



## **DISCLOSURE STATEMENT**

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**17 July 2024**

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## **1. IMPORTANT INFORMATION FOR INTENDING RESIDENTS**

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

You should read this Disclosure Statement carefully.

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

Ask questions.

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

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

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

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

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

## **2. INTRODUCTION**

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

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

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

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

### 3. DIRECTORY

Date of Disclosure Statement	17 July 2024
Date Lodged for Registration	17 July 2024
Village Name	Greytown Orchards
Village's Street Address	67 Reading Street, Greytown 5712
Village's Registered Office and Address for Service	Level 1, 24 Porter Drive, Havelock North, 4130
Operator	The Orchards Limited Partnership A limited partnership registered under the Limited Partnerships Act 2008 under NZBN 9429046855572.
Operator's General Partner	The general partner is The Orchards GP Limited and is responsible for the management of the limited partnership. The directors of the general partner are Peter Cooke and Paul Reeve.
Operator's Registered Office and Street Address	1215 Maraekakaho Road, RD 5, Hastings 4175
Operator's Contact Details	Phone: 027 670 0744 Email: info@greytownorchards.co.nz
Operator's Agent	Paul Reeve
Operator's Agent's Contact Details	Mobile: 027 482 8755 Email: paul.reeve@tumu.co.nz
Statutory Supervisor	Covenant Trustee Services Limited
Statutory Supervisor's Contact Details	Address: Level 6, 191 Queen Street, Auckland Phone: 0800 746 422 Email: info@covenant.co.nz

#### 4. DETAILS OF THE VILLAGE

##### State of the Village

Resource consent for the Village has been obtained. Construction of the Village commenced in 2020. A show villa and the interim communal facilities were completed in December 2020 (2 villas). These villas are not currently available for occupation. Construction of Stages 1A to 1D, comprising a total of 71 villas, are complete.

Planning and design work is currently underway for the Lodge (communal facility) and Stage 2A. It is anticipated that building of the Lodge will commence in the first quarter of 2025, while civil work for Stage 2A will commence in the last quarter of 2024.

The villas are being constructed of weatherboard and long run corrugated roofing however materials used for construction may change as the development of the Village progresses.

The effect of further village development on existing residents may be that some residents incur some inconvenience due to traffic and noise associated with construction. We take reasonable steps to minimise any adverse effect of construction on existing residents. The location of planned units may impact existing residents' outlook and privacy. The further construction development will not have any effect on the fees payable by existing residents.

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

#### 5. SERVICES AND FACILITIES AT THE VILLAGE

##### Services to be Offered at the Village

The following services are available at the Village:

Service	Details, including responsibility, frequency and charges
Gardening and lawn mowing	Gardening around villas and common spaces and lawn mowing of all grassed areas of the Village is carried out by our staff as required.
Repairs and maintenance	Repairs and maintenance of the common areas of the Village and the Dwellings is carried out by us as required. Some of the costs of this service are included in the Weekly Fee. Some costs are invoiced to residents as set out in section 9. Repairs to any Operator Chattels are our responsibility.

<b>Service</b>	<b>Details, including responsibility, frequency and charges</b>
Recreation and entertainment services	Social activities are arranged by us and supplemented with resident organised activities
Transport Services	A Village van is available for regular shopping trips and optional excursions. Charges may apply for some outings.
Emergency Call System	<p>An emergency medical alarm is available in each Dwelling as an Additional Service. Residents who choose to receive this service in their Dwelling pay an Additional Services Fee.</p> <p>The medical alarm is purchased through Freedom Alarms and when pressed by the Resident, the alarm activation is answered directly by Wellington Free Ambulance Communication Centre staff. An additional benefit to Residents is that Wellington Free Ambulance are currently the responding ambulance service for the Wairarapa region.</p> <p>Emergency call buttons will be installed in or around some of the communal facilities as they are built. An answering point for these call buttons is yet to be determined. The costs of maintaining the emergency call buttons in communal facilities is included in the Weekly Fee.</p>

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

### **Facilities at the Village**

The following facilities are available at the Village:

<b>Facilities</b>	<b>Details, including limits on availability and charges</b>
Lounge or television room	The current resident lounge is located in the interim communal facilities.
Meeting place	The interim communal facilities include spaces for Residents to meet.
Library	A library area is available in the interim communal facilities.

<b>Facilities</b>	<b>Details, including limits on availability and charges</b>
Games room/Recreation room	A large games room consisting of a darts board and card tables is available in the interim communal facilities that is also used as a recreation room for exercise classes.

Residents may use the facilities during reasonable hours and in accordance with the Village's rules. The cost of providing these facilities is included in the Weekly Fee.

### **Planned Services**

We intend to offer the following services in the Village in the future. Other services may also be offered. The timing for offering these services will depend on demand:

Provision of meals	Subject to the Care Facility being built it is intended that meal services will be available to residents on a user pays basis.
Personal care services	It is intended that a range of services such as beauty care and massage will be available to residents on a user pays basis.

### **Planned Facilities**

Construction of the permanent communal facilities to be known as "The Lodge", consisting of a café, residents lounges, swimming pool, gym, consult rooms, and village administration is anticipated to commence in 2025 with completion taking approximately 18 months.

The cost of providing these facilities is included in the Weekly Fee.

### **Services and Facilities Not Offered at the Village**

The following services and facilities are not currently intended to be offered at the Village:

Shops or other services for the provision of goods, laundry services, nursing and medical services (other than in the Care Facility once completed), communal laundry, bowling green, tennis court or a health clinic.

### **Moving into the Care Facility**

We intend to develop a Care Facility within the Village. The application for resource consent for the Care Facility has not yet been lodged. Construction of the Care Facility will be subject to us obtaining resource consent and certification from the Ministry of Health.

The Care Facility is intended to provide rest home and hospital level care utilising a care suite model of care.

If you have been assessed as requiring long-term rest home or hospital care, and we have completed the Care Facility, we will give you priority access over applicants who are not residents of the Village. This is subject to your request, us considering such a move necessary and the availability of suitable facilities. We may require you to be assessed by an independent geriatrician or a needs assessor at your cost. If you move into the Care Facility, the costs of any such care are payable by you including any costs of additional services and any premium room charges and/or any capital sum payable for an occupation right agreement for a care suite. You may be eligible for a residential care subsidy from the government in respect of care services.

## **6. YOUR OCCUPATION RIGHT AGREEMENT AND YOUR RIGHTS**

### **Nature of Your Interest and Occupancy Rights**

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

The rights granted to you under your Occupation Right Agreement are personal contractual rights only and cannot be registered. The Occupation Right Agreement does not give you any interest in land, ownership right or tenancy in the Village or your Dwelling.

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

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

### **Effect of Marriage or Civil Union on Your Occupation Right Agreement**

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

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

### **Varying an Occupation Right Agreement**

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



## Your Rights

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

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

## Rights you do not have

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

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

## Limits on living in or using your Dwelling

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

Alterations	<p>You must not make any alterations or additions to your Dwelling or modify the Operator's Chattels, fit aerials or other items without our prior written consent.</p> <p>However, if you have a disability you are entitled to alter your Dwelling if it does not meet your needs. If you wish to make such alterations you must give us written notice and consult with us. We will undertake such alterations at your cost and may require the Dwelling to be reinstated to its original condition on termination (at your cost).</p>
Personal use and occupation	<p>Your Dwelling must only be used for your personal use and occupation, subject to any rights to have people stay in your Dwelling as described above.</p>
Rules	<p>All residents are expected to comply with our Village Rules at all times and ensure their guests are made aware of and comply with the Rules. The Rules may be changed by us provided we first consult with all residents and any such amendment does not affect or detract from your existing rights. Any changes to the Rules do not take effect until we give you notice of the changes.</p>
Your relationships with others	<p>You must not do anything or allow anything to be done (within your control) which is or could be a nuisance or annoyance or cause distress to other residents, us, people who work at the Village or guests. You must also respect the rights of, and treat with courtesy, other residents, us, the people who work at the Village and the people who provide services at the Village. Your use of Community Facilities is to be exercised with care and consideration for others.</p>
Damage	<p>You must not do anything which damages your Dwelling.</p>
Access to your Dwelling	<p>You will permit us at all reasonable times to enter your Dwelling for the purpose of carrying out an inspection, to give you care and assistance, or to carry out any repairs or alterations we consider necessary. In doing so we will try to cause you as little disturbance as possible, and to the extent possible, we will try to give you at least 24 hours' notice.</p>

Parking	You may only park your car in your garage or on your driveway. Visitors can park on your driveway or in designated visitor parks. There will be designated parking areas for parking of motorhomes (at an additional cost), you may not park motorhomes in any other part of the Village. You must ensure that your guests only park in the areas designated for visitor parking and not on internal roads.
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## 7. ENTRY AND EXIT PAYMENTS

### Entry Payment

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

The Entry Payment depends on the Dwelling you are interested in. The amount for the Dwelling you are interested in is shown in section 16. It is set by us and reflects the market price of an Occupation Right Agreement for that Dwelling (in our opinion). The amount of the deposit is agreed between us on application.

### Exit Payment

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

- The Deferred Membership Fee ("DMF") will be an amount equal to between 5% and 30% of the Entry Payment. The amount will depend on the period you live in the Village.

The DMF accrues to us at the rate of 7.5% of the Entry Payment per year, calculated on a monthly basis from the Commencement Date until the earlier of the Vacation Date (provided the Occupation Right Agreement has terminated) or the expiry of four years. Regardless of when you vacate the Village the minimum DMF payable by you will be equal to 5% of the Entry Payment.

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

- The outstanding balance of any payments due to us under the Occupation Right Agreement;
- Any amounts we are entitled to invoice you for which remain unpaid or were not yet invoiced; and

- Any other money due or that will be due from you under the Occupation Right Agreement.

### **Circumstances in which you are entitled to a Refund**

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

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

If you have paid a deposit but your application does not proceed, you are entitled to a refund of that deposit along with any interest earned on that deposit less any legal costs reasonably incurred by us relating to your application.

## **8. ONGOING CHARGES**

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

### **Weekly Fee**

The Weekly Fee is your contribution to our cost of operating the Village. The Occupation Right Agreement sets out details of what the Weekly Fee covers. Amounts payable for general Village maintenance (except those costs specifically your responsibility), rates and Village insurance are included in the Weekly Fee.

The amount of the Weekly Fee is determined by us and advised to you. The Weekly Fee can be increased on 1 April each year, however, the increase is limited to the percentage increase in the Consumer Price Index for the 12 month period ending 31 December of the preceding year. We may set different Weekly Fees for different residents.

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

Weekly Fees are currently fixed until the Lodge is available for resident use.

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

### **Additional Services Fee**

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

Fees for regular and ongoing Additional Services are payable by you by direct debit. Fees for any one-off or occasional Additional Services will be payable by you on invoice, no later than the 20<sup>th</sup> of the month following the date of the invoice.

We may retain the Additional Services Fee we receive to cover our costs of providing the Additional Services or pay the Additional Services Fees we receive to the Manager if the Manager is responsible for providing the Additional Services on our behalf.

### **Other Costs**

You are liable to pay all your rubbish removal (excluding recycling) and utility costs relating to your Dwelling directly to the relevant provider, except where any utilities are included in the Weekly Fee.

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

## **9. MAINTENANCE, REFURBISHMENT AND INSURANCE**

### **Our Maintenance Responsibilities**

We are responsible for maintaining the common areas and buildings of the Village (including each Dwelling) and keeping them in good order and condition. We will also replace, at our cost, the Operator's Chattels when replacement is required due to the age of the chattel.

We will endeavour to ensure that the Village will meet residents' current needs by maintaining the Village in good order and condition. We cannot ensure that the Village will meet your changing needs.

The common areas of the Village (including the facilities and grounds) once constructed will meet 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.

Villas in the Village are outside the scope of the national standards identified in NZS 4121:2001 (Design for Access and Mobility: Buildings and Associated Facilities) and will not comply with all aspects of those standards. However, residents with disabilities may alter their Dwelling as set out on page 8.

### **Maintenance or Sinking Fund**

There is no sinking fund for the Village.

We will report on how we propose to pay for the maintenance and periodic upgrading of the Village property to the residents' Annual General Meeting.

## **Your Maintenance Responsibilities**

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

If you wish to have the interior of your Dwelling upgraded or refurbished during the term of the Occupation Right Agreement (for example, have the carpet replaced), then we will arrange for the necessary works to be carried out, and you will be responsible for paying such costs upon invoice.

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

- Costs of any repairs, maintenance or replacements to the interior of your Dwelling;
- Costs of any repairs or maintenance to our Chattels;
- Costs of remedying any breach by you of your maintenance responsibilities; and
- Costs of repairing any damage to the exterior of your Dwelling, the Operator's Chattels or the Village caused by you or your guests (beyond fair wear and tear).

## **Our Insurance Responsibilities**

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

We hold the following insurance policies:

- Comprehensive full replacement insurance in respect of all retirement village property, capital improvements, and additional fittings provided by you up to the amount set out in the current insurance valuation of the Village;
- Contracts Works insurance;
- Business interruption insurance;
- Public and general liability insurance;
- Statutory liability insurance; and
- Employers' liability insurance.

All policies are subject to excesses.

## **Your Insurance Responsibilities**

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

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

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

## **Damage or Destruction of your Dwelling**

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

- If your Dwelling becomes uninhabitable following a Damage Event which is not as a result of any of your, or your visitors', acts or omissions, the calculation of the DMF will be suspended from the date of the Damage Event (unless we are providing temporary accommodation to you, in which case the calculation shall continue) until your Dwelling or its replacement is ready for occupation by you following repair or replacement.
- If your Dwelling becomes uninhabitable following a Damage Event which is not as a result of any of your, or your visitors', acts or omissions, the Weekly Fee and any Additional Services Fees will be suspended from the date of the Damage Event until your Dwelling or its replacement is ready for occupation by you following repair or replacement. If we are providing temporary accommodation to you, you will pay the actual cost of personal services and outgoings relating to that temporary accommodation.
- If, following a Damage Event, we decide it is not practicable to repair or replace your Dwelling the Occupation Right Agreement is automatically terminated (unless the bullet point below applies), and we will pay you the Exit Payment without deducting any DMF, but we will be entitled to deduct any other amounts due to us.
- If, following a decision not to repair or replace your Dwelling as set out in the bullet point above, we offer you an option to transfer to another Dwelling (either pre-existing or yet to be constructed) in the Village or in another retirement village owned by us or a related party which is in reasonable proximity to the Village (if any) and you do not accept such offer, the usual Exit Payment provisions and deductions will apply including the DMF.

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

### **Exit Payment Date**

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

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

### **Ongoing Charges Payable after Termination**

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

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

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

### **Effect of Termination on Other Persons Living in Dwelling**

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

### **Marketing of the Dwelling**

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

We will consult with you about when the Dwelling goes on the market and the general nature of the marketing plan. We will keep you informed of the marketing progress on a monthly basis. You are not required to pay directly any costs incurred by us in the selling or marketing process.

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



If after six months a new Occupation Right Agreement is not entered into, we will obtain a valuation (at our cost) of the Dwelling by an independent registered valuer with experience in valuing retirement village units, to establish a suitable price for marketing the Dwelling. We will market the Dwelling at this price. If you do not agree with the valuation, you have the right to obtain a second valuation performed by an independent registered valuer, at your cost. If a second valuation is obtained, we will consider it when setting the price.

If a new Occupation Right Agreement is not entered into within nine months of the Dwelling becoming available for re-occupation, you may be able to give a Dispute Notice if you have grounds to do so under the RV Act.

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

### **Transfer Payments**

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

- The availability of another dwelling;
- Our being satisfied that the dwelling will be suitable for you; and
- A new resident agreeing to purchase an occupation right agreement for your Dwelling.

If we agree to your request to transfer to another dwelling and you are transferring from a villa to another villa, the first transfer will be subject to the following special provisions:

1. You will only be required to pay one DMF in respect of both dwellings. The maximum DMF and the rate of accrual will be determined in accordance with your Occupation Right Agreement; and
2. You will pay a transfer fee equal to 1.5% of the higher entry payment of the two dwellings plus GST (if any).

Further terms and conditions that will apply to transfers between dwellings will be at our discretion.

If we develop dwellings other than villas and you request to transfer within the Village other than to a villa, the terms and conditions that will apply to that transfer will be at our sole discretion.

## **11. OWNERSHIP, MANAGEMENT AND SUPERVISION OF THE VILLAGE**

### **Our Interest in the Village**

As the Operator, we are responsible for meeting all the obligations to you under your Occupation Right Agreement. We own the underlying freehold interest in the Village land, which is registered as identifier(s) WN403/156 and 437963 (Wellington Land Registration District).

The Village land is currently subject to the following interests:

- A first ranking encumbrance in favour of the statutory supervisor, Covenant Trustees Services, to secure the Operator's obligations to the Residents. There is no maximum amount secured by this encumbrance. The Operator has also granted a second ranking general security agreement in favour of the statutory supervisor to secure the performance of the Operator's obligations to Residents.
- A second ranking mortgage in favour of Tumu Merchants Limited (Tumu) to secure all amounts payable to Tumu including the amounts payable pursuant to a loan facility which has a limit of \$28,683,463. As at 30 June 2024, \$18,518,937 has been drawn down pursuant to this loan facility. There is no maximum amount secured by this mortgage. The Operator has also granted Tumu a first ranking general security agreement.

### **Management Arrangements for the Village**

We as the Operator manage the Village.

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

### **Key Staff at the Village**

General Manager     Andrew Bos  
Mobile: 027 880 4629  
Email: andrew.bos@greytownorchards.co.nz

The General Manager, Andrew Bos has prior experience in senior operational roles in the health and justice sectors, as well as prior experience as a retirement village manager.

The General Manager is at the Village between 8.30 am to 4.30 pm Monday to Friday.

## **Residents' Committee**

A residents' committee has been established. We are not bound to incur any expenditure by any decision of the residents' committee. Subject to our need to operate the Village without undue interference and to provide services for the benefit of all residents, a committee is intended to enable residents to express their views collectively and engage with management regarding the operation of the Village as well as support welfare and social activity within the Village.

## **Supervision of the Village**

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

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

The core duties of a statutory supervisor are to:

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

## **12. DOCUMENTS AVAILABLE**

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

- Our audited financial statements (once available – before they are available we will have financial statement which comply with Schedule Six of the Retirement Villages (General) Regulations 2006);
- Sample of the Occupation Right Agreement,
- Rules relating to the Village;
- Management Agreement between us and the Manager; and
- Deed of Supervision between us and the Statutory Supervisor.

## Financial Accounts

The RV Act requires us to prepare and register our audited financial statements. These financial statements will be prepared by Tumu Merchants Limited and audited by a qualified auditor. Our audited financial statements will be available by searching the Village's file on the Retirement Villages Register, once our first annual return has been filed. This can be accessed on the Companies Office website at [www.companiesoffice.govt.nz](http://www.companiesoffice.govt.nz) under "All Registers". There is no requirement for separate financial statements to be prepared for the Village or the Manager.

### 13. COOLING-OFF PERIOD

The cancellation provisions in the Occupation Right Agreement offered to residents for Dwellings in the Village are the same as those described in section 28(1) of the RV Act.

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

If the Dwelling is not complete, and is not completed to the point of practical completion within six months after the proposed date of completion of the Dwelling, you may cancel the Occupation Right Agreement by written notice without giving a reason after the expiry of that six month period.

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

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

(3) *The notice may be given to—*

(a) *the operator; or*

(b) *the real estate agent or other person who dealt with the resident on behalf of the operator when the resident acquired an occupation right, unless the operator has notified the resident that the person has ceased to act on behalf of the operator; or*

(c) *any person who the operator has notified the resident is a person authorised to receive communications on behalf of the operator.*

(4) *The operator is entitled to reasonable compensation for services provided to the resident under the occupation right agreement and for damage to a residential unit or any facilities in the retirement village for which the resident is responsible before the cancellation takes effect.*

(5) *Despite subsection (1), an occupation right agreement may contain a cancellation provision of the kind referred to in subsection (1) that is more favourable to the resident than the provision referred to in subsection (1), but, if the agreement fails to contain any provision of the kind referred to in subsection (1) or contains a provision that is less favourable to the resident than that provision, the agreement is deemed to contain the provision referred to in subsection (1).*

### **Definitions relating to cooling-off period**

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

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

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

(a) *confers on any person the right to occupy a residential unit within a retirement village; and*

(b) *specifies any terms or conditions to which that right is subject.*

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

(a) *a person who is, or will be, liable to fulfil all or any of the obligations under occupation right agreements to residents of the village;*

(b) *a holder of a security interest who is exercising effective management or control of the retirement village;*

- (c) *a receiver of the property comprising the retirement village, or the liquidator of the person to whom either of paragraph (a) or paragraph (b) applies*

**resident** means any of the following:

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

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

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

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

## 14. INFORMATION ABOUT AVOIDING OCCUPATION RIGHT AGREEMENT

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

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

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

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

You should seek legal advice before using the right.

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

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

## 15. GLOSSARY

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

Term	Meaning
Care Facility	The aged care facility intended to be situated on the Village land which is intended to be operated by us with day to day management by the Manager.
Dwelling	A villa at the Village which is used for the accommodation of a resident.
Occupation Right Agreement	The document which sets out your right to occupy a Dwelling at the Village. It also specifies the terms and conditions that apply to that occupation right.
Operator's Chattels	Any chattels installed in your Dwelling by us including those set out in Schedule 2 of the Occupation Right Agreement.
Resident	A person or persons who have entered into an Occupation Right Agreement for a Dwelling.
RV Act	The Retirement Villages Act 2003, including any amendments to it.
Village	The retirement village known as Greytown Orchards, including the Dwellings and all communal areas and facilities used by residents.



## 16. ESSENTIAL INFORMATION FOR YOU

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

Your name(s)	[     ] and [     ]
Dwelling	Villa [insert dwelling number]
Carpark	Not applicable/[description]
Entry Payment	\$[     ]
DMF	Maximum amount of \$[     ] (being 30% of the Entry Payment)
Weekly Fee	Initially \$[     ] per week (being \$[     ] per month, paid monthly in advance)
Additional Services Fee	\$[     ]

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

Term	Entry Payment	DMF	Estimated Financial Return
Two years	\$[     ]	15% of Entry Payment	\$[     ]
Five years	\$[     ]	30% of Entry Payment	\$[     ]
Ten years	\$[     ]	30% of Entry Payment	\$[     ]

### Assumptions:

The estimated financial return is calculated on the following assumptions:

- Your Entry Payment is as set out above;
- The DMF is calculated in accordance with the Occupation Right Agreement and there has been no Damage Event;
- No deductions from the Exit Payment except for the DMF are required to be made.

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

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

## SCHEDULE

### Dwellings at the Village

As at 1 July 2024, there are the following Dwellings in the Village:

Type of Dwelling	Completed	Vacant	Occupied	To be Completed	Total Currently Planned
Villa	71	11	60	109	180

We also intend to construct a care facility comprising approximately 35 care beds. Construction of the care facility is subject to resource consent and construction will not be commenced until later in the development. The care facility is intended to include both care beds and care suites.

### Disposals in the last 12 Months

Listed below are details of Dwellings 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 Dwelling):

Home	Time Taken to Dispose of (in days)
Villa 19	413
Villa 24	568
Villa 25	428
Villa 26	511
Villa 31	623
Villa 32	368
Villa 44	115
Villa 45	306
Villa 46	384
Villa 49	241
Villa 51	83
Villa 54	48
Villa 57	28
Villa 58	280

<b>Home</b>	<b>Time Taken to Dispose of (in days)</b>
Villa 60	79
Villa 61	107
Villa 62	112
Villa 63	112
Villa 64	156
Villa 67	172
Villa 69	185
Villa 70	136
Villa 71	80

The average time taken to dispose of previously unoccupied Dwellings, all being Villas was 240 days.

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

Listed below are details of Dwellings which were disposed of in the 12 months prior to the date of this Disclosure Statement which have previously been occupied (i.e. ORA has previously been issued to a resident for this Dwelling):

<b>Home</b>	<b>Time Taken to Dispose of (in days)</b>
Villa 32	99

The average time taken to dispose of previously occupied Dwellings, all being Villas was 99 days.

The time taken to dispose of a previously occupied Dwelling is calculated from the date the Dwelling is available for relicensing until the date we settle an Occupation Right Agreement for the Home.

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