

RETIREMENT VILLAGES DISCLOSURE STATEMENT

Section 30 (1) (a) Retirement Villages Act 2003

COLDSTREAM VILLAGE

28 SEPTEMBER 2010



Retirement Villages Disclosure Statement
Section 30(1)(a), Retirement Villages Act 2003

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| Disclosure date: | |
| Retirement village name: | Coldstream Village |
| Retirement village street address: | 44 & 47 & 45 Burnett Street Ashburton |
| Retirement village registered office: | C/- HC Partners Ltd Chartered Accountants 39 George Street Timaru |
| Retirement village address for service: | C/- HC Partners Ltd Chartered Accountants 39 George Street Timaru |
| Operator name: | Coldstream Retirement Village Limited |
| Operator street address: | C/- Coldstream Rest Home-Hospital Cnr Park and Burnett Streets Ashburton |
| Operator registered office: | C/- HC Partners Ltd Chartered Accountants 39 George Street Timaru |
| Contact details: <ul style="list-style-type: none"> • Phone (landline) • Fax • Mobile • Email | Phone: (03) 308 8020 Fax: (03) 308 8052 Mobile: N/A Email: Vicki@greenvale.co.nz |
| Contact details of agent (if the Operator is not a natural person): <ul style="list-style-type: none"> • Name • Designation Phone (landline), fax, mobile and email | Andrea Mitchell Nurse Manager - Coldstream Rest Home - Hospital Phone: (03) 308 8020 Fax: (03) 308 8052 Mobile: N/A Email: andrea@coldstream.co.nz |
| Retirement village registration date: | 14 December 2007 |

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INTRODUCTORY STATEMENT OF INFORMATION

Important information for intending residents

(below is a copy of the full text of Schedule 4 of the Retirement Villages (General) Regulations 2006)

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 Occupational Rights Agreement

(below is a copy of the full text of Schedule 5 of the Retirement Villages (General) Regulations 2006)

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

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

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

| Circumstances | Period |
|--|--|
| The village was not registered, but was required to be | 3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first |

| | |
|--|--|
| The registration of the village was suspended and the Operator had been notified of the suspension | 3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first |
| The agreement did not contain, in clear and unambiguous form, the material it was required by the Act to contain | 1 year after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement, whichever ends first |
| Circumstances | Period |
| 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 AND CANCELLATION FOR DELAY

Cooling-off period and cancellation for delay

(below is a copy of the full text 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

PART 1 – OWNERSHIP, MANAGEMENT AND SUPERVISION

1(a) Ownership structure and occupancy rights

| | | | | | |
|--|---|---|--|---|------------------|
| Legal nature of the Operator: | Coldstream Retirement Village Limited is a private company (not listed on the NZX). | | | | |
| Further Operator details (where not a natural person) are: | Private Company: | The directors of Coldstream Retirement Village Limited are Richard Bryan Green and Victoria Jane Green. | | | |
| | Trust: | N/A | | | |
| | Other: | N/A | | | |
| What underlying freehold or other tenure interests (if any) in the village is retained by the Operator? | The Operator owns the underlying freehold interest in the Village land contained in Certificates of Title 34B/1056, 34B/1057, 34B/1058, 34B/1053, 34B/1054, 34B/1055, 45B/731, 45B/732, 45B/733, 45B/734, 45B/735, 37314 and 344996 (Canterbury Registry). The Operator retains the freehold interest in the Certificates of Title for units for which leases have been issued prior to 1 May 2007, the registered lease being held by the existing residents of the units on the land contained in these Certificates of Title. The leasehold interest in these Certificates of Title will be transferred to the Operator when Occupation Right Agreements are entered into for these units. | | | | |
| The nature and extent of any registered or unregistered encumbrances, mortgages, or security interests retained by the Operator is shown opposite: | Nature: | Registered/ Unregistered | Security given: | Amount secured: | Maximum secured: |
| | Encumbrance granted by the Operator in favour of Statutory Supervisor (Covenant Trustee Services Limited) | Registered | First registered charge over the land and buildings of the Coldstream Rest Home-Hospital and Retirement Village comprised in certificates of title 34B/1056, 34B/1057, 34B/1058, 34B/1053, 34B/1054, 34B/1055, 45B/731, 45B/732, 45B/733, 45B/734, 45B/735, 37314 and 344996 (Canterbury Registry) . | An annual rent-charge of one dollar (GST inclusive) plus moneys secured and the Operator's obligations under the Deed of Supervision. | N/A |
| | | | | | |
| | Mortgage executed by the Operator in favour of ANZ National Bank Limited. | Registered | First mortgage, but subject to Statutory Supervisor's encumbrance, affecting certificates of title 34B/1056, 34B/1057, 34B/1058, 34B/1053, 34B/1054, 34B/1055, 45B/731, 45B/732, 45B/733, 45B/734, 45B/735, 37314 and 344996 (Canterbury Registry) | All financial accommodation existing from time to time. As at the Disclosure date the amount secured is not more than \$3,545,000 | \$3,545,000 |

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| | Security Interest - General Security Agreement - granted by the Operator in favour of ANZ National Bank Limited | Registered | General Security Interest over all the Company's assets and undertaking | All financial accommodation existing from time to time. As at the Disclosure date the amount secured is not more than \$3,545,000 | \$3,545,000 |
| The nature of resident's tenure in the village is shown opposite: | Type of tenure: | Separate title available: | Is the tenure secured: | | |
| | A contractual licence to occupy that does not grant the resident any interest in land of the unit. | No | Yes. By a Memorandum of Encumbrance over the underlying land in favour of the Statutory Supervisor. | | |
| Where the village is part of a unit titled development, details of the body corporate committee and management structures in place are: | | N/A | | | |
| Where resident's rights are "another legal structure", details of the legal ownership structure are: | | N/A | | | |
| 1(b) Resident's interests in residential unit | | | | | |
| <p>Details of rights of a resident in relation to residential unit are shown opposite:</p> <p><i>Residents have the rights marked with a ✓ (however conditions or limits may apply).</i></p> <p><i>Rights marked with an X are those that the resident does NOT have.</i></p> | Right: | Conditions / limits (e.g. consent of the Operator): | | | |
| | × sell or market the residential unit | | | | |
| | × mortgage or otherwise borrow against the resident's interest in the unit | | | | |
| | × grant a security interest in the termination proceeds | | | | |
| | × let the unit to another person | | | | |
| | ✓ have a member of the resident's friends or relatives (including a de facto partner of the resident) stay with the resident in the unit | The maximum permitted is an aggregate total in respect of all guests of 90 days in any period of twelve (12) consecutive months, or for longer periods with the written consent of the Operator and subject to the due compliance with all house rules by such invitees. | | | |
| | × have a person board with the resident in the unit | | | | |
| | × have a person stay with the resident in the unit as a companion or carer for the resident | | | | |
| | × have a person stay in the unit to mind it for the resident while the resident is away | | | | |
| ✓ keep a pet in the unit | Residents are not to keep any pet or animal in the Village without the Operator's prior approval which shall be at their sole discretion. Any approval given may be withdrawn at any time. | | | | |

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| Details of any rules applying specifically to the village that affect the resident living in or using the residential unit are: | Residents must at all times, observe and comply with the village rules, and not do anything in contravention of the village rules. The resident must follow their obligations as set out in their Occupation Right Agreement. | |
| Details of other limits (if any), there are on the resident living in or using the unit, including limits on the resident making changes to the décor or fittings are: | <p>Residents must use their unit for their own personal use and occupation only.</p> <p>The Operator may refuse to permit the resident to bring to the unit or the village any item of furniture, musical instrument or electronic or electrical equipment.</p> <p>Residents must not erect or place on or outside the unit any radio or television aerial or antennae, nor install audible burglar alarms, without the Operator's prior written consent.</p> <p>Residents must not make any alterations or additions to the unit, or modify the Operator's chattels, or fit television aerials, radio aerials or other appurtenances to the unit without the Operator's prior written consent. (Subject to s 21(1)(h) of the Human Rights Act 1993).</p> | |
| Does the Operator control the sale or marketing of the unit? | Yes | |
| If "yes" to the above question, details are shown opposite: | Procedures and costs to the resident for selling or marketing: | Right(s) if any, for the resident if there is a delay in the sale of a unit: |
| | <p>Administration fee being 3% of the Capital Sum paid by the Resident.</p> <p>The Operator will consult with the resident about the marketing of the unit including when it goes on the market, the general nature of the marketing plan for the unit and any charges relating to the marketing and the sale of the unit that the resident is liable to pay.</p> | <p>The resident has the rights set out in the Retirement Villages Act 2003 which are as follows:</p> <p>Where the Operator is responsible for selling the unit and where the former resident has not already been paid all sums due to them, the Operator must promptly meet the following requirements:</p> <p>(a) Start the process of entering into a new occupation right agreement for the former resident's residential unit in accordance with the former resident's Occupation Right agreement.</p> <p>(b) Take all reasonable steps to enter into a new occupation right agreement for the residential unit in a timely manner and for the best price reasonably obtainable.</p> <p>(c) Take proper steps to market the residential unit.</p> <p>(d) Respond to all enquiries about the residential unit in a timely and helpful way.</p> <p>The Operator must consult with the former resident about the marketing of the former resident's residential unit. As a minimum the Operator must consult the former resident about:</p> <p>(a) when the residential unit goes on the market</p> <p>(b) the general nature of the marketing plan for the residential unit</p> <p>(c) the actual charges relating to marketing and sale of the residential unit that the resident is liable to pay.</p> |

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| | | <p>The Operator must keep the former resident informed on a monthly basis, at least, about progress with the marketing.</p> <p>If a new occupation right agreement for a former resident's unit has not been entered into within 3 months of the termination date, the Operator must report in writing to the former resident and then provide monthly reports until a new occupation right agreement is entered into. The Operator's report must state the steps taken to market the residential unit and the progress made towards finding a new resident.</p> <p>If a new occupation right agreement for a former resident's unit has not been entered into within 6 months of the termination date, the Operator must obtain, at the Operator's expense, a valuation of the residential unit to establish a suitable price at which to market the unit.</p> <p>The valuation must be carried out by an independent registered valuer who is experienced in valuing retirement village units, and be written.</p> <p>If the resident does not agree with the valuation, they may obtain a second valuation, which must also be performed by an independent registered valuer. The resident must pay the cost.</p> <p>The Operator must market the unit at the price established by the valuation, unless the resident obtains a second valuation. If the resident has done so, then the Operator must consider the second valuation in determining a suitable price.</p> |
| Does the Operator have a right to sell or buy the unit? | Yes | |
| If "yes" to the above question, details are shown opposite: | Procedures and costs to the resident for buying the unit: | Right(s) if any, for the resident if there is a delay in the sale of a unit: |
| | <p>On the Termination Date the resident is obliged to surrender the Occupation Right Agreement to the Operator who will then seek re-licensing of the unit.</p> <p>The procedure for finding a new resident is set out in section 3(c).</p> | The resident has the rights set out in the previous section above. |
| Details of the circumstances the resident is entitled to a refund of a capital sum paid are: | <p>The Resident is entitled to a refund of the Capital Sum paid if the occupation right agreement is terminated, but amounts will be deducted from this refund. See the amounts of these charges in Part 2 following. The Resident does not receive the refund until 5 Working Days after the date that a new occupation right agreement has been entered into for the Unit and the Operator has received payment for it. The Operator will not receive payment for such new occupation right agreement until the cooling off period for the new occupation right agreement has expired. The Resident is entitled to a full refund if they exercise their rights pursuant to the Cooling-off period.</p> | |
| Details of how the refund of a capital sum to the resident is calculated are: | Details of the amounts that will be deducted from the refund to the Resident are set out in Part 2 following. | |

| 1(c) Management arrangements for retirement village | | | |
|--|--|-----------------------|------------------|
| Name of manager of the village? | Coldstream Rest Home and Hospital Limited | | |
| Street address of manager: | Coldstream RestHome and Hospital Cnr Park and Burnett Streets Ashburton | | |
| Contact details of the manager: <ul style="list-style-type: none"> • Phone (landline) • Fax • Mobile • Email | (03) 308 8020 (03) 308 8052 N/A andrea@coldstream.co.nz | | |
| Details of key management personnel and staff of manager are shown opposite: | Name: | Position: | Contact details: |
| | Andrea Mitchell | Nurse Manager on site | (03) 308 8020 |
| Details of the times that the manager will be available at the village are: | The Manager's Nurse Manager will generally be available between the hours of 7.00am and 3.30pm on Monday to Friday. | | |
| Details of times when manager will have staff at the village: | 24 hours per day | | |
| Outside of the above times, the manager can also be contacted at the following times: | The Manager will have staff available who can be contacted at the Coldstream Rest Home and Hospital 24 hours per day on (03) 308 8020. | | |
| Details of the experience and core duties of the manager are: | <p>The Manager's Nurse Manager Andrea Mitchell is a registered nurse with over 20 years experience. She is employed by Coldstream Rest Home and Hospital Limited, which is the Manager appointed by the Operator to manage the Village on a day to day basis.</p> <p>The core duties of the Manager are the various services required of it on a daily basis, to ensure the efficient management and operation of the Village. By way of example and depending on the terms of any specific occupation right agreement, these may include the maintenance of units, common areas and facilities, the cleaning of units, the laundering of bed linen and towels, the repair and maintenance of plant and equipment in or about the unit, the provision of meals and other care services to residents, and the collection of residents fees and the payment of accounts,</p> | | |
| Details of the legal relationship between the manager and the Operator are: | The Operator, Coldstream Retirement Village Limited has contracted the Manager to be responsible for the day to day operational management of the village, and the terms of this contract are set out in a management agreement. | | |
| Are there any ownership links between the manager and the Operator? | Yes. | | |
| If "yes" to the above question, details are: | The Operator and the Manager have the same directors and shareholders. | | |

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| Is there a management agreement between the manager and the Operator? | Yes. There is a Management Agreement between the Operator and the Manager, whereby the Manager undertakes to perform the day to day management of the Village on behalf of the Operator. | |
| If "yes" to the above question, details are shown opposite: | Term of the agreement: | Amounts payable to manager under the agreement: |
| | 10 years, and then if no agreement as to renewal is made between the parties, the agreement shall continue until determined by either party giving to the other not less than three months written notice of termination. | An amount to be agreed between Operator and the Manager. |
| Details of any committee of residents of the Village. If "yes" its role | There is no resident's committee at present but residents are free to form one. | |
| Details of role of body corporate for units? | N/A | |

1(d) and (e) 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 operator has granted the statutory supervisor a first charge registered memorandum of encumbrance over the Village land to secure the obligations of the operator under the Deed of Supervision, for the benefit of the Residents in the Village.

The memorandum of encumbrance ranks in priority ahead of ANZ National Bank Limited's mortgage so that the mortgage ranks as a second registered charge behind this encumbrance. However, although the encumbrance ranks ahead of ANZ National Bank Limited's mortgage, there is no power of sale or right for the statutory supervisor to appoint a receiver under the encumbrance if the operator defaults in its obligations.

The encumbrance provides that the Village land shall not be further encumbered or charged except in accordance with the Deed of Supervision, provided that further occupation right agreements may be granted. If there is a default in the performance of the obligations set out in the Deed of Supervision, the encumbrance or any occupation right agreement, and the statutory supervisor has given notice as required by the encumbrance, all moneys received in relation to the Village land whether upon the sale of the Village land, from the grant of any occupation right agreement or otherwise shall be applied as follows:

1. firstly, in payment of the costs and expenses incidental to the sale, leasing or licensing of the Village land or any part of the Village land;

| | | | | |
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| 2. | secondly, in payment of moneys owing to the statutory supervisor; | | | |
| 3. | thirdly, in payment of moneys owing to any Resident under an occupation right agreement; | | | |
| 4. | fourthly, in payment of moneys owing to any mortgagee of the Village land; | | | |
| 5. | fifthly, in payment of any surplus to the operator. | | | |
| <p>ANZ National Bank Limited has acknowledged in a Security Sharing Deed entered into with the operator and the statutory supervisor that any exercise of its power of sale as mortgagee is subject to the encumbrance (including the order of payments described above).</p> | | | | |
| Is there a statutory supervisor for the village? | Yes | | | |
| The statutory supervisor is: | Covenant Trustee Services Limited | | | |
| Contacts details of the statutory supervisor: <ul style="list-style-type: none"> • Phone (landline) • Fax • Mobile • Email | (09) 302 0638 (09) 302 1037 021 648 800 (Peter Orpin) peter@ covenant.co.nz | | | |
| Is there an exemption from the requirement to appoint a statutory supervisor for the village in force? | No | | | |
| If "yes" to the above question, details are shown opposite: | Exemption date: | Exemption period: | Conditions (if any) the exemption is subject: | |
| | N/A | N/A | N/A | |
| PART 2 – STATE OF VILLAGE, SERVICES, CHARGES, AND ACCOUNTS | | | | |
| 2(a) State of retirement village | | | | |
| Is the village fully or partially completed, or still to be built? | Fully completed | | | |
| If the village is partially completed or still to be built, what is the due date of completion? | N/A | | | |
| Detail particulars of construction and the buildings are shown opposite: | Year constructed: | Age: | Construction materials: | Condition of buildings: |
| | (1) The three existing Coldstream Courts units at 47 Burnett Street were built in 1991 | 19 years | (1) Concrete floor, concrete block construction and tile roof. | All buildings are in good condition. |

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| | <p>(2) The five Coldstream Villas at 44 Burnett Street were built in 1998</p> <p>(3) The three further Coldstream Courts at 45 Burnett Street were built in 2008, giving a total of six "Coldstream Courts" units.</p> | <p>12 years</p> <p>2 years</p> | (2) Concrete floors, plaster construction and iron roofing. | | |
| Details particulars of building maintenance are: | Continuously. | | | | |
| Details of other improvements available and their condition are shown opposite: <i>The improvements marked ✓ are available.</i> | Improvement: | Condition: | Maintained: | | |
| | ✓ facilities | Excellent | Continuously | | |
| | ✓ paths | Excellent | Continuously | | |
| | ✓ driveways | Excellent | Continuously | | |
| | ✓ roads (if any) | Excellent | Continuously | | |
| | ✓ grounds | Excellent | Continuously | | |
| | ✓ lighting | Excellent | Continuously | | |
| | ✓ heating | Excellent | Continuously | | |
| Detail of any security features are: | Sensor lighting. Nurse call system (residents are able to push a button to speak to a staff member). | | | | |
| Details of the number of units occupied and unoccupied in the village are shown opposite: | Unit type: | Number occupied: | Number unoccupied: | | |
| | (1) Coldstream Courts units at 47 Burnett Street | 2 | 1 | | |
| | (2) Coldstream Villas – numbers 1-5 44 Burnett Street | 3 | 2 | | |
| | (3) Coldstream Courts units at 45 Burnett Street | 2 | 1 | | |
| Details of unfinished residential units are shown opposite: | Unit type: | Number unfinished: | Expected completion date: | | |
| | Units | Nil | N/A | | |
| | Apartment | Nil | N/A | | |
| | Villa | Nil | N/A | | |
| Details of any new residential units planned are shown opposite: | Unit type: | Number: | Location: | Size: | Estimated completion date: |
| | House | Nil | | | |
| | Flat | Nil | | | |
| | Townhouse | Nil | | | |
| | Unit | Nil | | | |
| | Serviced unit | Nil | | | |
| | Apartment | Nil | | | |
| | Villa | Nil | | | |
| Other (specify) | Nil | | | | |
| What is the effect on existing residents of planned new units in the village? | N/A | | | | |

| | | | |
|--|--------------------------------|---------------------|-------------------------------|
| Details of units disposed of in the last 12 months that were occupied before their disposal are shown opposite: <i>Details should be broken down to individual units and not just unit type.</i> | Occupied unit type: Villa | Unit number: | Time taken to dispose (days): |
| | Coldstream Villa | 1/44 Burnett Street | 7 months |
| | Coldstream Court unit | 1/45 Burnett Street | 12 months |
| | Coldstream Court unit | 3/45 Burnett Street | 20 months |
| What is the average time taken to dispose of an occupied Villa (based on the table above)? | 13 months | | |
| Details of units disposed of in the last 12 months that were unoccupied before their disposal are shown opposite: <i>Note: details should be broken down to individual units and not just unit type</i> | Unoccupied unit type: Villa | Unit number: | Time taken to dispose (days): |
| | Not Applicable | | |
| What is the average time taken to dispose of an unoccupied Villa (based on the table above)? | Not Applicable | | |

2(b) Services and facilities at retirement village

| | | | |
|--|--------------------------------|--|--|
| Details of the services available are shown opposite: <i>The services, marked ✓, are available to residents. The nature, extent and frequency of the services are as specified.</i> | Service: | Nature/extent: | Frequency: |
| | ✓ gardening | Full | As required to maintain tidy situation |
| | ✓ lawn mowing | Full | As required to maintain tidy situation |
| | ✓ repair and maintenance | Exterior of units only | Continuously as required |
| | ✓ nursing and medical services | The nature and extent depends on the Care Level selected by the resident as follows: Level 1 services (a) Activities programme Level 2 services (a) Activities programme (b) Daily staff visit (c) Medication management (d) General practitioner home visit arrangements (e) Wound care and dressings Level 3 services (a) Activities programme (b) Twice daily staff visits (c) Medication management (d) General practitioner home visit arrangements | Subject to Care Level selected by resident |

| | | | |
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| | | (e) Wound care and dressings (f) Registered Nurse supervision | |
| | ✓ provision of meals | Available mid-day and evening | As required on a user pay basis as negotiated between the resident and the Manager |
| | X shops and other services for the provision of goods | | |
| | X laundry services (other than facilities to do own laundry) | | |
| | ✓ hairdressing and other personal care services | Available at Coldstream Rest Home and Hospital subject to availability of hair dresser | Upon request on a user pays basis negotiated with the Manager. |
| | ✓ transport services | The village has two vans available to transport residents. | As requested by the resident but subject to availability. |
| | ✓ recreation and entertainment services | Available at Coldstream Rest Home and Hospital on week days. | Weekdays. |
| | ✓ security services | Pendant or button nurse call service with voice activation. | 24 hours call out of carer/nurse |
| | ✓ other (specify) | Respite care in Coldstream Rest Home & Hospital | As needed and subject to availability. |
| <p>Details of the facilities available to residents are shown opposite:</p> <p><i>The facilities marked ✓, are available to residents. Any limits or restrictions are also detailed.</i></p> | Facility: | Limits / Restrictions on Availability: | |
| | X dining facilities | N/A | |
| | X lounge or television room | N/A | |
| | X laundry | N/A | |
| | X gymnasium | N/A | |
| | X spa pool | N/A | |
| | X health clinic | N/A | |
| | X swimming pool | N/A | |
| | X tennis court | N/A | |
| | X pétanque court | N/A | |
| | X bowling green | N/A | |
| | X library | N/A | |
| | X other (specify nature) | N/A | |
| <p>Details of services currently unavailable and facilities that are planned to be made available are shown opposite:</p> | Unavailable service or facility: | Expected availability date: | Effect on residents: |
| | Nil | | |
| 2(c) Charges | | | |
| Service and facility charges | | | |
| Details of the charge, or basis for charging for each of | Service or facility: | Payable: | Charge or basis for charging: |

| | | | |
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| the services and facilities available are shown opposite: | √ gardening | No payment required other than as provided for under the Village Outgoings Payment | Recovery of cost of service. |
| | √ lawn mowing | No payment required other than as provided for under the Village Outgoings Payment | Recovery of cost of service. |
| | √ repair and maintenance | No payment required other than as provided for under the Village Outgoings Payment (except for repair of damage to a particular unit) | Recovery of cost of service. |
| | √ nursing and medical services | By way of Care Services Payment for the selected Care Service Level If any nursing and medical services are not included in the Care Services Payment, the Operator will invoice the resident for the Additional Service costs at the end of each month, and the resident must pay this no later than the 20 th of the month following date of invoice. | Care Service Level 1 \$nil per month. Care Service Level 2 \$100 per month. Care Service Level 3 \$300 per month. The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| | √ provision of meals | The Operator will invoice the resident for the Additional Service costs at the end of each month, and the resident must pay this no later than the 20 th of the month following date of invoice. | Cost of service. The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| | √ hairdressing and other personal care services | The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. | Cost of service The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| | √ recreation and entertainment services | By way of Care Services payment for the selected Care Service Level | Care Service Level 1 \$Nil per month. Care Service Level 2 \$100 per month. Care Service Level 3 \$300 per month. |

| | | | |
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| | | If these services are not included in the Care Services Payment, the Operator will invoice the resident for the Additional Service costs at the end of each month, and the resident must pay this no later than the 20 th of the month following date of invoice. | The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| | √ transport services | The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. | Cost of service The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| | √ security services | If these services are not included in the Care Services Payment, the Operator will invoice the resident for the Additional Service costs at the end of each month, and the resident must pay this no later than the 20 th of the month following date of invoice. | The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| | √ other (specify) | Respite care in Coldstream Rest Home & Hospital The Operator will invoice the resident for the Additional Service costs at the end of each month, and the resident must pay this no later than the 20 th of the month following date of invoice. | At \$100 (excl of GST) per day on short term stays (i.e. flu, sickness, and fall) subject to availability. The resident will pay the cost of any Additional Services provided at the resident's request, being services not included in the Care Services Payment or the Village Outgoings Payment. |
| Are the service and facility charges reviewable? and if so, on what basis? | Yes. The Operator is to consult with the residents about any proposed changes in the services and benefits provided or the charges that the residents pay that will or might have a material impact on the residents' occupancy or ability to pay for the services and benefits provided. | | |
| What are the roles of the Operator and resident in working out the service and facility charges detailed above? | Residents have no direct role in working out the service and facility charges. The Operator is to consult with the residents about any proposed changes in the services and benefits provided or the charges that the residents pay that will or might have a material impact on the residents' occupancy or ability to pay for the services and benefits provided. | | |
| What is the relationship between the above service and facility charges and the actual costs? | Where the services are provided by the Operator a profit margin is included but in the case of Village Outgoings or where a charge is levied by third parties the Operator's charge is a recovery of the actual cost. | | |
| Amounts to secure an interest in a residential unit | | | |
| Must an amount be paid to secure an interest in a | Yes, an Initial Deposit is payable upon Application, and the balance of the Capital Sum is payable on or before the commencement date. | | |

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| residential unit in the retirement village? And if so, when is it payable? | Also, there is a charge for the legal costs associated with the Application – currently \$537 (GST inclusive) plus disbursements. | | |
| If “yes” to the above question, details shown opposite: | What is the amount? | Is it refundable? | If refundable, when and how much? |
| | Capital Sum range: (1) 1 bedroom Coldstream Villas - \$180,000 - \$200,000 (2) 2 bedroom Coldstream Courts units - \$250,000 - \$300,000 | Yes, but subject to agreed deductions | The amount of the Capital Sum varies according to the Unit. The Capital Sum for the Unit that the Resident is interested in is set out in Part 5. On termination the Capital Sum is repayable to the Resident, less the Capital Deduction and other charges described below. The Operator does not repay the Capital Sum less these deductions to the Resident until 5 Working Days after the date that a new occupation right agreement has been entered into for the Unit and the Operator has received payment for it. The Operator will not receive payment for such new occupation right agreement until the cooling off period for the new occupation right agreement has expired. |
| Is the amount to secure an interest reviewable? And if so, on what basis? | When a unit is offered to the public the Capital Sum is based on the current market value, which can be expected to change from time to time. However once the application is accepted, the agreed Capital Sum is not reviewable. | | |
| What are the roles of the Operator and resident in working out the entry amount detailed above? | Residents have no direct role in working out the Capital Sum. The Operator determines market values in working out the amount, having regard to current market values. | | |
| What is the relationship between the above charges and the actual costs? | The amount of the Capital Sum reflects the market price for each unit (in the Operator’s opinion based on previous sales and demand), which takes the cost of the unit into account. | | |
| Charges for a resident permanently leaving | | | |
| Detail any charges for a resident permanently leaving a residential unit in the village for any reason are shown opposite: | Reason: | Charge: | When payable: |
| | Death | The resident is required to pay: 1. The Capital Deduction calculated at a rate of 8% of the Capital Sum for the first year of occupation from the Commencement Date (pro-rated on a daily basis in the case of an incomplete year) and 7% of the Capital Sum for the second year of occupation from the first day of the second year of occupation (pro-rated on a daily basis in the case of an incomplete year), but not exceeding 15% of the Capital Sum. | On termination, by deduction from the amount payable to the Resident. |

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| | | <p>Calculation of the Capital Deduction will stop the earlier of:</p> <ul style="list-style-type: none"> • The expiry of 2 years; • the Repayment Date. <p>2. An Administration Fee of 3% of the Capital Sum</p> <p>3. Any other money due, such as any Village Outgoings Payment not previously paid, any utility charges not previously paid, any other money due from the resident (e.g. any additional service costs, charges for utility services, default interest, health service charges, legal costs, money paid or costs incurred as a result of a resident's default, costs and expenses in providing the resident with rest home care or hospital care as set out in the Occupation Right Agreement.</p> <p>4. Residents will also be required to forego any amount to reflect a decrease in value of the Unit.</p> <p>5. The charge for the legal costs associated with the termination of the Occupation Right Agreement.</p> | |
| | Termination of occupation right agreement | As above | As above. |
| | Moving to another unit within the village | As above | As above. |
| | Leaving the village (for another village) | As above | As above. |
| | Other: Destruction of or damage to the unit/village | <p>If the unit is damaged (or a substantial part of the village, even if the unit itself is not damaged) and any insurance money the Operator receives is not adequate to meet the cost of repair, or if the Operator forms the reasonable opinion that such repair is impracticable or the consent of any necessary authority to such repair is refused, then the Occupation Right Agreement may be terminated by the giving of written notice by either party (see clause 16.8 of the Occupation Right Agreement).</p> <p>In these circumstances the Resident is entitled to payment of the insurance proceeds without deductions in terms of the Occupation Right Agreement. In the event that the insurance money the Operator receives is not sufficient to make full</p> | Within 14 days of the Operator's receipt of the insurance moneys. |

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| | | <p>payment of the Capital Sum then the resident agrees to accept the reduced amount.</p> <p>A resident will be required to reimburse the Operator for any loss or damage suffered by the Operator as a result of a resident's carelessness or negligence or that of a resident's guests and invitees, except loss or damage by risks the Operator have insured against. However, in any case where a resident's acts or omissions (or those of a resident's guests or invitees) have made any such insurance void, a resident will, upon demand, compensate and reimburse the Operator in full for such loss or damage. Where the loss or damage is covered by the Operator's insurance, the Operator reserves the right to require a resident to pay any excess applicable to the claim.</p> | | |
| How are the charges for a resident permanently leaving worked out? | The Capital Deduction is set by the Operator based on current market rates, and is charged in accordance with the calculation set out in the preceding section. The other charges namely the Administration Fee and any other charges due under the Occupation Right Agreement such as any Village Outgoings Payment not previously paid, any utility charges not previously paid, any other money due from the resident (e.g. any additional service costs, charges for utility services, default interest, health service charges, legal costs, money paid or costs incurred as a result of a resident's default, costs and expenses in providing the resident with rest home care or hospital care; are charges which have already been agreed to by the resident. | | | |
| Are any of the charges (for a resident permanently leaving) reviewable? And if so, on what basis? | The Capital Deduction is set by the Operator based on current market rates, which can be expected to change from time to time. However, the rate of calculation of the Capital Deduction stated in the residents' Occupation Right Agreement cannot be altered. The Administration Fee is agreed by the resident before commencing occupation. | | | |
| What are the roles of the Operator and resident in working out the charge detailed above? | Residents have no direct role in working out the Capital Deduction and Administration Fee. The Operator has sole discretion in working out the Capital Deduction and Administration Fee. | | | |
| What is the relationship between the above charges and the actual costs? | The Capital Deduction is an exiting resident's contribution to the Operator's cost of capital maintenance of the village and its facilities and it is not possible to state a relationship between the charge and actual costs as it is estimated over an indefinite period of time. It is the Operator's estimate. | | | |
| Periodic charges payable by the resident | | | | |
| A table of periodic charges payable by the resident to the Operator is detailed below: | | | | |
| Description of periodical charge: | Amount: | What does the amount cover: | Portion retained by the Operator (if any): | Portion (if any) paid by the Operator to a related party: |
| Village Outgoings Payment | 1 bedroom Coldstream Villas \$450 per month | Those Village Outgoings including (without limitation): All taxes, rates, levies, charges, assessments and fees payable to any government, territorial or local authority: | The Village Outgoings Payment is a recovery of expenses for operating the | The Village Outgoings Payment includes a contribution to the |

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| | 2 bedroom Coldstream Courts units \$450 per month | <p>The cost of compliance with any statute, regulation, bylaw or other lawful obligation in respect of the Village;</p> <p>The charges for water, gas, electricity, telephone and tolls, and other utilities or services relating to the common areas;</p> <p>Insurance premiums relating to all buildings, facilities and common areas and any associated valuation fees;</p> <p>Salaries, wages, fees and other remuneration for persons engaged in the administration, management and operation of the Village;</p> <p>A reasonable management fee in respect of the management services provided;</p> <p>The costs of providing security, cleaning, gardening and other services for the general use and benefit of the residents;</p> <p>The costs of maintaining and repairing all buildings, common areas and the Village generally, and any maintenance, repair and replacement costs payable by the resident pursuant to the provisions of the Occupation Right Agreement;</p> <p>Nurse call and personal alarm-on call only (call-out incurs an additional charge currently a call out fee of \$25.00 plus \$25 per hour between 8 pm and 7 am).</p> <p>A reasonable allowance for depreciation of the chattels in the common areas.</p> <p>Appropriate fees and expenses of the Statutory Supervisor and other accounting, audit and legal costs incurred in the administration of the Village.</p> <p>All set out in more detail in schedule 1 of the Occupation Right Agreement.</p> | village, including depreciation of Operator's chattels. | management fee paid to the Manager. |
| Care Services Payment | <p>Care Service Level 1 \$nil per month.</p> <p>Care Service Level 2 \$100 per month.</p> <p>Care</p> | <p>The nature and extent depends on the Care Level selected by the resident as follows:</p> <p>Level 1 services (a) Activities programme</p> <p>Level 2 services (a) Activities programme (b) Daily staff visit (c) Medication management (d) General practitioner home visit arrangements (e) Wound care and dressings</p> | The Care Services Payment is received by the Operator but passed to the Manager, which provides the care services under a | The Operator passes all of the Care Services Payment to the Manager, as a contribution to the management fee under its management contract with that company. |

| | | | | |
|--|-------------------------------------|--|--|--|
| | Service Level 3 \$300 per month. | Level 3 services (a) Activities programme (b) Twice daily staff visits (c) Medication management (d) General practitioner home visit arrangements (e) Wound care and dressings (f) Registered Nurse supervision | management contract. | |
| Utilities charges (if not separately metered and provided by the Operator) | N/A | N/A | | |
| Details of any anticipated new or changed charges are shown opposite: | | New or changed charges: | How much or how will they be worked out? | |
| | | Nil | | |
| Must a resident continue to pay the charges after vacating the unit? and if so, for what period? | | Village Outgoings: | | |
| | | Yes. The Village Outgoings Payment continues to be payable until the commencement date of a new occupation right agreement, entered into by the Operator and a new resident, in respect of the unit | | |
| | | However it will reduce by 50% if no new Occupation Right Agreement has been entered into for the unit within either: | | |
| | | (a) Six months of the Termination Date (determined in accordance with clause 16 of the Occupation Right Agreement), or | | |
| | | (b) Such later date the resident stops living in the unit and removes all of their possessions. | | |
| | | The Village Outgoings Payment will also cease to be payable if the Operator enters into a rental agreement for the unit with a third party as a temporary resident prior to entering into a new Occupation Right Agreement with a permanent resident. The resident shall not be liable to pay the Village Outgoings Payment from the date of commencement of that tenancy. | | |
| | | Utility Charges: | | |
| | | Yes. If the Operator provides the resident with any utility services directly, the resident will continue to be solely liable to pay all charges for utilities consumed in respect of the unit following the Termination Date. | | |
| | | The residents liability to pay such charges will cease on: | | |
| | | (a) the commencement date of a new occupation right agreement, entered into by the Operator and a new resident, in respect of the unit; or | | |
| | | (b) on the earlier occupation of the resident's vacated unit by a new resident. | | |
| | | Care Services Payment: | | |
| | | No. The Care Services Payment ceases to be payable the date the resident permanently ceases to live in the unit. | | |

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| | | | |
| Details of amounts payable for maintenance, rates, and insurance are shown opposite: | Type of charge: | Amount: | Payable when: |
| | Maintenance | This charge is incorporated into the Village Outgoings Charge. | The Village Outgoings Payment is payable on the first day of each month in advance. The resident is not required to contribute to the refurbishment of the unit upon exit except for the repair of damage |
| | Rates | This charge is incorporated into the Village Outgoings Charge. | The Village Outgoings Payment is payable on the first day of each month in advance. |
| | Insurance | Insurance premiums relating to all buildings, facilities and common areas (but excluding the resident's personal belongings and any vehicle the resident owns) is incorporated into the Village Outgoings Charge. NOTE: The resident must pay their own insurance premiums to cover risk of loss or damage to their own possessions in the unit. | The Village Outgoings Payment is payable on the first day of each month in advance. The resident is to arrange payment directly with their insurer. |
| How are the periodic charges worked out? | <p>The Care Services Payment is determined in accordance with the actual cost incurred by the Operator in providing the Care Services including payment of a management fee to the Manager.</p> <p>The Village Outgoings Payment is calculated by dividing the total amount of the Village Outgoings by the aggregate number of completed units but the Manager reserves the right to adjust the allocation between the different sets of units in order to ensure fairness.</p> | | |
| Are any of the periodic charges reviewable? and if so, on what basis? | Yes. The charges are set by the Operator. The Village Outgoings Payment is a recovery based on actual cost, and the Care Services Payment may include a profit margin. The Operator is to consult with the residents about any proposed changes in the services and benefits provided or the charges that the residents pay that will or might have a material impact on the residents' occupancy or ability to pay for the services and benefits provided. | | |
| What are the roles of the Operator and resident in working out the periodic charges detailed above? | Residents have no direct role in working out the periodic charges. The Operator has sole discretion in working out the periodic charges based on actual cost. However the Operator is to consult with the residents about any proposed changes in the services and benefits provided or the charges that the residents pay that will or might have a material impact on the residents' occupancy or ability to pay for the services and benefits provided. | | |
| What is the relationship between the above periodic charges and the actual costs? | The Village Outgoings Payment is primarily based on actual cost but includes a contribution to the cost of managing the retirement units. The Care Services Payment may include a profit margin. | | |

| Maintenance and sinking fund contributions | | | |
|---|---|-----------------|---------------|
| Is there a maintenance or sinking fund for repairs, maintenance, refurbishment, and capital replacement works associated with the village? If so, what are the amounts payable by residents in connection with expenditure from the fund? | There is no maintenance or sinking fund in respect of the 11 Coldstream Courts and Villa Units. | | |
| How are the charges for maintenance and sinking fund contributions worked out? | N/A | | |
| What are the roles of the Operator and resident in working out the maintenance and sinking fund contributions? | N/A | | |
| What is the relationship between the above charges and the actual costs? | N/A | | |
| Body corporate levies | | | |
| Do residents intending to acquire a unit title interest in a residential unit have to pay any levies to the body corporate (as defined in the <i>Unit Titles Act 1972</i>)? | N/A | | |
| If “yes” to the above question, details are shown opposite: | Levy: | What it covers: | Payable when: |
| | N/A | N/A | N/A |
| How are the levies worked out? | N/A | | |
| What are the roles of the Operator and resident in working out the levies detailed above? | N/A | | |
| What is the relationship between the above periodic charges and the actual costs? | N/A | | |
| 2(d) Maintenance and refurbishment | | | |
| Details of maintenance the Operator of the village is responsible are: | <p>The Operator must maintain and keep in good and respectable tidy operational order and condition the common areas, pathways and grounds surrounding the buildings including the gardens and trees and shrubs.</p> <p>The Operator must also maintain and keep maintained in good clean tidy repair, order and condition all buildings and car park areas in the Village.</p> | | |
| Details of maintenance the resident of a residential unit is responsible are: | <p>The resident must keep the interior of the unit, together with the Operator’s chattels, in a proper, tidy, clean, sanitary and (where appropriate) working order and condition.</p> <p>The cost during the term of the occupation right agreement of maintaining the interior of the unit and the managers chattels in the unit including fair wear and tear, including replacing the managers chattels in the unit where required. This includes the cost of replacing all mirrors, lightshades, light bulbs, power elements and electrical fittings in the unit as and when they wear out or are</p> | | |

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| | broken or become unserviceable. The replacement items must be of at least the same quality and power as those installed at the commencement date of the Occupation Right Agreement. |
| Is there a sinking fund for repairs, maintenance, refurbishment, and capital replacement works associated with the village (including its facilities)? and if so, what is the balance as at the date of this Disclosure Statement? | There is no sinking fund for the 11 Coldstream Courts and Villa Units. |
| Details of any expenditure planned from a sinking fund are: | N/A |
| List the purposes for which expenditure from the sinking fund may be incurred? | N/A |
| Can sinking fund monies be used to refurbish a unit vacated because the relevant occupation right agreement is terminated? | N/A |
| Details of any consultation process undertaken with residents of the village before decisions are made on major expenditures from the sinking fund are: | N/A |
| Is a resident who disposes of his or her residential unit entitled to a payment, refund or credit from the sinking fund? And if so, how is that amount calculated? | N/A |
| 2(e) Financial accounts for retirement village | |
| Details of the obligations on the Operator under the Financial Reporting Act 1993 (FRA) are shown opposite: <i>The obligation marked ✓, applies to the Operator</i> | ✓ financial statements relating to the Operator |
| | <input type="checkbox"/> financial statements relating to both the Operator and the village |
| The process for preparing, auditing, and disclosing financial statements is: | At the end of the Operator's financial year, the Operator provides all relevant accounting information to the firm of accountants retained by the Operator. The accountants must prepare a set of financial statements for the most recently completed financial year, in accordance with the requirement of the Financial Reporting Act 1993. These accounts are then audited by an independent chartered accountant, and must accompany the Operator's annual return filed under section 13 of the Retirement Villages Act 2003. |
| Details of the circumstances a resident is entitled to the financial statements of the village (including at what cost) | The Operator will give the resident on request and free of charge, a copy of the Operator's audited financial statements most recently filed under the Financial Reporting Act 1993. |

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| are: | | | | |
| Details of other accounts or financial statements (apart from those required by the FRA) prepared in relation to the operation of the village, and charges to residents of the village, are shown opposite: | What is covered by the accounts or financial statements? | How are they dealt with? | Are they audited? | Are they available to residents? |
| | A statement prepared at the start of each accounting period, forecasting the expenditure (including operating expenditure), income and the amounts of operating expenditure that are met by the residents. | Required by regulation 9(3) of the Retirement Villages (General) Regulations 2006. | No | Yes. A copy is required to be provided to Residents by the Operator within 3 months of the start of the accounting period. |
| Are accounts prepared for the manager of the village (separately from those required by the Financial Reporting Act 1993 from the Operator)? and if so, are they available to residents on request? | | Separate financial accounts are prepared for the manager of the village but these are not available to residents. | | |
| If any financial statements are attached to this disclosure statement, do they only relate to the Operator or do they relate to both the Operator and the village? | | They relate to the Operator, whose sole activity is the operation of the village. | | |
| If any financial statements are attached to this disclosure statement, have they been audited? | | None are attached. | | |
| | | | | |
| PART 3 – OCCUPATION RIGHT AGREEMENTS, TERMINATIONS, DEDUCTIONS, AND ESTIMATED FINANCIAL RETURNS | | | | |
| 3(a) Cooling-off period and cancellation of occupation right agreement | | | | |
| The full text of section 28 of the <i>Retirement Villages Act 2003</i> is displayed under the heading “Cooling-off and Cancellation for Delay Statement” on page 6 of this Disclosure Statement | | | | |
| Does the occupation right agreement contain more favourable cooling-off and cancellation provisions than contained in section 28(1) of the <i>Retirement Villages Act 2003</i> ? | No. | | | |
| If “yes” to the above question, details are shown opposite: | Cooling-off period for cancellation without reason: | | N/A. | |
| | Period for finishing the residential unit (to a point of practical completion) after which the resident may cancel: | | N/A. | |
| | | | | |
| 3(b) Varying occupation right agreement | | | | |
| Details of the ability of a party to vary a occupation right agreement are shown opposite: | Party: | Circumstances: | | |
| | Operator | The Occupation Right Agreement cannot be altered by the Operator except to the extent required for compliance with a Code of Practice. | | |
| | resident | The Occupation Right Agreement cannot be altered by the | | |

| | | | | |
|---|--|--|--|--|
| | | resident except to the extent required for compliance with a Code of Practice. | | |
| 3(c) Termination of occupation right agreement | | | | |
| What is the effect on any person(s) living with a resident (at the time of termination), if the occupation right agreement is terminated? | Any such person if not a resident party to the Occupation Right Agreement must leave the unit on the Termination Date. | | | |
| Details of charges that continue to be payable by a former resident after termination are shown opposite: | Description of charge | Periodical: | How the charge is worked out: | How long the charge continues to be payable: |
| | Village Outgoings Payment | The Village Outgoings Payment is payable on the first day of each month in advance. | By dividing the total amount of the Village Outgoings by the aggregate number of completed units. | <p>The Village Outgoings Payment continues to be payable until the date on which a new Occupation Right Agreement for the unit is entered into.</p> <p>However it will reduce by 50% if no new Occupation Right Agreement has been entered into for the unit within either:</p> <p>(a) Six months of the Termination Date (determined in accordance with clause 66 of the Occupation Right Agreement), or</p> <p>(b) Such later date the resident stops living in the unit and removes all of their possessions.</p> <p>The Village Outgoings Payment will also cease to be payable if the Operator enters into a rental agreement for the unit with a third party as a temporary resident prior to entering into a new Occupation Right Agreement with a permanent resident. The resident shall not be liable to pay the Village Outgoings Payment during the period of that tenancy.</p> |
| | Utility charges (where the Operator provides the resident with such services directly) | The Operator will invoice the resident for such services at the end of each month and the resident must pay the Operator no later than the | The resident shall pay a fair proportion of the charges for utilities consumed in respect of the unit. | <p>The resident will continue to be solely liable to pay all charges for utilities consumed in respect of the unit following the Termination Date.</p> <p>The residents liability to pay such charges will cease on:</p> <p>(a) the commencement date of a new occupation right agreement, entered into by the Operator and a</p> |

| | | | | |
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| | | 20 th of the month following the date of invoice. | | new resident, in respect of the unit; or (b) on the earlier occupation of the resident's vacated unit by a new resident. |
| Details of the application of the maintenance or sinking contributions paid by or allocated to the former resident are: | N/A | | | |
| Details of the extent (if any) a former resident is exposed to a capital gain or capital loss arising out of termination are: | <p>The Resident is not entitled to any capital gain.</p> <p>The Resident is exposed to any capital loss, but the Resident's written approval to the loss must be obtained, unless a new Occupation Right Agreement for the Unit has not been entered into within 6 months of the termination date, when the Operator shall obtain, at the Operator's expense, a valuation of the Unit to establish a suitable Capital Sum at which to market the Unit. The valuation must be written and be carried out by an independent registered valuer who is experienced in valuing retirement village units. If the Resident does not agree with the valuation, the Resident may at the Resident's cost obtain a second written valuation from an independent registered valuer. The Operator shall market the Unit at the Capital Sum established by the first valuation, unless the Resident obtains a second valuation, in which case the Operator must consider the second valuation in determining a suitable Capital Sum. Such Capital Sum shall be accepted by the Resident, as a minimum Capital Sum, for the purposes of the Resident's approval under this provision.</p> | | | |
| Details of the process to be followed in finding a new resident for the vacated residential unit are: | <p>After the Termination Date the Operator will take all reasonable steps to enter into a new Occupation Right Agreement for the unit in a timely manner and for the best price reasonably obtainable. This will be with a new resident who the Operator considers suitable as a resident of the village, and with a Capital Sum and Capital Deduction that is consistent with the proportions generally adopted by the Operator at that time for marketing of units in the village.</p> <p>The Operator will not give preference to finding residents for a unit in the village which has not been previously occupied by a resident under an Occupation Right Agreement. The Operator shall take proper steps to market the unit and respond to all enquiries about the unit in a timely and helpful way.</p> <p>The Operator will consult with the resident about the marketing of the unit including when the unit goes on the market, the general nature of the marketing plan for the unit and any charges relating to the marketing and the sale of the unit that the resident is liable to pay. The Operator is required to keep the resident informed on a monthly basis as to the progress of marketing.</p> <p>However, the Operator does not have to obtain a new resident if this Agreement terminates due to damage or destruction of the unit.</p> <p>A resident has the right to introduce a new resident for the unit, at any time. The Operator is not obliged to accept any prospective resident who does not meet the Operator's normal entry criteria or whose offer does not meet market value or conditions as set out above.</p> | | | |
| Details of the process for determining the | The Capital Sum for a new resident is determined by the Operator and is based on the current market price. | | | |

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| sum or sums payable by a new resident for the right to occupy a vacated unit, and the entitlement of any resident, former resident, or the estate of a former resident in relation to that sum or sums are: | The exiting resident has no entitlement in respect of the new resident's Capital Sum. The exiting resident's entitlement is to the Capital Repayment Entitlement calculated in accordance with clause 18 of the Occupation Right Agreement. |
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3(d) Deductions from payments by and to residents

| Details of the deductions from any payments made by or due to residents are shown opposite: | Description of payment: | Deduction: |
|---|--|---|
| | On entry to the village a Capital Sum is payable by resident to the Operator. | The Capital Deduction is calculated from the Commencement Date until the Termination Date and is paid by deduction from the amount repayable to the Resident. |
| | On exit from the village an amount is repayable by the Operator to the resident. | <p>The amount is the Capital Sum less:</p> <p>(a) The Capital Deduction calculated at a rate of 8% of the Capital Sum for the first year of occupation from the Commencement Date (pro-rated on a daily basis in the case of an incomplete year) and 7% of the Capital Sum for the second year of occupation from the first day of the second year of occupation (pro-rated on a daily basis in the case of an incomplete year), but not exceeding a total of 15% of the Capital Sum.</p> <p>(b) An Administration Fee of 3% of the Capital Sum</p> <p>(c) Any other payments due such as any Village Outgoings Payment not previously paid, any utility charges not previously paid, any other money due from the resident (e.g. any additional service costs, charges for utility services, default interest, health service charges, legal costs, money paid or costs incurred as a result of a resident's default, costs and expenses in providing the resident with rest home care or hospital care, as set out in the Occupation Right Agreement.</p> <p>(d) Any amount forgone by the resident to reflect a decrease in value of the Unit.</p> |

3(e) Estimated financial return on disposal of residential unit

The estimated financial return that a resident, former resident, or the estate of a former resident, could expect to receive on the sale or other disposal of a vacant residential unit is set out in the table below:*

1 bedroom Coldstream Villas

| Length of time: | Estimated Capital Sum: | Estimated Capital Deduction: | Estimated Administration Fee: | Estimated financial return: |
|-----------------|------------------------|------------------------------|-------------------------------|-----------------------------|
| Two (2) years | \$180,000 - \$200,000 | \$27,000 - \$30,000 | \$5,400 - \$6,000 | \$147,600 – \$164,000 |
| Five (5) years | \$180,000 - \$200,000 | \$27,000 - \$30,000 | \$5,400 - \$6,000 | \$147,600 – \$164,000 |
| Ten (10) years | \$180,000 - \$200,000 | \$27,000 - \$30,000 | \$5,400 - \$6,000 | \$147,600 – \$164,000 |

| | | | | |
|---|--|------------------------------|---|-----------------------------|
| | | | | |
| 2 bedroom Coldstream Courts units | | | | |
| Length of time: | Estimated Capital Sum: | Estimated Capital Deduction: | Estimated Administration Fee: | Estimated financial return: |
| Two (2) years | \$250,000 – \$300,000 | \$37,500 – \$45,000 | \$7,500 – \$9000 | \$205,000 - \$246,000 |
| Five (5) years | \$250,000 – \$300,000 | \$37,500 – \$45,000 | \$7,500 – \$9000 | \$205,000 - \$246,000 |
| Ten (10) years | \$250,000 – \$300,000 | \$37,500 – \$45,000 | \$7,500 – \$9000 | \$205,000 - \$246,000 |
| Details on how the estimated financial return (detailed above) is affected by the duration of the resident's occupation are: | | | To the extent that the Capital Deduction is a charge accruing with the passing of time, the Capital Deduction will increase and the resident's return will decrease as a result, the longer the resident occupies the unit. The estimated return will also be affected by the state of the Village as a whole, and this will generally depend on which stage the village is at in the regular repair and refurbishment cycle when the Occupation Right Agreement is terminated. | |
| Details on how the estimated financial return (detailed above) is affected by a termination of the occupation right agreement arising out of a breach of the agreement by the resident are: | | | The estimated return could also be affected by a termination of the Occupation Right Agreement arising out of a breach of the agreement by the Resident, if the breach relates to the damage to the Unit, with the consequence that repair costs may be deducted from the Capital Sum on termination. | |
| Details on how the estimated financial return (detailed above) is affected by a termination of the occupation right agreement arising out of a decision of the resident to terminate the agreement voluntarily are: | | | The estimated return should not be affected by the voluntary termination of the Occupation Right Agreement by the Resident, beyond the application of the factors stated above. | |
| PART 4 – OTHER MATTERS | | | | |
| 4(a) Details relating to certain security interests | | | | |
| Has a holder of a security interest (to whom section 12(1)(b) of the Retirement Villages Act 2003) applies refused consent to the registration of the retirement village? | | | No | |
| If "yes" to the above question, the details of the holder and security interest are shown opposite: | Name of holder: | | N/A | |
| | Address of holder: | | N/A | |
| | Description of the nature of the interest: | | N/A | |
| | Amounts secured by interest: | | N/A | |
| 4(b) Exemption from requirement to comply with code of practice | | | | |
| Is there an exemption from the requirement to comply with a provision or provisions of the code of practice? | No | | | |
| If "yes" to the above question, details are shown opposite: | Provision or provisions exempted: | Exemption duration: | Conditions (if any) the exemption is subject to: | |

| | | | |
|--|--|-----|-----|
| | N/A | N/A | N/A |
| 4(c) Responsibilities for insurance | | | |
| Details of the insurance cover for the retirement village the Operator is to obtain or has obtained are: | <p>The Operator will arrange and maintain a comprehensive insurance policy for the full replacement value of the village to the satisfaction of the Statutory Supervisor covering the village for usual risks including damage or destruction by fire and earthquake, and covering any other insurable risk which the Operator may consider desirable, in the Operator's interests or in the interests of residents.</p> <p>Insurance cover to the village includes cover relating to all buildings, facilities (including any Community Facilities) and common areas (but excludes a resident's personal belongings and any resident's vehicle(s)).</p> | | |
| The risks relating to the residential unit for which the resident is responsible are: | <p>The resident must maintain their own insurance policy to cover risks of loss or damage to their own possessions in the unit. They must also maintain cover for their motor vehicle(s) under a comprehensive motor vehicle insurance policy. Irrespective of cause, the Operator will have no responsibility, under any circumstances, for loss or damage to any of the resident's property or vehicles.</p> <p>A resident will be required to reimburse the Operator for any loss or damage suffered by the Operator as a result of a resident's carelessness or negligence or that of a resident's guests and invitees, except loss or damage by risks the Operator have insured against. However, in any case where a resident's acts or omissions (or those of a resident's guests or invitees) have made any such insurance void, a resident will, upon demand, compensate and reimburse the Operator in full for such loss or damage. Where the loss or damage is covered by the Operator's insurance, the Operator reserves the right to require a resident to pay any excess applicable to the claim.</p> <p>Except to the extent that the Operator is covered by their insurance policy, the Operator will not be liable to the resident or any other person for water damage caused by either the overflow of water supplied or rainwater unless the Operator has received prior written notice of any defect or want of repair and has failed to remedy the same within a reasonable period and that failure has contributed to the damage.</p> | | |
| 4(d) Moving into a rest home or hospital care institution in retirement village | | | |
| In this part 4(d): | <p>rest home care has the meaning given by section 4 of the Health and Disability Services (Safety) Act 2001</p> <p>hospital care has the meaning given by section 4 of the Health and Disability Services (Safety) Act 2001</p> | | |
| If the retirement village shares premises with a rest home or hospital care institution is the resident (under the occupation right agreement) allowed to leave the residential unit and receive either rest home care in the rest home or hospital care in the hospital care institution? | <p>Yes</p> <p>There are 31 rest home beds and 28 hospital beds at Coldstream Rest Home & Hospital</p> | | |
| If "yes" to the above question, details of the terms contained in the occupation right agreement are: | <p>If the Operator considers it necessary and if the Operator has rest home facilities with a bed available, the Operator will ensure the resident receives appropriate rest home care by shifting the resident into the rest home facilities. Alternatively, if the law and funding arrangements permit, the Operator may provide that care to the resident in the unit.</p> <p>If the Operator considers it necessary and if the Operator has hospital facilities with a bed available, the Operator will</p> | | |

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| | <p>ensure the resident receives appropriate hospital care by shifting the resident into the hospital facilities. Alternatively, if the law and funding arrangements permit, the Operator may provide that care to the resident in the unit.</p> <p>The resident will be responsible for the costs and expenses incurred or to be incurred in connection with such arrangements. The Operator will invoice the resident for such costs and expenses at the end of each month and the resident must pay the Operator no later than the 20th of the month following date of invoice.</p> |
| 4(e) Effect of marriage, etc, on occupation right agreement | |
| <p>Details of the effect on a occupation right agreement if a resident marries or enters into a civil union (irrespective of whether the resident was in another marriage or civil union when the agreement was made) are:</p> | <p>No effect, as the Resident's Occupation Right Agreement is personal to the Resident, so that it remains solely in the name of the Resident.</p> <p>If the Resident wishes their spouse or partner to become a Resident of the Unit pursuant to an Occupation Right Agreement, the Resident must terminate the original Occupation Right Agreement and enter into a new Agreement, and pay the resulting charges.</p> |
| 4(f) Financial assistance | |
| <p>This part 4(f) only applies where:</p> <ul style="list-style-type: none"> (a) an intending resident is given a disclosure statement relating to a village; (b) in the six (6) months before the disclosure statement is given, an advertisement was published to the public, a section of the public including the intending resident, or the intending resident; and (c) the advertisement indicated that the residents of the village could receive financial assistance from any person in connection with being residents of the village. | |
| <p>If this part 4(f) applies, then full details of the nature of the financial assistance and the terms on which residents may receive the assistance are:</p> | <p>N/A</p> |
| 4(g) Basis for working out prospective financial information | |
| <p>If any financial information is attached to this disclosure statement the principal assumptions and methods used in working out the information are:</p> | <p>The principal assumptions and methods used in calculating the estimated financial returns are also set out below. There may be other factors which affect the financial return, such as general economic and real estate market conditions, which the Operator is not able to predict and thus have not been included in the calculations.</p> <p>The estimated financial return information set out in 3(e) should not be relied on as a guarantee of the actual amounts a resident will receive on termination of an Occupation Right Agreement. The actual amount received will depend on the resident's circumstances, the condition of the Unit and the market at the time of termination and issue of a new Occupation Right Agreement for the Unit.</p> <p>The Capital Sum is subject to adjustment as described above and therefore may not be the figure stated.</p> <p>It is assumed that the Unit will have been repaired in accordance with a regular maintenance program.</p> |

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| | In calculating the estimated total estimated financial return, the Capital Sum is taken less the Capital Deduction and Administration Fee. It is assumed the Resident will not owe any other money to the Village on termination. Any other amount owing plus default interest if applicable will also be deducted on termination. |
| 4(h) No statement about entry into occupation right agreement being safe or free from risk | |
| <p>Any statement in this disclosure statement is not to be taken or construed so as represent that entry into an occupation right agreement relating to a retirement village is safe or free from risk.</p> <p>The financial structure of the retirement village is such that there may be income tax implications for residents. Residents should seek independent professional and taxation advice before proceeding.</p> | |
| 4(i) Matters required by Deed of Supervision | |
| Details of any matters required by the deed of supervision with the statutory supervisor to be disclosed in this disclosure statement are: | The Statutory Supervisor is entitled to indemnification by the Operator and the residents, in respect of all costs etc incurred by the Statutory Supervisor in the discharge of its duties. |
| 4(j) Documents to be made available | |
| <p>Before an intending resident signs an occupation right agreement, they (or their personal representative) must have the following documents made available to them:</p> <ul style="list-style-type: none"> (a) the most recent audited financial statements of the Operator of the village that comply with the Financial Reporting Act 1993 (if that Act applied to the Operator during the period to which the statements relate); and (b) if the Financial Reporting Act 1993 requires preparation of financial statements in respect of the village, then the most recent audited financial statements in respect of the village that comply with the Financial Reporting Act 1993. <p>If there are no audited financial statements relating to the Operator and a period during which the Operator carried on the business of the village, the Operator will provide financial statements that meet the requirements in Schedule 6 of the Retirement Village (General) Regulation 2006.</p> <p>The Operator confirms that the certificate and financial statements do not contain any information that is likely to deceive or mislead.</p> <p>The following documents must also be made available:</p> <ul style="list-style-type: none"> (a) a copy of the rules that apply specifically to the village and affect a resident in living in or using a residential unit in the village; (b) a copy of the agreement (if any) between the Operator of the village and the manager of the village for the management of the village; (c) a copy of the deed of supervision (if any) between the Operator of the village and the statutory supervisor; | |

PART 5 – APPLICATION FOR A UNIT IN COLDSTREAM RETIREMENT VILLAGE

RESIDENT

| | First Names | Surname | Signature (See Part 6) |
|----------------|-------------|---------|------------------------|
| Mr/Mrs/Miss/Ms | _____ | _____ | _____ |

| | | | |
|----------------|-------|-------|-------|
| Mr/Mrs/Miss/Ms | _____ | _____ | _____ |
|----------------|-------|-------|-------|

Postal Address _____

Resident's Solicitor/Firm _____

Telephone Number _____

Unit Type and Number:

Commencement Date of Occupation:

Capital Sum: \$

Deposit (10% unless
otherwise agreed): \$

Initial Care Services Payment (including GST):

Disclosure Date:

By signing this Part 5 of this Disclosure Statement, the intending Resident named above applies to enter into an Occupation Right Agreement for the Unit on the terms set out in this Disclosure Statement and the form of Occupation Right Agreement provided, and requests the Operator to prepare and forward the Occupation Right Agreement to the intending Resident's solicitor.

The intending Resident agrees to pay 10% of the Capital Sum to the trust account of the Statutory Supervisor as stakeholder as a deposit towards the Capital Sum. **Note**, the cheque must be payable to "Covenant Trustee Services Limited trust account".

Note the section headed **COOLING-OFF PERIOD AND CANCELLATION FOR DELAY** on page 4. The cooling-off period commences from the date the intending Resident signs the Occupation Right Agreement (not this application). The intending Resident must receive advice from their Lawyer before signing the Occupation Right Agreement.

The information collected about the intending Resident at the time of this application is for the purpose of operating the Village and providing services to the intending Resident. The intending Resident is entitled to access the personal information the Operator holds and to request correction of that information. The Operator may provide information held about the intending Resident to the intending Resident's doctor and the Operator's professional advisors.

1 Conditional application

1.1 This application is conditional upon the following (delete those which do not apply):

- (a) The unconditional sale of the applicant's residential property at
on terms acceptable to the applicant.

1.2 If the condition(s) contained in this clause are not confirmed before this application shall be voidable at the option of either the intending Resident or the Operator.

1.3 The condition(s) contained in this clause shall be condition(s) subsequent to the application, and the provisions of clause 8.7 of the general conditions of sale contained in the agreement for sale and purchase of real estate produced by the Real Estate Institute of New Zealand and the Auckland District Law Society (Eighth Edition 2006) shall be incorporated.

1.4 If before the date of confirmation contained in this clause, the Operator shall receive another application for the Unit mentioned in the application, this application shall be voidable at the option of the Operator upon giving the intending Resident five working days notice in writing.