

## DISCLOSURE STATEMENT

### Pursuant to the Retirement Villages Act 2003 and the Retirement Villages (General) Regulations 2006

This Disclosure Statement sets out details about the Village, Golden Pond Lifecare Village, the Operator, Golden Pond Lifecare Limited and the rights and obligations a Resident has relating to a Residential Unit at the Village.

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

Capitalised terms used in this Disclosure Statement are explained in the Glossary on page 26.

#### DETAILS OF VILLAGE AND OPERATOR

Name of Village:	Golden Pond Lifecare Village
Name of Operator:	Golden Pond Lifecare Limited
Date of Disclosure Statement:	20 November 2017
Date of Registration of Disclosure Statement:	Lodged for registration 20 November 2017
Village's Registered Office and Address for Service:	Focus Accountants Cnr Pyne and McAlister Street PO Box 302 Whakatane
Village's Street Address:	Bracken Street and Pohutu Street Whakatane
Operator's Registered Office:	Cnr Pyne and McAlister Streets Whakatane
Operator's Street Address:	324 State Highway 33 Mourea Rotorua
Operator's Contact Details:	c/- Operator's agent
Operator's Agent:	Donald Atkinson
Operator's Agent's Contact Details:	Phone: (07) 362 4644 Mobile: 027 475 2656 Email: atkinson@outlook.co.nz

## **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.

<b>Circumstances</b>	<b>Period</b>
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 10 below for further details. 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

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.

## **OWNERSHIP, MANAGEMENT AND SUPERVISION**

### **1. OWNERSHIP STRUCTURE AND OCCUPANCY RIGHTS**

#### **1.1 Legal Nature of Operator**

The Operator is a company registered under the Companies Act 1993 under number 2012121.

#### **1.2 Details of Operator**

The directors of the Operator are Dianne Atkinson and Donald Atkinson.

### **1.3 Operator's Interest in the Village**

The Village is based on unit titles with Residents owning their own Residential Unit under the Unit Titles Act 2010.

As the Village is a registered retirement village, there are a number of provisions of the Unit Titles Act that do not apply to the Village.

Management of the Village and the majority of the obligations of the relevant bodies corporate are the responsibility of the Operator.

The Operator does not own any land comprised in the Village.

### **1.4 Charges over or Interests in the Operator's Interest**

There are no charges over or interests in the Operator's interest.

### **1.5 Nature of Resident's Interest and Occupancy Rights**

As referred to above, the Residents own the Residential Units, being Home Units or Studios on a unit title basis under the Unit Titles Act 2010. In addition the Residents enter an Occupation Right Agreement with the Operator. Together, these documents constitute an Occupation Right.

## **2. RESIDENT'S RIGHTS**

### **2.1 Rights the Resident has**

A Resident has the following rights:

<b>Right</b>	<b>Details, conditions and limitations</b>
<ul style="list-style-type: none"><li>• To mortgage or otherwise borrow against the Resident's interest in the Residential Unit;</li><li>• To grant a security interest in the termination proceeds</li></ul>	Any mortgage, chargeholder or holder of the security interest must agree that it will only exercise any of the powers in accordance with the provisions of the Occupation Right Agreement.

<b>Right</b>	<b>Details, conditions and limitations</b>
<ul style="list-style-type: none"> <li>To have a member of the Resident's family (including a de facto partner of the Resident) stay with the Resident in the Residential Unit</li> <li>To have a person stay with the Resident in the Residential Unit as a companion or carer for the Resident</li> </ul>	<p>A Resident may have friends, relatives or other persons stay in the Residential Unit for periods not exceeding three weeks. The Operator's prior consent is required if the person stays for a longer period. The Operator may revoke this consent if the Operator considers that the arrangement may interfere with other Residents' quiet enjoyment of the Village.</p>
<ul style="list-style-type: none"> <li>To keep a pet in the Residential Unit</li> </ul>	<p>Only with the Operator's prior consent. Such consent can be withdrawn at any time.</p>

## **2.2 Rights the Resident does not have**

A Resident does not have the following rights:

- To sell or market the Residential Unit (unless the Operator consents to the Resident appointing its own agent). Please see below for further information on selling and marketing the Residential Unit.
- To have a person board with the Resident in the Residential Unit.
- To have a person stay in the Residential Unit to mind it for the Resident whilst the Resident is away.
- To let the Residential Unit to another person.

## **2.3 Rules**

A Resident must comply with the Operator's rules for the Village. A copy of the rules is attached to the Resident's Occupation Right Agreement but 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.

## **2.4 Limits on living in or using the Residential Unit**

### ***Alterations***

A Resident may not make any alterations or additions to the Residential Unit or modify the Operator's Chattels, or fit aerials or other appurtenances without the Operator's prior consent.



However, if the Resident has a disability they are entitled to alter their Residential Unit if it does not meet their needs. If a Resident wishes to make such alterations they must give the Operator written notice and consult with the Operator. The Operator will undertake such alterations at the Resident's cost and may require the Residential Unit to be reinstated to its original condition on termination (at the Resident's cost).

***Personal Use and Occupation***

The Residential Unit must only be used for the Resident's personal use and occupation subject to any rights to have people stay in the Residential Unit as described in paragraph 2.1 above.

***Nuisance or Annoyance***

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 to, or cause distress to other Residents or to the Operator.

***Damage***

A Resident must not do anything which damages the Residential Unit or vitiates or avoids the Operator's insurance.

**2.5 Marketing of the Residential Unit**

The Resident is responsible for and controls the sale and marketing of the Residential Unit when a Resident's Occupation Right Agreement terminates. Following termination, if requested to do so by the Resident, the Operator will take all reasonable steps to assist the Resident with obtaining a new Resident for the Residential Unit.

Where the Operator has been requested to assist the Resident with the sale and marketing, the Operator has appointed the Manager to manage the sale and marketing of any such Residential Units. When a sale of a Residential Unit is concluded by the Manager, the sales costs (including the Manager's commission and advertising costs) will be paid by the Operator.

The Resident may appoint its own real estate agent to market the Residential Unit. When a sale of a Residential Unit is concluded by a real estate agent appointed by the Resident, the sales costs (including any real estate agent's fees and advertising costs) will be paid by the Resident.

A new Resident must be suitable for the Village (in the Operator's opinion) and must be prepared to purchase the Unit Title and enter into an Occupation Right Agreement on the Operator's then standard terms and conditions and at a price consistent with the usual sale prices for Residential Units at the Village at that time.

Once the Resident has vacated the Residential Unit, the Operator will arrange for the Residential Unit to be refurbished to an as new standard suitable for resale, subject to prior consultation with the Resident as to the refurbishment works, timeframes and costs. The Operator will incur such costs and then recover them from the Resident on the Exit Payment Date. The Operator entitled to access to the Residential Unit for the purpose of assessing and carrying out this work at any time after the Termination Date and before the Exit Payment Date.

If a new Occupation Right Agreement is not entered into within nine months of the Residential Unit becoming available for re-occupation, the Resident may be able to give a Dispute Notice.

## **2.6 Circumstances in which a Resident is entitled to a Refund**

A Resident is entitled to a refund of the Purchase Price (including the deposit) which they pay, if they exercise their rights pursuant to the Cooling-off Period. Please see paragraph 10 below for further details.

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

## **3. MANAGEMENT ARRANGEMENTS FOR THE VILLAGE**

### **3.1 Details of Manager**

The Operator has appointed Professionals Whakatane Limited as the Manager. The Manager's appointment commenced on the 15<sup>th</sup> of May 2012. The Manager's contact details are as follows:

Kathryn Mckay  
Professionals Whakatane  
38 Landing Rd, PO Box 239, Whakatane  
Phone: 07 307 0165 or 027 459 2740  
Email: [kathryn@professionalswhakatane.co.nz](mailto:kathryn@professionalswhakatane.co.nz)

The Manager undertakes the day-to-day management of the Village for the Operator.

Notwithstanding the appointment of the Manager, the Operator still remains involved, in the day to day management of the Village in an oversight capacity and remains ultimately responsible for the operation of the Village.

There are no ownership links between the Manager and the Operator.

### **3.2 Key Management Personnel and Staff at the Village**

The Operator does not have any personnel or staff at the Village. If Residents are unable to contact the Manager, or the Operator's agent,

then they are welcome to contact the management and staff at the adjoining Private Hospital.

### **3.3 Times when the Manager is at the Village**

The Manager does not have offices or staff at the Village, however the Operator's Agent will be at the Village when required from time to time.

### **3.4 Times when the Manager has Staff at the Village**

N/A.

### **3.5 Other Times the Manager can be Contacted**

The Manager can be contacted at any time within normal business hours. The Operator's Agent can be contacted at any time.

### **3.6 Contact Details of Manager and Staff at Village**

N/A.

### **3.7 Experience and Core Duties of Manager**

The Manager provides day to day management of the Village.

The Manager manages a number of rental properties throughout Whakatane and is an established real estate firm in the Eastern Bay of Plenty.

More detailed information is set out in the Management Agreement.

### **3.8 Legal Relationship Between Manager and Operator**

The Manager has been appointed by the Operator to manage the Village under a management agreement dated 15 May 2012.

The term of the management agreement is open ended, however, may be terminated by either party giving the other 6 months written notice, or without notice if the agreement is breached.

The Manager receives a monthly fee of \$1,000 plus GST, adjusted annually to CPI. In addition to the monthly fee, the Manager receives from the Operator a standard 2.5% plus GST commission on the sale price of a Residential Unit, if a Resident requests the Operator to assist them with sale and marketing and the Operator appoints the Manager as a real estate agent for the sale of the Residential Unit.

### **3.9 Residents' Committee**

There is no Residents' committee as such. However, twice yearly meetings are held with Residents and there is regular contact with all of the Residents as required.

### **3.10 Bodies Corporate**

The bodies corporate have appointed the Operator as its manager. Each body corporate has resolved not to form a body corporate committee. Members of the body corporate liaise with the Operator through meetings convened from time to time and through general discussion.

## **4. STATUTORY SUPERVISOR**

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 Residential Units or facilities at the retirement village; and
- monitor the financial position of the retirement village; and
- report annually to the Registrar and Residents on the performance of its duties and the exercise of its powers; and
- perform any other duties that are imposed by the Act or any other Act, any regulations made under the Act, and any documents of appointment.

The Village was exempted from appointing a statutory supervisor by notice dated 14 February 2008. The exemption was granted by the Registrar for a period of two years from 14 February 2008, was extended for a period of three years from 8 March 2010 and further extended for a period of five years expiring on 7 March 2018. The exemption was granted on the following terms:

The Operator must:

- (a) Ensure that all General Meetings of the Village Body Corporates (as required by their rules) and all other formal meetings held between the Operator and the residents are attended by an independent and suitably qualified person with experience in retirement village matters. That person must be permitted to speak at the meeting if he/she so wishes and must sign a copy of the minutes to indicate acceptance that the minutes are a true and correct record of the meeting. The signed minutes of every such meeting must be forwarded to the Registrar of Retirement Villages within fifteen (15) working days of the meeting; and
- (b) Notify the Registrar in advance if any ground upon which the Registrar has relied in granting this exemption (as set out in a letter from Sarah Burnett to Burke Melrose, Barristers and

Solicitors, dated 14 February 2008) will no longer apply. This notification requirement is additional to any obligations imposed on the Trust by section 17 of the Retirement Villages Act 2003.

## **STATE OF VILLAGE, SERVICES, CHARGES AND ACCOUNTS**

### **5. STATE OF THE VILLAGE**

#### **5.1 Details of Village**

The Village was constructed in 1989 and is predominantly of a stucco, timber and concrete tile construction. The Village and its facilities, paths, driveways, grounds, lighting and heating arrangements are in a very good condition and standard of maintenance.

#### **5.2 Completion of Village**

As at the date of this Disclosure Statement, the Village is complete.

#### **5.3 Residential Units at the Village**

As at the date of this Disclosure Statement, there are 29 completed Residential Units, being 18 Home Units and 11 completed Studios located in a separate Studio Complex. One Studio is currently unoccupied. All other Residential Units are occupied.

Please see paragraph 2.5 above for information on selling and marketing the Residential Unit.

There are no further Residential Units to be completed.

#### **5.4 Disposals in the last 12 Months**

Listed below are details of Residential Units which were disposed of in the twelve months prior to the date of this Disclosure Statement and which were occupied prior to their disposal:

<b>Residential Unit</b>	<b>Time Taken to Dispose of</b>
Home Unit 5	7 weeks
Home Unit 15	7 weeks
Home Unit 9	5 weeks
Home Unit 17	6 weeks
Home Unit 2	2 weeks
Studio 2	0 weeks
Studio 8	4 weeks

<b>Residential Unit</b>	<b>Time Taken to Dispose of</b>
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Studio 3	6 weeks
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The average time taken to dispose of previously occupied Residential Units of all types was 4.6 weeks.

The average time taken to dispose of previously occupied Home Units was 5.4 weeks. The average time taken to dispose of previously occupied Studios was 3.3 weeks. The time taken to dispose of an occupied Residential Unit is calculated from completion of redecoration until it is unconditionally sold.

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

There were no previously unoccupied Residential Units disposed of in the twelve months prior to the date of this Disclosure Statement.

## **6. SERVICES AND FACILITIES AT THE VILLAGE**

### **6.1 Services Offered at the Village**

The following services are offered at the Village:

<b>Service</b>	<b>Details, including frequency and charges</b>
Gardening	Gardening of the common areas of the Village is carried out by the Operator as required. The costs of this service are included in the Village Weekly Charge.
Lawn mowing	Lawn mowing of the common areas of the Village is carried out by the Operator as required. The costs of this service are included in the Village Weekly Charge.
Repair and maintenance	Repairs and maintenance of the common areas of the Village and the Residential Units is carried out by the Operator as required. Some of the costs of this service are included in the Village Weekly Charge. Some costs are invoiced to residents as set out in 8.2 below.

<b>Service</b>	<b>Details, including frequency and charges</b>
Nursing and medical services	<p>The Operator provides or organises the provision of appropriate nursing care from the adjoining Private Hospital. These services are separately invoices to Residents of Home Units as Additional Service Costs.</p> <p>The Operator arranges for the administration of all prescribed medications and pharmaceuticals to Studio Residents. Studio Residents are also assisted in maintaining high standards of personal hygiene and cleanliness. The costs of this service are included in the Studio Services Costs.</p>
Provision of meals	<p>Meals can be provided for Residents of Home Units on request and are separately invoiced to the Resident as Additional Service Costs.</p> <p>Meals are provided to Studio Residents as part of their Studio Services Costs.</p>
Laundry services	<p>Laundry services are available at the Private Hospital and can be provided to Residents of Home Units on request. This is charged at cost and separately invoiced to the Resident as Additional Service Costs.</p> <p>A full laundry and linen service is available to Studio Residents as part of their Studio Services Cost.</p>
Hairdressing and other personal care services	<p>A hairdresser visits the Village on a weekly basis. If a Resident uses this service they pay the hairdresser directly.</p>
Recreation and entertainment services	<p>When invited, Residents of Home Units may join in with entertainment and recreation provided at the Private Hospital.</p> <p>Studio Residents have priority access to the studio lounge which contains a television and games.</p>
Security Services	<p>There is a call button facility which is monitored from the adjoining Private Hospital.</p>
Personal Comfort Services	<p>These are to promote the Studio Residents's optimum wellbeing and are available to Studio Residents as part of their Studio Services Costs.</p>

<b>Service</b>	<b>Details, including frequency and charges</b>
Studio Lounge Services	The Operator provides housekeeping, heating, lighting, maintenance of furniture and general maintenance services for the studio lounge. These services are charged to Studio Residents as part of the Studio Services Costs.

## **6.2 Services Not Offered at the Village**

The following services are not offered at the Village: Shops.

## **6.3 Facilities Offered at the Village**

The following facilities are offered at the Village:

<b>Facilities</b>	<b>Details, including limits on availability and charges</b>
Dining Facilities . at the Private Hospital	Meals are charged to Residents of Home Units individually as Additional Services Costs, and to Studio Residents as Studio Services Costs.
Laundry facilities	These are available to Studio Residents only and are included in the Studio Services Costs.
Library . at the Private Hospital	Residents have access to the library in the adjoining Private Hospital.
Lounge or television room - In the Studio Complex	A studio lounge is available for use by Residents. Studio Residents have priority access to the studio lounge. Residents of Home Units may also use the studio lounge when it is available.

## **6.4 Facilities Not Offered at the Village**

The following facilities are not offered at the Village: gymnasium, spa pool, health clinic, swimming pool, tennis court, petanque court, transport services and bowling green.

## **6.5 Planned Services and Facilities**

The Operator does not plan to make any further services or facilities available.



## **7. CHARGES**

### **7.1 Purchase Price**

To secure an interest in a Residential Unit, the Resident must pay the Purchase Price for the Residential Unit. This amount is shown in the Schedule attached to this Disclosure Statement. A deposit may be payable, when the Resident agrees to buy the Residential Unit. The balance of the Purchase Price will be payable on settlement of the purchase of the Residential Unit.

The amount is set by the Operator (if the Operator is assisting the former Resident with sale and marketing of the Residential Unit) and reflects the market price of an Occupation Right Agreement for that Residential Unit (in the Operator's opinion). In some circumstances the former Resident may be willing to negotiate this amount with the Resident but it is not obliged to do so.

On purchase Residents will be required to pay legal fees for the preparation and registration of the purchase documentation, this fee is \$850.00 plus disbursements and GST.

### **7.2 Fees on Exit**

Upon sale of the Residential Unit the new Resident pays the former Resident the purchase price.

On settlement of the sale of the Residential Unit to a new Resident, the Resident pays to the Operator the following amounts:

- (a) Lifecare Fee. This is the case whether the Residential Unit is a Home Unit or a Studio and is a sum equal to 6% of the Purchase Price paid by the new Resident together with an amount equal to 2% of the Purchase Price paid by the new Resident for the first and every subsequent 6 month period or part-period of occupation up to a maximum of 20%. The Lifecare Fee will not accrue past the Exit Payment Date.
- (b) Any outstanding Village Weekly Charge, Additional Service Cost and Studio Service Costs.
- (c) The costs of any repairs, maintenance or replacements to the interior of the Residential Unit.
- (d) Refurbishment costs to the interior of the Residential Unit.
- (e) Any other money due or that will be due under the Occupation Right Agreement.
- (f) A portion of the legal costs for the preparation of the sale agreement and registration of the sale, this fee is currently set at \$450.00 plus disbursements and GST.

### **7.3 Exit Payment Date**

The Exit Payment Date is the date that the Operator settles the sale of the Residential Unit to a new Resident under their agreement for sale and purchase.

The Operator is obliged to pay the Resident the Exit Payment minus the Lifecare Fee not later than five Working Days after the Operator receives full settlement of a new Resident's purchase price for the Residential Unit.

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

The Exit Payment will not be paid by the Operator until the Resident transfers the unit title for the Residential Unit to the Operator.

### **7.4 Transfer Payments**

If a Resident wishes to transfer to another Residential Unit in the Village, the Operator will endeavour to accommodate a transfer, subject to availability, the Operator being satisfied that the alternate Residential Unit is suitable for the Resident and the Operator finding a new Resident to enter an Occupation Right Agreement for the old Residential Unit. The terms and conditions applying to such a transfer are at the Operator's sole discretion.

### **7.5 Periodic Charges**

When a Resident enters into an Occupation Right Agreement for a Residential Unit, they are liable to pay the periodic charges detailed below. Specific amounts of these charges (where applicable to a particular Resident in relation to the Residential Unit they are interested in) are shown in the Schedule attached to this Disclosure Statement, as at the date shown in that Schedule.

#### ***Village Weekly Charge***

The Village Weekly Charge is the Body Corporate levies in relation to the Unit Title for the Residential Unit. The Resident's Occupation Right Agreement sets out details of this charge.

The Operator may change the Village Weekly Charge at any time in accordance with changes in the Body Corporate levies. Any change in the Village Weekly Charge will only take effect no earlier than one month after the Operator has given the Resident notice of the change.

The Village Weekly Charge is payable from the Commencement Date until the Exit Payment Date. It is payable in advance on the first day of each month. The Operator may direct Residents to pay the Village Weekly Charge directly to an agent of the Operator.

The current Village Weekly Charges are as follows:

Single bedroom Home Units	\$108.00 per week
Two bedroom Home Units	\$155.00 per week
Single Studio	\$46.00 per week
Double Studio	\$60.00 per week

The Body Corporate levies cover costs payable in relation to the management and operation of the Village, including all taxes; any costs of compliance; charges for water, gas, electricity for the Village (that are not specifically the responsibility of a resident); the costs of managing the Village; the costs of providing security, cleaning and gardening; the costs of maintaining and repairing the Village generally; and contributions to a sinking fund.

**Additional Services Costs**

If a Resident requests the Operator to provide any additional services, the Resident will pay the actual cost of providing such service. The Operator will invoice such costs to the Resident at the end of the month and they are payable no later than the 20<sup>th</sup> of the following month.

**Studio Services Costs**

Studio Residents pay Studio Services Costs to cover all additional services offered specifically to Studio Residents. The Operator may change the Studio Services Costs at any time in accordance with changes to the costs of providing the Studio Services. Such change to the Studio Services Costs will take effect no earlier than one calendar month following notice of the change.

The Studio Services Costs are payable from the Commencement Date until the Exit Payment Date. They are payable in advance on the first day of each month.

Studio Residents acknowledge that the Operator may delegate the provision of Studio Services to a service provider and direct the Studio Resident to pay the service provider directly for the Studio Services Costs.

**Other Costs**

A Resident is liable to pay their own power and telephone costs. The costs of rates, water rates and insurance are included in the Village Weekly Charge.

If any periodic charge is not paid within five Working Days of the due date, the Operator is entitled to charge default interest on the outstanding amount at a rate of 15% per annum, until the amount is paid in full.

As at the date of this disclosure statement, the Operator does not anticipate introducing:

- (a) any new periodic charges; or
  - (b) changing the existing periodic charges,
- except as discussed above.

In some circumstances a Resident may be liable to pay the Operator's insurance excess as detailed in paragraph 14 below.

## **7.6 Amounts Payable for Maintenance, Rates and Insurance**

Amounts payable for maintenance, rates and insurance are included in the Village Weekly Charge detailed above, except for the cost of contents and vehicles insurance which is the responsibility of the Resident.

As at the date of this Disclosure Statement the following amounts are included in the Village Weekly Charge for each Residential Unit per week:

<b>Type of Residential Unit</b>	<b>Amount</b>	<b>In Respect of</b>
Single bedroom Home Unit	\$15.84	Maintenance
Single bedroom Home Unit	\$28.50	Rates
Single bedroom Home Unit	\$7.59	Insurance
Double bedroom Home Unit	\$25.79	Maintenance
Double bedroom Home Unit	\$46.43	Rates
Double bedroom Home Unit	\$12.37	Insurance
Single Studio	\$8.28	Maintenance
Single Studio	\$22.53	Rates
Single Studio	\$9.71	Insurance
Double Studio	\$10.80	Maintenance
Double Studio	\$29.39	Rates
Double Studio	\$12.66	Insurance

## **7.7 Maintenance or Sinking Fund**

The Operator has established and continues to replenish a fund to cover the ongoing maintenance of the exterior and the common areas

of the Village. The balance of the fund as at 6 October 2017 is \$35,583.91, and it is for both the Home Units and the Studios.

The fund can be applied for exterior and common area maintenance but will not be used for refurbishing a Residential Unit vacated because the Occupation Right Agreement for the Residential Unit has been terminated.

The Operator will report on how it proposes to pay for the maintenance and periodic upgrading of the Village property to the ResidentsqAnnual General Meeting. If such proposal will have a material impact on the Residentsqoccupancy or their ability to pay for services and facilities, the Operator must consult with the Residents in writing.

## **7.8 Body Corporate Charges**

The Village Weekly Charge is the body corporate levy.

## **8. MAINTENANCE AND REFURBISHMENT**

### **8.1 Operator's Maintenance Responsibilities**

The Operator is responsible for maintaining the communal facilities and buildings of the Village and the exterior of each Residential Unit and keeping them in good order and condition.

The Operator endeavours to ensure that the Village meets Residentsq current needs by maintaining the Village in good order and condition. The Operator cannot ensure that the Village meets Residentsq changing needs but does offer access to rest home and hospital care facilities as set out in paragraph 15 below.

The Village (including the Residential Units, facilities, grounds and common areas) was constructed prior to the introduction of NZS 4121:2001 (Design for Access and Mobility: Buildings and Associated Facilities) and consequently generally does not meet the requirements of that national standard.

### **8.2 Resident's Maintenance Responsibilities**

The Resident is responsible for keeping the Residential Unit and its surrounds in a proper, tidy, clean and sanitary condition and (where appropriate) working order and condition.

The Resident is responsible for replacing (at their cost with equivalent items) all mirrors, lightshades, light bulbs, power elements, plumbing fittings, window security stays and electrical fittings in the Residential Unit as when they wear out or are broken or become unserviceable.

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

- (a) Costs of remedying any breach by the Resident of their maintenance responsibilities; and
- (b) Costs of repairing any damage to the Residential Unit caused by the Resident or their guests

## **9. FINANCIAL ACCOUNTS**

### **9.1 Accounts Required by Legislation**

The Retirement Villages Act 2003 requires the Operator to prepare and register audited financial statements of the Operator, but not of the Village. These financial statements are prepared by Focus Chartered Accountants and audited by PKF Goldsmith Fox.

### **9.2 Availability of Accounts**

The Operator's 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](http://www.companiesoffice.govt.nz) under "Search Other Registers". The financial statements are 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.

## **OCCUPATION RIGHT AGREEMENTS, TERMINATIONS, DEDUCTIONS AND ESTIMATED FINANCIAL RETURNS**

### **10. COOLING-OFF PERIOD AND CANCELLATION OF OCCUPATION RIGHT AGREEMENT**

#### **10.1 Section 28 of Retirement Villages Act 2003**

The full text of section 28 of the Retirement Villages Act 2003 is found on page 4 of this Disclosure Statement.

#### **10.2 Cancellation Provisions in Occupation Right Agreement**

The cancellation provisions in the Occupation Right Agreement offered to Residents for Residential Units in the Village are the same as those described in section 28(1) of the Retirement Villages Act 2003 and are not of the kind described in section 28(5) of the Retirement Villages Act 2003.

Accordingly, a Resident has fifteen working days from the date they sign the Occupation Right Agreement in which to give written notice to cancel the Occupation Right Agreement without giving a reason.

## **11. VARYING OCCUPATION RIGHT AGREEMENT**

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

## **12. TERMINATION OF OCCUPATION RIGHT AGREEMENT**

### **12.1 Effect of Termination on Persons Living in Residential Unit with Resident**

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

### **12.2 Charges Payable after Termination**

The Resident is liable to pay the Village Contribution and other deductions after termination, as detailed in paragraph 7.2 above.

The periodic charges that will continue to be payable after termination will be any Additional Services Costs (only if the Resident remains living in the Residential Unit after termination), and the Village Weekly Charge and the Studio Services Costs. Each of these charges is further detailed in paragraph 7 above.

If your Occupation Right Agreement relates to a Studio and a new Resident has been found and has signed their Occupation Right Agreement but their cooling off period has not expired, then we may in our sole discretion allow the new Resident to move in and rent the Studio. If we do, then the new Resident will pay the former Resident rent of \$10 per day and the Village Weekly Charge will not be payable for the period that the new resident is renting the Studio.

### **12.3 Capital Gain and Capital Loss**

On termination and settlement of the sale of their Residential Unit, a Resident receives an Exit Payment which is an amount equivalent to the amount paid by a new Resident less the Lifecare Fee, less the costs set out in paragraph 7.2. This may result in the Resident receiving a capital gain. Equally, the Resident may therefore bear some of the capital loss.

See paragraph 14.3 for details relating to termination of the Occupation Right Agreement following a Damage Event.

## **13. ESTIMATED FINANCIAL RETURN ON DISPOSAL OF RESIDENTIAL UNIT**

The estimated financial return for a particular Resident in relation to the Residential Unit they are interested in is set out in the Schedule attached to this Disclosure Statement.

## **14. RESPONSIBILITIES FOR INSURANCE**

### **14.1 Operator's Insurance Responsibilities**

The bodies corporate 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 Residential Units), for its full replacement value.

The bodies corporate hold a comprehensive full replacement insurance policy in respect of all retirement village property, capital improvements and additional fittings provided by Residents and Residential Units owned by Residents up to the amount set out in the current insurance valuation of the property.

### **14.2 Resident's Insurance Responsibilities**

The Resident is strongly recommended to (but is not required to) insure their personal belongings for loss and damage under an appropriate policy. The Resident is required to insure any vehicle they keep at the Village 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 or either of the bodies corporate suffers any loss or damage as a result of the Resident's, or their visitors' carelessness or negligence, the Resident must upon demand:

- (a) reimburse the Operator (or the relevant body corporate, as applicable) for any insurance policy excess, where such loss or damage is covered by the insurance. As at the date of this Disclosure Statement the excess is \$250.00.
- (b) compensate and reimburse the Operator (or the relevant body corporate, as applicable) in full, where such loss or damage is not covered by the insurance.

### **14.3 Damage or destruction of the Residential Unit**

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

- (a) If the Residential Unit becomes uninhabitable following a Damage Event (which is not as a result of any of the Resident's, or their visitors' acts or omissions), for the purposes of calculating the Lifecare Fee the period from the date of the Damage Event until the Residential Unit or its replacement is ready for occupation by the Resident following repair or replacement will not be included in the period of occupation.
- (b) If the Residential Unit becomes uninhabitable following a Damage Event (which is not as a result of any of the Resident's, or their



visitorsq acts or omissions), the Village Weekly Charge, any Additional Services Costs and any Studio Services Costs will be suspended from the date of the Damage Event until the Residential Unit or its replacement is ready for occupation by the Resident following repair or replacement.

- (c) If, following a Damage Event, the Operator decides it is not practicable to repair or replace the Residential Unit the Occupation Right Agreement is automatically terminated, and the Operator will pay the Resident an amount equal to their original Purchase Price without deducting any Lifecare Fee, but the Operator will be entitled to deduct any other amounts due to the Operator (see paragraph 7.2).

#### **15. MOVING INTO PRIVATE HOSPITAL OR CARE FACILITIES IN VILLAGE**

The Operator has an agreement with the Private Hospital to the effect that a Resident is granted priority access to the Private Hospital over applicants who are not Residents of the Village. A Resident must meet the entry requirements of the Private Hospital to be entitled to this rest home or hospital care. Care provided in the Private Hospital in this way will be at a Resident's Cost.

#### **16. EFFECT OF MARRIAGE OR CIVIL UNION ON OCCUPATION RIGHT AGREEMENT**

The Occupation Right Agreement is a personal licence to the Resident to occupy the Residential Unit. 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 Residential Unit pursuant to an Occupation Right Agreement, the Operator will 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 or consulting costs in relation to such arrangement.

#### **17. 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 Operator's staff or agents.

- (a) Audited financial statements of the Operator; and
- (b) Sample of the Occupation Right Agreement, including the rules relating to the Village.

## 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.

<b>Term</b>	<b>Meaning</b>
<i>Cooling-off Period</i>	The period in which a Resident is entitled to cancel the Occupation Right Agreement and receive a full refund. See paragraph 10 for further details.
<i>Manager</i>	Real Estate Partnerships Limited being the company which is responsible for the day to day management of the Village.
<i>Occupation Right Agreement</i>	The document which sets out a Resident's right to occupy a Residential Unit at the Village. It also specifies the terms and conditions of to which that occupation right is subject.
<i>Operator</i>	Golden Pond Lifecare Limited being the entity liable to fulfil the obligations under the Occupation Right Agreements to Residents.
<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>Private Hospital</i>	The adjoining Private Hospital is available to provide hospital and rest home services to Residents.
<i>Resident</i>	A person or persons who have entered into an Occupation Right Agreement in respect of a Residential Unit at the Village.
<i>Residential Unit</i>	A Studio or Home Unit at the Village which is used for the accommodation of a Resident and includes any appurtenances or improvements usually enjoyed with the Residential Unit.
<i>Village</i>	The retirement village known as the Golden Pond Lifecare Village, including the Studio Complex, Home Units and all communal areas and facilities used by the Residents.

## SCHEDULE

### 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 [ ]

**Residential Unit Number:** Home Unit / Studio

**Purchase Price:** \$260,000 / \$90,000

**Lifecare Fee:** Calculated as set out on page 17

**Village Weekly Charge:** \$ per week

**Studio Services Costs:** \$ per week

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 Residential Unit is set out below:

#### Home Unit:

<b>Term</b>	<b>Purchase Price</b>	<b>Lifecare Fee</b>	<b>Estimated Financial Return</b>
Two years	\$260,000	14% of Exit Payment	\$223,600
Five years	\$260,000	20% of Exit Payment	\$208,000
Ten years	\$260,000	20% of Exit Payment	\$208,000

**Studio:**

<b>Term</b>	<b>Purchase Price</b>	<b>Lifecare Fee</b>	<b>Estimated Financial Return</b>
One year	\$90,000	10% of Exit Payment	\$81,000
Two years	\$90,000	14% of Exit Payment	\$77,400
Five years	\$90,000	20% of Exit Payment	\$72,000
Ten years	\$90,000	20% of Exit Payment	\$72,000

The above information is provided on the assumptions that:

- (a) the Resident's Purchase Price is as set out above;
- (b) no work has been undertaken or other costs deducted;
- (c) the purchase price paid by a new Resident is the same as the Resident's Purchase Price;
- (d) the legal fees on termination are excluded from the calculation; and
- (e) and there has been no Damage Event (as detailed in paragraph 14.3).

The method of calculating the above information is in accordance with the details set out in paragraph 7.2 above and in accordance with the Occupation Right Agreement.

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**DISCLOSURE STATEMENT**

**GOLDEN POND LIFECARE VILLAGE  
(STUDIO AND HOME UNIT)**

**20 November 2017**