will arrange to have the necessary works carried out, and the Resident will be responsible to pay for such costs upon invoice.

The Resident is also responsible for paying the following Operator's costs, upon invoice:

- (a) Costs of any repairs, maintenance or replacements to the interior of the Home or the Operator's Chattels; and
- (b) Costs of remedying any breach by the Resident of their maintenance responsibilities; and
- (c) Costs of repairing any damage to the Village the Operator's Chattels caused by the Resident or their guests (beyond fair wear and tear).

Residents are not required to contribute to a separate maintenance or sinking fund.

9. RESPONSIBILITIES FOR INSURANCE

Operator's Insurance Responsibilities

The Operator is 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 will be put in place prior to the issue of the first Occupation Right Agreement and must be to the Statutory Supervisor's satisfaction.

The Operator currently holds the following insurance policies:

- Material damage;
- Builders' risk insurance or similar;
- Business interruption; and
- Public and general liability insurance.

All policies are subject to excesses.

Resident's Insurance Responsibilities

The Resident is strongly recommended to insure their personal belongings and vehicles for loss and damage under an appropriate policy. Regardless of whether the Resident holds such insurance, the Operator is not responsible for any loss or damage to the Resident's belongings or vehicle.

If the Operator suffers any loss or damage as a result of the Resident's, or their visitors', intentional acts, carelessness or negligence, the Resident must upon demand:

- (a) reimburse the Operator for any insurance policy excess, where such loss or damage is covered by the Operator's insurance. As at the date of this Disclosure Statement the excess is not yet known.
- (b) compensate and reimburse the Operator in full, where such loss or damage is not covered by the Operator's insurance.

10. TERMINATION OF OCCUPATION RIGHT AGREEMENT

When is the Exit Payment Paid?

The Operator is obliged to pay the Resident the Exit Payment minus the permitted deductions not later than five Working Days after the Operator:

- (a) Receives full settlement of a new Resident's Entry Payment for the Home; and
- (b) Holds an Occupation Right Agreement for the Home properly signed by the new Resident.

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

Effect of Termination on Persons Living in Home with Resident

Any persons living or staying with the Resident must vacate the Home by the date of termination of the Occupation Right Agreement.

Charges Payable after Termination

The Resident is liable to pay the DMF and other deductions after termination, as detailed in paragraph 6 above. The Weekly Fee will continue to be payable for a maximum of four weeks following the later of termination and removal of all possessions from the Home. All other periodic charges and utility costs will cease when the Resident has stopped living permanently in the Home.

Marketing of the Home

The Operator controls the sale and marketing of the Home when a Resident's Occupation Right Agreement terminates. Following termination, the Operator will take all reasonable steps to obtain a new Resident for the Home. The Resident does

not have any control over the selling and marketing process but is entitled to introduce a new Resident.

A new Resident must be suitable for the Village (in the Operator's opinion) and must be prepared to enter into an Occupation Right Agreement on the Operator's then standard terms and conditions and for the best price reasonably obtainable.

The Operator will consult with the Resident about when the Home goes on the market and the general nature of the marketing plan. The Operator will keep the Resident informed of the marketing progress on a monthly basis. A Resident is not required to pay any costs incurred by the Operator in the selling or marketing process.

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

If a new Occupation Right Agreement is not entered into within six months of termination, the Operator will obtain a valuation (at its 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. The Operator will market the Home at this price. If the Resident does not agree with the valuation, they have the right to obtain a second valuation performed by an independent registered valuer, at the Resident's cost. If a second valuation is obtained, the Operator 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, the Resident may be able to give a Dispute Notice if they have grounds to do so under the Retirement Villages Act.

The Operator may, in its discretion, agree in writing to buy a Resident's interest in the Home. Settlement of such agreement will be within 20 Working Days of the agreement.

Damage or destruction of the Home

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

- (a) If the Home becomes uninhabitable following a Damage Event which is not as a result of any of the Resident's, or their visitors', acts or omissions, the accrual of the DMF will be suspended from the date of the Damage Event (unless the Operator is providing temporary accommodation to the Resident, in which case the accrual shall continue) until the Home or its replacement is ready for occupation by the Resident following repair or replacement.
- (b) If the Home becomes uninhabitable following a Damage Event which is not as a result of any of the Resident's, or their visitors', acts or omissions, the Weekly Fee, the Services Fee and any Additional Services Fees will be suspended from the date of the Damage Event until the Home or its replacement is ready for

occupation by the Resident following repair or replacement. If the Operator is providing temporary accommodation to the Resident, the Resident will pay the outgoings relating to such accommodation and any charges for supplied personal services.

- (c) If, following a Damage Event, the Operator decides it is not practicable to repair or replace the Home the Occupation Right Agreement is automatically terminated (unless paragraph (d) below applies), and the Operator will pay the Resident the Exit Payment without deducting any DMF, but the Operator will be entitled to deduct any other amounts due to the Operator.
- (d) If, following a decision not to repair or replace the Home as set out in paragraph (c) above, the Operator offers the Resident an option to transfer to another Home (either pre-existing or yet to be constructed) in the Village and the Resident does not accept such offer, the usual Exit Payment provisions and deductions will apply including the deduction of the DMF.

11. COOLING-OFF PERIOD AND CANCELLATION OF OCCUPATION RIGHT AGREEMENT

All Residents have a legal right to give notice cancelling their Occupation Right Agreement within 15 working days of signing the Occupation Right Agreement. Further if the Occupation Right Agreement is for a Home that is not complete at the time the Occupation Right Agreement is signed and is not finished within 6 months of the proposed date for completion then the Resident has the right to give notice of cancellation.

Full details of the rights of cooling off and cancellation are set out on page 21 of this Disclosure Statement.

12. VARYING OCCUPATION RIGHT AGREEMENT

The Operator and the Resident may only vary the Occupation Right Agreement by mutual agreement.

13. FINANCIAL ACCOUNTS

Accounts Required by Legislation and Availability

The Retirement Villages Act requires the Operator to prepare and register audited financial statements of the Operator but not the Village. Audited financial statements of the Operator have not been prepared as at the date of this Disclosure Statement, instead the Operator has prepared financial statements that comply with Schedule 6 of the Retirement Villages (General) Regulations 2006. The Operator's audited financial statements will be prepared by Enable Business, Chartered Accountants and once prepared will consist only of financial statements relating to the Operator and not the Village. They will be 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". The financial statements will be an attachment to the annual return. They are also available to all Residents and intending Residents upon request made to the Operator, the Manager

or the Operator's staff or agents. Financial statements are prepared for the Manager but these are not available to Residents.

14. DOCUMENTS AVAILABLE TO RESIDENTS AND INTENDING RESIDENTS

Copies of the following documents are available to Residents or intending Residents upon request. Requests can be made to the Operator or the Village manager:

- (a) Audited financial statements of the Operator;
- (b) Sample of the Occupation Right Agreement;
- (c) Rules relating to the Village; and
- (d) Deed of Supervision between the Operator and the Statutory Supervisor.

GLOSSARY

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

Term	Meaning
<i>Admission Agreement</i>	The contract (if any) between you and the operator of the Care Facility for the provision of residential care services in either a Care Facility or a Home certified for the provision of rest home level care
<i>Care Facility</i>	The aged care facility situated on the Village land which is leased to and operated by the Manager and any replacement facility.
<i>Home</i>	A villa, an apartment, or a care suite at the Village which is used for the accommodation of a Resident and includes any appurtenances or improvements usually enjoyed with the Home.
<i>Occupation Right Agreement</i>	The document which sets out a Resident's right to occupy a Home at the Village. It also specifies the terms and conditions to which that occupation right is subject.
<i>Operator's Chattels</i>	Those chattels identified as such in the Resident's Occupation Right Agreement or otherwise identified as such to the Resident.
<i>Resident</i>	A person or persons who have entered into an Occupation Right Agreement in respect of a Home at the Village.
<i>Vacation Date</i>	Means the date that a Resident stops living in a Home and removes all personal chattels, belongings, effects and vehicles from the Home and the Village, and has provided written termination notice to the Operator.
<i>Village</i>	The retirement village known as Ascot Park Retirement Village, including the Homes and all communal areas and facilities used by the Residents.

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

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

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

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

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

INFORMATION ABOUT AVOIDING OCCUPATION RIGHT AGREEMENT

Section 31 of the *Retirement Villages Act 2003* gives you the right to avoid an agreement that you enter into for the right to occupy a residential unit in a retirement village, but only if you enter into the agreement in the circumstances described in a row of the table below and the circumstances involve:

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

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

Circumstances

Period

The village was not registered, but was required to be

3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first

The registration of the village was suspended and the operator had been notified of the suspension

3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first

The agreement did not contain, in clear and unambiguous form, the material it was required by the Act to contain

1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first

You did not receive independent legal advice before entering into the agreement

1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first

Before entering into the agreement, you did not receive a disclosure statement that complied with the Act, the residents' code of rights, the code of practice or a statement when the code would come into force, and a copy of the agreement

1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first

You should seek legal advice before using the right.

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

The operator may dispute your use of the right, refer the dispute to a disputes panel under the *Retirement Villages Act 2003*, and refuse to pay the refund while the dispute is unresolved.

COOLING-OFF PERIOD

A resident also has certain rights during their cooling-off period. Please see paragraph 11 for further details. The following is a copy of Section 28 of the Retirement Villages Act 2003:

- (1) An occupation right agreement must contain a provision allowing a resident (other than a person who is a resident solely because paragraph (c) of the definition of resident applies to that person) to cancel the agreement,—
 - (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 set out immediately above

The definitions below are taken from the *Retirement Villages Act 2003* and relate to terms used in Section 28 (above):

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

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

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

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

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

resident means any of the following:

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

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

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

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

A Resident is entitled to a refund of their Entry Payment if they exercise their rights pursuant to the Cooling-off Period.

A Resident will also be entitled to a refund of their Entry Payment, if they avoid their Occupation Right Agreement under section 31(1) of the Retirement Villages Act 2003.

SCHEDULE ONE

Specific Information for a Particular Resident

The information in this Schedule is prepared solely for the intending Resident named below as at [date].

Resident's Name: []
and []

Home Number: [Villa/Apartment []]

Entry Payment: \$[]

Maximum Deferred Management Fee: \$[], being a maximum amount equal to 30% of the Entry Payment.

Weekly Fee: \$[] per week payable as \$[] per month

Services Fee: \$[] per week payable as \$[] per month

Additional Services Fee: \$[]

Examples of the estimated financial return that the above named Resident, or the estate of the Resident, could expect to receive on the disposal of their vacant Home is set out below:

Term	Entry Payment	Deferred Management Fee	Estimated Financial Return
Two years	\$[]	14% of Entry Payment	\$[]
Five years	\$[]	30% of Entry Payment	\$[]
Ten years	\$[]	30% of Entry Payment	\$[]

Assumptions:

- (a) the Resident's Entry Payment is as set out above;
- (b) the DMF is calculated in accordance with the Occupation Right Agreement and there has been no Damage Event;

(c) no deductions from the Exit Payment except for the DMF are required to be made.

The estimated financial return is not affected by the duration of the Resident's occupation apart from the calculation of the DMF. The estimated return is not affected by termination of the Occupation Right Agreement arising out of a breach by the Resident or a decision by the Resident to terminate voluntarily.

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

SCHEDULE TWO

Disposals in the last 12 Months

Listed below are details of Homes which were disposed of in the 12 months prior to the date of this Disclosure Statement which have not previously been occupied (i.e. no ORA has previously been issued to a resident for this Home):

Home	Time Taken to Dispose of (in weeks)
Villa 1	0
Villa 2	0
Villa 3	0

The average time taken to dispose of previously unoccupied Homes was 0 weeks.