

**DISCLOSURE STATEMENT**

**(FOR THE PURPOSES OF  
THE RETIREMENT VILLAGES ACT 2003)**

**ISSUED BY  
SPELDHURST COUNTRY ESTATE LIMITED  
IN RESPECT OF**

**SPELDHURST COUNTRY ESTATE**

**DATED: 1 MAY 2024**

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## **1. STATEMENT OF INFORMATION FOR INTENDING RESIDENTS**

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### **1.1 Important information for intending residents**

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

You should read this disclosure statement carefully.

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

Ask questions.

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

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

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

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

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

## **2. DIRECTORY**

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- 2.1 Name of retirement village:** Speldhurst Country Estate
- 2.2 Date of registration of village:** 24 December 2015
- 2.3 Retirement village addresses:**
- (a) Registered Office: 22 Western Rise, RD20, Levin 5570
  - (b) Address for service of notices: 22 Western Rise, RD20, Levin 5570
  - (c) Street address: 70 Kimberley Road, Levin 5570
- 2.4 Operator's details:**
- (a) Name: Speldhurst Country Estate Limited
  - (b) Address of registered office: 22 Western Rise, RD20, Levin 5570
  - (c) Street address: 70 Kimberley Road, Levin 5570
  - (d) Contact details: Phone (landline) 06 927 9903
  - (e) Agent: Wayne Euan Ross Bishop  
Designation: Director  
Contact details: 22 Western Rise RD20, Levin  
Telephone: 027 447 4611
- 2.5 Manager's details:**
- (a) Name: Fiona Margaret McGregor
  - (b) Experience: Fiona has extensive experience as an administrator and in accounts
  - (c) Contact times at village: Usually Monday to Friday between 9 a.m. and 2 p.m. (excluding public holidays and annual leave periods) and at other times as required.
  - (d) Manager's contact details:
    - (i) At the village:  
100 Speldhurst Parade, Levin 5570  
Telephone: 06 927 9903 or 027 279 8810
    - (ii) Outside office hours:  
Telephone: 027 279 8810
  - (e) Times when the Operator has staff at the village: Weekdays between 9am and 4pm (except public holidays)

## **2.6 Statutory Supervisor's details:**

- (a) Name: Covenant Trustee Services Limited
- (b) Contact details:
  - Street address: Level 6, 191 Queen Street, Auckland 1010.
  - Postal address: P O Box 4243, Shortland Street, Auckland
  - Telephone: (09) 302 0638
  - Fax: (09) 302 1037
  - Email: team@covenant.co.nz
- (c) Contact persons:
  - Garreth Heyns (09) 302 0638

## **2.7 Directors of the Operator:**

- Wayne Euan Ross Bishop
- Bridget Janelle Bishop.

## **2.8 Insurance policies held by the Operator:**

- Material Damage Cover;
- Business Interruption Cover; and
- Public and Statutory Liability cover.

## **2.8 Operators Chattels:**

All references to Operator's Chattels in this document shall mean the following listed chattels if included in a unit:

- cooktop
- oven
- dishdrawer
- rangehood
- heated towel rail
- extractor fan
- carpet
- light fittings
- waste disposal unit
- laundry supertub
- automatic garage door opener
- heat pump.

### 3. OWNERSHIP, MANAGEMENT AND SUPERVISION

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#### 3.1 Ownership Structure and Occupancy Rights

**3.1.1 Legal nature of operator:** Speldhurst Country Estate Limited is a private limited liability company. The shares in the company are wholly owned by Speldhurst Country Estate Holdings Limited which is ultimately owned by Wayne Euan Ross Bishop.

**3.1.2 Directors of the operator:** The Directors of Speldhurst Country Estate Limited are described in the Directory<sup>1</sup>.

**3.1.3 Underlying tenure interest in the Village retained by the Operator:** The Operator, Speldhurst Country Estate Limited, is the registered owner of a freehold estate in fee simple in the Village land.

**3.1.4 Nature and extent of charges and security interests affecting the Operator's tenure interest in the Village:**

A General Security Agreement over the Operator's present and future acquired property and a registered Memorandum of Encumbrance in favour of Covenant Trustee Services Limited. The amount secured and the maximum amount able to be secured by the General Security Agreement and the encumbrance cannot be ascertained at the date of this disclosure statement because they secure performance by the Operator of all its liabilities pursuant to the Deed of Supervision entered into in respect of the Village between the Operator and the Statutory Supervisor.

**3.1.5 Nature of Residents' tenure interest in the Village:** The residents' tenure interest is a contractual licence to occupy the unit with a shared right to the common areas in the Village on the terms and conditions contained in the Occupation Right Agreement. A resident's interest does not grant the resident any interest in the land of the unit and is not held under a separate title. The resident's interest is secured by a first charge mortgage granted by the Operator over the Village land in favour of the Statutory Supervisor for the benefit of all the residents in the Village.

#### 3.2 Resident's Interest in Residential Unit

**3.2.1 Rights of a Resident in relation to the residential unit:** The resident has the right to:

- (a) **Grant a security interest in the termination proceeds.** This right is subject to the prior right of the Operator to deduct from such proceeds any amounts owing by the resident in terms of the Occupation Right Agreement at termination.
- (b) **Let the unit to another person.** The resident has the right to sub-let the unit subject to the consent of the Operator, which will not be withheld unreasonably in the case of a sub-licence to a respectable, responsible and solvent person who is to occupy the unit and who would otherwise meet the Operator's normal criteria for grant of an occupation right agreement. Such person will be required to sign a deed of covenant at his/her expense to include such terms and conditions from the occupation right agreement as the Operator considers appropriate. The resident is not entitled to sub-let the unit for more than six months in any year.

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<sup>1</sup> See Directory on page 3

- (c) **Have a member of the Resident's family (including a de facto partner of the Resident) stay with the Resident in the unit.** The resident is entitled to have friends or members of the resident's family stay in the unit for an aggregate total in respect of all guests of 90 days in any period of 12 consecutive months (or longer with the written consent of the Operator) and subject to due compliance by such guests with all house rules of the Village. The Operator will consent to a de facto partner of the resident provided that person would otherwise meet the Operator's normal criteria for grant of an occupation right agreement and such person signs a deed of covenant at his/her expense which require him/her to observe and perform such terms and conditions from the occupation right agreement as the Operator considers appropriate.
- (d) **Have a person stay with the Resident in the unit as a companion or carer for the Resident.** This right is subject to the prior written consent of the Operator which may be withheld at the Operator's discretion.
- (e) **Sell or market the residential unit.** The Operator will market the unit for sale but the resident is entitled to introduce a new resident at any time who is willing to pay the market value of the licence and who satisfies the Operator's normal entry criteria for the village.

**3.2.2 Rights that the Resident does not have:** The resident is not entitled to:

- (a) **Mortgage or otherwise borrow against the Resident's interest in the unit.** The resident is however able to grant a security interest in the termination proceeds as noted in clause 3.2.1(a).
- (b) **Keep a pet in the unit.** The resident is not permitted to keep a pet without the prior written consent of the Operator which may be withheld at the Operator's discretion. Any consent granted by the Operator may be withdrawn at any time.
- (c) **Have a person board with the Resident in the Unit and stay in the unit while the Resident is away.**

**3.2.3 Rules that apply to the Village:** The Operator adopts and amends rules from time to time that affect the resident living in or using the unit. These rules are adopted for the efficient management and operation of the Village and the facilities. The Operator will consult with residents in the Village prior to amending the rules and each resident in the village is required to comply with such rules as a term of his/her occupation right agreement.

**3.2.4 Limits on Residents living in and using the unit:** A resident:

- (a) May not carry out any additions, maintenance or repair work in the unit. Any maintenance or repair work required to the interior of the unit or to the Operator's chattels, as approved in writing by the Operator, will be carried out by the Operator. The resident will pay the Operator, on demand, all costs incurred by the Operator in carrying out repairs and maintenance for which the resident is liable, as described in clause 4.4.2. The Operator will consent to a resident with disabilities altering his/her unit if it does not meet his/her needs but such consent will be made subject to terms and conditions which the Operator considers appropriate and which will be advised to the resident at the time of seeking consent.

- (b) May use the unit only as a private dwelling and is not permitted to do anything or omit to do anything that causes a nuisance or annoyance to the other residents in the village.
- (c) Is not permitted to deposit waste, other than in approved receptacles or cause any drains or pipes to become blocked.
- (d) May not erect any radio or television aerial or antenna or install audible burglar alarms without the consent of the Operator.

### **3.2.5 Sale or Marketing of the unit:**

- (a) The Operator will control the sale and marketing of the unit following termination of the occupation right agreement and vacation of the unit by the resident.
- (b) The resident shall be entitled to introduce a prospective resident who complies with the Operator's normal village entry criteria.
- (c) The resident is required to pay the Operator an amount equal to 2% of the capital sum (plus GST if any) on the date of settlement of payments under a relicensing of the unit to a new resident, as an administration charge.
- (d) The rights of the resident, if there is a delay in the sale of the unit, are:
  - (i) To be consulted by the Operator about the marketing plan for the unit including, when the unit goes on the market and the general nature of the marketing plan for the unit;
  - (ii) To be informed on a monthly basis about progress with marketing including the steps taken to market the unit and any progress achieved in finding a new resident;
  - (iii) If a new occupation right agreement has not been entered into within six months of the termination date the Operator will obtain at its expense a valuation of the unit by an independent registered valuer experienced in valuing retirement villages to establish a suitable price at which to market the unit. The Operator will market the unit at the price established by that valuation and if the resident obtains another valuation, the Operator must give consideration to the second valuation in determining a suitable price.
  - (iv) If the unit has not been relicensed within 9 months after the unit has become available to the Operator for disposal in accordance with the occupation right agreement the resident may give a dispute notice in accordance with the disputes procedure provided for in the Retirement Villages Code of Practice 2008 (as varied).

### **3.2.6 Circumstances in which the Resident is entitled to a refund of the capital sum paid and how it is calculated:**

- (a) If the occupation right agreement is terminated by the resident giving the required four weeks notice or the death of the resident (or where two residents have jointly signed the occupation right agreement, the death of the surviving resident) then the Operator will pay the capital sum to the resident (less any amounts owing by the resident in terms of the occupation right agreement) no later than 5 working days after the date on which the Operator shall settle the payments under a licence of the unit to a new resident. The amount of the



refund will be calculated by deducting from the original capital sum the following:

- (i) **Village Outgoings:** The village outgoings charge shall be calculated to the date on which the Operator shall settle payments under a licence of the unit to a new resident provided that if this relicensing has not occurred within six months from the date of termination of the occupation right agreement and vacation of the unit (including removal of possessions) then, from the expiry of such period of six months, the village outgoings charge will cease to be payable.
- (ii) **Amenities Contribution:** The amenities contribution will be calculated to the earlier of the date on which the resident vacates the unit and removes all the resident's possessions, or the date of the resident's death and removal of such possessions.
- (iii) **Other Payments:** All other moneys payable by the resident to the Operator including any loan amount advanced by the Operator to the resident during the term of the occupation right agreement.
- (b) If the resident has died, the Operator shall not be required to pay the capital sum to the executors of the deceased resident until proof of the Grant of Probate or Letters of Administration have been produced to the Operator.
- (c) If the occupation right agreement is terminated by the Operator upon any of the grounds set out in the occupation right agreement, the Operator shall repay the capital sum to the resident (less any amounts owing by the resident in terms of the occupation right agreement) within 5 working days of the resident vacating the Village or on the date of expiry of 5 working days after the date on which the Operator shall settle payments under a licence of the unit to a new resident, whichever event is first to occur. The amount of the refund will be calculated in the same manner as described in clause 3.2.6(a) above.
- (d) If the unit, any building in the Village or the Village itself is destroyed or damaged to the extent that the unit is unfit for occupation and the Operator gives notice (following consultation with the resident) that it is not practicable to repair or reinstate the unit or build a reasonably equivalent dwelling and does not offer the resident the option to transfer permanently to another dwelling in the Village, then the Operator will refund the resident the capital sum no later than 10 working days following the date the Operator or the Statutory Supervisor receives payment in full under any insurance policy covering the unit, less any charges owed to the Operator by the resident provided that in such case the Operator shall not be entitled to charge the Amenities Contribution.

### **3.3 Management Arrangements**

#### **3.3.1 Manager and Management Staff**

- (a) The Operator has employed a manager of the village whose name, experience, contact details and times of availability are described in the Directory<sup>2</sup>.

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<sup>2</sup> See Directory on page 2-3

- (b) The core duties of the manager are to administer the day to day affairs of the Village, to arrange the provision of services and all of the required repairs and maintenance work to the buildings and grounds within the Village.
- (c) The key management staff of the Village comprise the General Manager for Aged Care, Dwayne Lawrence Martin, the Village Manager, Fiona Margaret McGregor, and the Sales Manager, Debra Gaye Bishop.
- (d) The legal relationship between the manager of the Village and the Operator is that the manager is an employee of the Operator. There are no ownership links and no separate management agreement between the Operator and the manager.

**3.3.2 Committee of Residents:** A committee of residents has been formed and participates actively to provide a forum for residents to discuss matters relating to the Village and appoint representatives to communicate residents' interests to the Operator.

### **3.4 Statutory Supervisor**

**3.4.1** 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 exempts the operator from the requirement. The core duties of a statutory supervisor are to:

- (a) 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
- (b) monitor the financial position of the retirement village; and
- (c) report annually to the Registrar and residents on the performance of its duties and the exercise of its powers; and
- (d) 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.

**3.4.2** A Statutory Supervisor has been appointed and its name and contact details are set out in the Directory<sup>3</sup>.

**3.4.3** No exemption exists from the statutory requirement to appoint a Statutory Supervisor.

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<sup>3</sup> See Directory on page 3

#### 4. STATE OF VILLAGE, SERVICES, CHARGES AND ACCOUNTS

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##### 4.1 State of Village

##### 4.1.1 Details of Buildings

	Age (Year completed)	Construction Materials	Condition	State of Maintenance
Villas	2015-2024	Brick and tile	Excellent	Good state of repair. All maintenance current.

##### 4.1.2 Details of Other Improvements

	Age (Year completed)	Nature of Improvements	Condition	State of Maintenance
Facilities	2015-2019	Community Lodge (Meeting hall, Dining room and Billiards room)	Good	Good state of repair. All maintenance current.
Paths	2015-2024	Paths are created as required in developing areas	Good	Good state of repair. All maintenance current.
Driveways	2015-2024	Driveways are created as required in developing areas	Good	Good state of repair. All maintenance current.
Roads	2015-2024	Roads are created as required in developing areas	Good	Good state of repair. All maintenance current.
Grounds	2015-2024	Common grounds are created as required in developing areas	Good	Good state of repair. All maintenance current.
Lighting	2015-2024	Lighting is installed as required in developing areas	Good	Good state of repair. All maintenance current.
Heating	2015-2024	Heat pumps are installed in all new units	Good	Good state of repair. All maintenance current.
Security features	2015	Electric gate at entrance to Village	Good	Good state of repair. All maintenance current.

#### **4.1.3 Stage of Completion and New Units Planned**

Development of the Village will be carried out in four stages.

Stage 1 and Stage 2, consisting of 372 dwellings comprising 1, 2 and 3 bedroom villas and apartments commenced in 2015. A Community Centre called “The George” has been completed. This stage of development is completed.

Stage 3, consisting of 103 dwellings comprising 2 and 3 bedroom villas and a serviced apartment facility (consisting of approximately 144 dwellings which will provide 1 and 2 bedroom apartments) including a Community Centre and facilities, are under construction and this stage of development is proposed to be completed by 31 December 2027.

Stage 4, comprising a 100 bed care facility, is planned to be completed at the same time as Stage 3, subject to all necessary resource consents and demand.

When completed, it is proposed that the Village will have a total of 619 units (made up of 475 independent units and 144 serviced apartments), with a care facility for 100 people, a Community Centre and other ancillary buildings.

The community facilities have all been developed in accordance with NZS4121 and the units have been built in accordance with the general requirements for a residential dwelling under the Building Code.

#### **4.1.4 Effect on Existing Residents of Planned New Units**

It is not expected that construction work will adversely affect residents in the village. Noise and disruption to surrounding residents from any construction work will be minimised.

#### **4.1.5 Number of Units Occupied, Unoccupied and still to be Completed**

Refer to the Schedule.<sup>4</sup>

#### **4.1.6 Details of Unit Disposals in Last 12 Months**

Refer to the Schedule.<sup>4</sup>

#### **4.1.7 Average Time to Dispose of Occupied Units (in days)**

Refer to the Schedule.<sup>4</sup>

#### **4.1.8 Average Time to Dispose of Unoccupied Units (in days)**

Refer to the Schedule.<sup>4</sup>

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<sup>4</sup> See Schedule on page 28

## 4.2 Services and Facilities

### 4.2.1 Services:

Service	Nature	Extent	Frequency
(a) Gardening:	Planting and maintenance of all gardens	Operator arranges for all gardening work to be carried out of original planting.	Continuous maintenance programmed to occur throughout the year
(b) Lawnmowing:	All lawns and edges	Operator arranges all lawn mowing	As required
(c) Repairs and Maintenance:	Repairs and maintenance to Village common areas, unit exteriors and Operator's plant and equipment	Operator will carry out all repairs and maintenance to a clean and safe working order, suitable for their intended use	Continuous maintenance programme, with repairs undertaken as required
	Repairs and maintenance to interior of unit	Will be carried out by Operator at Resident's cost	As required
(d) Nursing and Medical Services:	Provided at local medical centre/ hospital	As organised directly by resident	As arranged by resident
(e) Provision of Meals:	Residents cater own meals or organise meals on wheels	As arranged by resident	As arranged by resident
(f) Shops and other services for provision of goods:	Not available.	As arranged by resident	As arranged by resident
(g) Laundry Services:	Not available – residents can install own laundry chattels	Not available	Not available
(h) Hairdressing and other personal care services:	Available at The Cottage onsite	As arranged by resident	As arranged by resident

Service		Nature	Extent	Frequency
(i)	Transport Services:	Van Transport to and from Levin	Available	Regular intervals by arrangement with the Operator
(j)	Recreation and entertainment services:	Village committees arrange recreational events inside and outside the Village	Facilitated by the Social or Resident's Committee	As arranged by residents directly
(k)	Security Services:	Residents are encouraged to purchase a personal medical alarm	As arranged by resident at their cost	As arranged by resident
		Security Gate	Gated entrance	Locked 9pm-7am

#### 4.2.2. Facilities:

Service		Nature	Extent	Frequency
(a)	Dining Facilities	Available at The George Café in the Community Centre	As required	As required
(b)	Lounge or Television Room	Community Centre	Available to all residents without additional charge	As required by residents
(c)	Laundry	Not available	Not available	Not available
(d)	Gymnasium	Available as a fitness/exercise room in the Community Centre	Available to all residents without additional charge	Available as required by residents
(e)	Spa Pool/ Swimming Pool Complex:	Indoor heated Swimming pool and Spa pool provided in the Community Centre	Available to all residents without additional charge	As required.
(f)	Medical Clinic	Located onsite and available	As arranged by resident.	As arranged by resident
(g)	Tennis Court	Not available	Not available	Not available
(h)	Petanque Court	Available	Available to all residents without additional charge,	As required by residents.

Service		Nature	Extent	Frequency
(i)	Bowling Green	Available	located in The Dell. Available to all residents without additional charge	As required by residents
(j)	Croquet	Available, run by The Levin Croquet Club onsite	Available to all residents who sign up as a paying member	As arranged by The Levin Croquet Club
(k)	Library	Available in the Community Centre	Available to all residents without additional charge	As required
(l)	Hairdressing Salon	Available at The Cottage onsite	By arrangement	As arranged by residents
(m)	Community Hall	An existing Community hall	Available for resident arranged concerts/meetings/sports/recreation	As required
(n)	Chapel	An existing Chapel	Available to residents	As required
(o)	The Creative Resource Centre (aka Men's Shed)	Available	Available to residents without additional charge	As required by resident

**4.2.2 Insurance Policies held by the Operator:** The insurance policies that have been effected and are kept in force by the Operator are described in the Directory (refer item 2.8 on page 3).

### 4.3 Charges

#### 4.3.1 Charges for Services and Facilities:

- The Village Outgoings Charge is payable by the resident in consideration of the Operator agreeing to pay all the operating expenses of the Village. Such operating expenses comprise all costs, expenses and outgoings incurred by the Operator or on its behalf and paid or payable in respect of the Village and its management, supervision and operation.
- The Village Outgoings Charge is set by the Operator prior to the resident signing the Occupation Right Agreement but is subject to being fixed in respect of new residents at the Commencement Date and in respect of existing residents with effect from 1 April 2022.
- The Operator is entitled to charge different levels of Village outgoing fees for residents in the Village.
- The Village Outgoings Charge will be fixed for the duration of the resident's period of occupancy of the unit and will continue to be payable by the resident

in the manner as described in clause 3.2.6. It must be paid to the Operator by direct debit from the resident's bank account on the first day of each month.

- (e) The resident shall not be liable to pay the cost of any capital expenditure by the Operator in respect of the development or further development of the Village.
- (f) There is no specific charge for the provision of the village facilities (other than as included in the above levels of service) as the right to use these facilities forms part of the capital sum paid to secure an interest in the unit.

#### **4.3.2 Amounts to secure an interest in a unit.**

- (a) A resident is required to pay a capital sum to the Operator for the right to occupy the unit. The amount of the payment for the unit which the resident is considering securing an interest in is described in the Information Sheet.<sup>5</sup> This payment is determined by the Operator as an appropriate charge for the right to secure an interest in the unit.
- (b) The capital sum payment is refundable in the event that the occupation right agreement is terminated in accordance with the terms of that licence. The refund of the capital sum is payable by the Operator to the resident no later than 5 working days after the date the Operator settles payments under an occupation right agreement of the unit to a new resident or after settlement of any other agreement involving disposal of the unit. An exception is in the case where the Operator exercises a right to terminate the occupation right agreement, in which event, the capital sum is payable within 5 working days of the date of the resident vacating the unit or on settlement of payments under an occupation right agreement of the unit to a new resident, whichever event is the earlier.
- (c) The amount of the refund is the original capital sum payment less the amount of the accrued amenities contribution and any other amounts owing by the resident to the Operator under the terms of the occupation right agreement (refer clause 5.4.1).
- (d) The resident is required to pay an amenities contribution following termination of the occupation right agreement on settlement of payments of an occupation right agreement of the unit to a new resident. The amount of the amenities contribution payable to the Operator shall be an amount equal to 5% per annum up to a maximum of 25% of the capital sum and shall accrue each month (where only part of a month elapses, a full months accrual shall occur except that no accrual shall occur beyond the date the resident is entitled to receive payment of a refund of the capital sum under an occupation right agreement) from the Commencement Date until the earlier of the date on which the resident vacates the unit and removes all possessions or, following the death of the last surviving resident, the date on which all of the deceased resident's possessions are removed from the unit.

#### **4.3.3 Permanently leaving a unit, transferring to another unit**

If a resident wishes to transfer to another unit in the Village:

- (a) the resident must pay the Operator's reasonable legal costs in documenting the transaction. The amount of these costs will depend on the extent of the legal services provided, but is estimated at \$700, plus GST;

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<sup>5</sup> See Information Sheet on page 26



- (b) the resident is required to pay a capital sum for the replacement unit and other charges as determined by the Operator at the time of the transfer;
- (c) a further amenities contribution may be payable by the resident on termination of the occupation right agreement for the new unit. The amount of this amenities contribution will be the amenities contribution as fixed by the Operator for the new unit, but the resident will receive a credit of an amount (expressed as a percentage) that the accrued amenities contribution in respect of the original unit bears to the total amenities contribution payable in respect of the new unit.

There is no charge for a resident permanently leaving a unit other than the charges on termination described in item 5.3.5.

#### **4.3.4 Periodic charges payable by the Resident**

Apart from the village outgoings charge specified in clause 4.3.1 and the additional charges or expenses specified in clause 4.3.5 there are no additional periodic charges payable by village residents.

#### ***Additional charges or expenses***

**4.3.5** The resident is required to pay for the following additional charges or expenses under the occupation right agreement and these charges and expenses will relate only to the time the resident remains in the Village:

- (a) **Utility charges:** The supply of electricity, gas, telephone connection, telephone rental and tolls, television subscription and connection fees and any other utility charges in respect of the Unit. Such charges are payable to the utility company which supplies the service. In the case of a unit where there is no separate meter, a charge will be calculated by the Operator, as a fair proportion attributable to the resident's unit. In this case the resident will be billed on a monthly basis for the supply of such utilities.
- (b) **Health service charges:** Medical and pharmaceutical services, including the cost of services provided by a medical practitioner. The charge for these services will be levied by the provider of the service at that provider's rate of charges.
- (c) **External Service Providers:** If the resident uses the service of any external service providers (e.g. hairdressers, physiotherapists, etc) then the resident will be required to pay a separate charge as levied by the provider of that service.
- (d) **Chattels insurance:** The resident is responsible for insuring any personal property at the Village.
- (e) **Handling Charge:** The resident is required to pay to the Operator on demand a reasonable charge in the event that the cost of any goods or services supplied to the resident is charged directly to the Operator. Any such charge will be billed to the resident by the Operator on a monthly basis.
- (f) **Insurance excess payment:** If the buildings and/or the Operator's Chattels in the Village or, any part of them, are damaged or destroyed as a result of the negligent or wilful act of the resident then without prejudice to the Operator's other rights, the Operator will be entitled at its option by notice in writing served on the resident to require the resident to pay the amount of any excess charge made by the insurer of such assets and the resident agrees to pay to the

Operator the amount of such excess charge immediately upon demand being made in writing. The current excess amount under the Operator's insurance cover is \$500.

- (g) **Restoring the unit and Operator's chattels:** On termination of the occupation right agreement, the resident is required to pay to the Operator the costs incurred by the Operator in repairing any damage or want of maintenance or repair caused to the interior of the unit (including the Operator's chattels) which is not attributable to fair wear and tear.
- (h) **Administration charge:** On termination of the occupation right agreement, the resident is required to pay to the Operator a sum equal to 2% of the capital sum (plus GST if any) as an administration charge.

#### **4.3.6 Maintenance, Rates and Insurance Payments**

The resident has no liability to make additional payments for maintenance, rates and insurance in respect of the land and the exterior of the buildings comprising the Village as these costs are paid by the Operator as part of the operating expenses of the Village. The resident may be liable for the cost of interior maintenance to the unit as detailed in item 4.4.2 below.

#### **4.3.7 Maintenance/Sinking Fund**

There is no maintenance or sinking fund for repairs, maintenance, refurbishment and capital replacement works associated with the Village to which the resident is required to contribute payments. The Operator will maintain all buildings, plant and equipment in a clean, safe working order, suitable for their intended use.

### **4.4 Maintenance and Refurbishment**

#### **4.4.1 Maintenance the Operator is Responsible for:**

- (i) The Operator is responsible for maintaining all the buildings, the plant and equipment in the Village and the Operator's chattels in a good, clean, tidy repair, order and condition.
- (ii) On being advised in writing of any defect or need for repair to the unit or the Operator's chattels in the unit the Operator must within a reasonable time take appropriate steps to repair and make good the defect. The resident is required to pay the Operator on demand all costs incurred by the Operator in carrying out repair work to the interior of the unit.

#### **4.4.2 Maintenance that Resident is Responsible for:**

- (i) The resident is responsible during the term for keeping the interior of the unit and the fixtures, fittings and chattels in the unit in good order, repair and condition. The resident may not carry out maintenance or repair work but is liable to pay the Operator for the cost incurred by the Operator in carrying out this work.
- (ii) On termination of the occupation right agreement the Resident is required to pay to the Operator the costs incurred by the Operator in repairing any damage or want of maintenance or repair caused to the interior of the unit (including the Operator's chattels) which is not attributable to fair wear and tear.
- (iii) Following vacation of the unit and removal of the resident's possessions, the Operator will arrange, at its cost, for a person suitably qualified with building

experience to carry out an assessment of the resident's liability under the occupation right agreement for maintenance and repairs to the interior of the unit and the Operator's chattels. The Operator will consult with the resident on the extent and cost of any required maintenance and repairs and will arrange for a contractor to carry out such work in a prompt and efficient manner. If the resident does not approve the extent and/or cost of any required maintenance and repairs then the Operator will engage a quantity surveyor to make a determination on the issue in dispute and the cost of engaging such person will be borne by the resident. The resident will permit the Operator and its contractor to enter the unit to do the work and the cost of such work (as approved by the resident or determined as aforesaid) shall be deducted from the moneys payable by the Operator to the resident following the relicensing of the unit to a new resident.

#### **4.5 Financial Accounts**

##### **4.5.1 Financial Reporting Act:**

The Retirement Villages Act 2003 ("Act") requires the Operator to prepare audited financial statements relating to the Operator.

##### **4.5.2 Process for Preparing Accounts:**

The Operator prepares financial statements to comply with the requirements of the Act following the end of each financial year on 31 March and causes these accounts to be audited by independent qualified auditors. The audited accounts must be filed at the Companies Office within five months and 20 working days after the end of the financial year. The Operator will give the Statutory Supervisor a copy of such audited financial statements as soon as they are available and in any event, within 5 months of the end of the financial year.

##### **4.5.3 Financial Accounts Available to Residents:**

The Operator will make available to any resident free of charge on request a copy of the most recent audited financial statements.

##### **4.5.4 Other Financial or Accounting Statements:**

- (i) The Operator prepares at the commencement of each financial year a forecast statement of all income and expenditure relating to the Village and gives the Statutory Supervisor a copy of such forecast statement within 3 months of the commencement of the financial year. This forecast statement will be unaudited and will be made available to residents in the Village.
- (ii) No accounts are prepared for the Manager of the Village separately from those the Act requires the Operator to prepare.

## **5. OCCUPATION RIGHT AGREEMENT, TERMINATIONS, DEDUCTIONS AND ESTIMATED FINANCIAL RETURNS**

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### **5.1. Cooling-Off Period and Cancellation of Occupation Right Agreement**

#### **5.1.1 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

**5.1.2** The occupation right agreement does not contain a more favourable cooling-off and cancellation provision than contained in section 28(1) of the Act.

## **5.2 Varying the Occupation Right Agreement**

The terms of an occupation right agreement cannot be varied by the Operator or the Resident except by the mutual agreement of both parties.

## **5.3 Termination of Occupation Right Agreement**

### **5.3.1 Resident's Right to Terminate:**

- (i) A resident is entitled to terminate his/her occupation right agreement for any reason and at any time on service of one month's prior written notice to the Operator.
- (ii) An occupation right agreement is automatically terminated when the Resident dies provided that if two persons are named as residents in the occupation right agreement the termination occurs only when the last surviving resident dies.

### **5.3.2 Termination if the Unit is Destroyed**

If the unit, any building in the Village or the Village itself is destroyed or damaged to the extent that the unit is unfit for occupation and the Operator gives notice (following consultation) that it is not practicable to repair or reinstate the unit or build a reasonably equivalent dwelling then the occupation right agreement will terminate on the date of expiry given in such notice.

### **5.3.3 Termination by the Operator**

An Operator may terminate the occupation right agreement on the following grounds:

- (i) **Medical Grounds:** If a registered Medical Practitioner, after assessing the resident, certifies that the resident's physical or mental health is such that the resident or other residents cannot live safely in the retirement village. The Operator will appoint a registered medical practitioner for the purposes of carrying out this assessment who must be independent of the Operator and the assessment of the registered medical practitioner must take into account:
  - (a) the care, support and facilities offered in the Village, including the opportunity to transfer to a higher level of care;
  - (b) support services that could be brought in from outside the retirement village to support aging in place.

The resident may obtain a second opinion and present this to the Operator for its consideration.

- (ii) **Breach:** If the resident has significantly breached the occupation right agreement the Operator may terminate the occupation right agreement provided:
  - (a) The breach must be significant, or has become significant because it continues;
  - (b) The Operator has notified the resident of its intention to terminate the occupation right agreement unless the breach is remedied;
  - (c) The Operator has given the resident at least one month's notice to remedy the breach;
  - (d) The resident has failed to remedy the breach within the time period given in the Operator's notice.
- (iii) **Abandonment:** The Operator may terminate the resident's occupation right agreement on the grounds of abandonment subject to the following conditions:
  - (a) The Operator must have made reasonable enquiries and determined that the resident has permanently abandoned the unit;
  - (b) The Operator has notified the resident of the Operator's intention to terminate the occupation right agreement unless the resident re-occupies his or her unit;
  - (c) The Operator must have given the resident at least one month to re-occupy and the resident has failed to re-occupy the unit in that time period.
- (iv) **Serious Damage to the Unit or Serious Harm to People:** The Operator may terminate a resident's occupation right agreement if the resident, intentionally or recklessly has caused or allowed or is highly likely to cause or allow:
  - (a) serious damage to the unit or facilities or damage which has become serious because it continues;
  - (b) serious injury or harm to the Operator or another resident or an employee or guest of the Operator or the resident.

The Operator must have notified the resident of the Operator's intention to terminate the occupation right agreement unless the damage, injury or harm is remedied in a specified time that is reasonable in the circumstances. The Operator must have taken into account the nature and extent of the damage, injury or harm in determining the time period given to the resident to provide a remedy. Further, the resident must have failed to remedy the damage, injury or harm within the period given in the Operator's notice.

#### 5.3.4 Effect of Termination on Persons living with the Resident

On termination of the occupation right agreement any person living in the unit with the resident will be required to vacate the unit immediately.

#### 5.3.5 Charges that are payable after Termination

The charges that continue to be payable by the resident after the termination of the occupation right agreement are:

- (a) **Village Outgoings Charge:** - this periodic charge continues to be payable on the same terms as prior to termination until the date on which the resident either vacates the unit, or dies, all the resident's possessions are removed from the unit and the unit's keys are returned to the Operator.

This charge will cease to be payable by the resident if the Operator enters into

a tenancy arrangement for the unit with a third party with the prior consent of the resident. In such circumstances, the Operator shall be entitled to retain the rent income in lieu of charging the Village Outgoings Charge during the period of the tenancy arrangement.

- (b) **Amenities Contribution:** - this charge will continue to accrue on the same terms as prior to termination in accordance with clause 4.3.2(d).
- (c) **Administration charge:** On termination of the occupation right agreement, the resident is required to pay to the Operator a sum equal to 2% of the capital sum plus GST as an administration charge.

### **5.3.6 Process in Locating New Resident**

The process to be followed by the Operator in finding a new resident for the vacated unit is as follows:

- (a) The Operator will consult with the former resident about the marketing of the unit, including with regard to:
  - when the unit is to be marketed;
  - the general nature of the marketing plan for the unit.
- (b) The Operator will keep the former resident informed on a monthly basis about the progress with marketing the unit and any progress achieved in finding a new resident;
- (c) The Operator will follow up any contact list of persons who have expressed interest in living in the Village, conduct open days and respond to all enquiries about the unit in a timely and helpful way;
- (d) The resident has the right to introduce a new resident at any time provided that the Operator is not required to accept any prospective resident who does not meet the normal entry criteria for the Village or whose offer to buy does not meet the market value or conditions.

### **5.3.7 Process for Determining Price of Unit**

- (a) The initial marketing price of the unit will be an amount which the Operator considers to be the fair market value of the unit.
- (b) If a new occupation right agreement has not been entered into within six months of the termination date the Operator will obtain at its expense a valuation of the unit by an independent registered valuer experienced in valuing retirement villages to establish a suitable price at which to market the unit. The Operator will market the unit at the price established by that valuation and if the resident obtains another valuation, the Operator must give consideration to the second valuation in determining a suitable price.



## **5.4 Deductions from Payments**

### **5.4.1 Deductions Made on Entry or Exit from the Village and Deductions from Periodical Payments:**

Subject to clause 5.3.2, from the original consideration payment made by the resident at the time of entering the unit the Operator will be entitled to deduct the following payments:

- (a) **Amenities Contribution:** This is an amount equal to 5% per annum of the original consideration payment which accrues to the Operator in accordance with clause 4.3.2(d). The maximum amenities contribution is equal to 25% of the original consideration paid by the resident.
- (b) **Village Outgoings:** A deduction for the amount of the village outgoings charge that accrues until the date the unit is vacated, all the resident's personal items are removed, and the Unit's keys are returned to the Operator.
- (c) **Removal Costs:** If the resident does not remove from the unit all of the resident's possessions on termination then the Operator may remove the possessions and place them into storage. The cost of this removal and storage shall be charged to the resident and deducted from payments due to the resident.
- (d) **Costs and Unpaid Moneys:** The Operator will be entitled to deduct from moneys due to the residents any moneys falling due during the term of the licence which remain unpaid at termination, including any costs or charges payable by the resident in terms of the occupation right agreement, and any financial assistance owing by the resident to the Operator.
- (e) **Administration charge:** On termination of the occupation right agreement, the resident is required to pay to the Operator a sum equal to 2% of the capital sum (plus GST if any) as an administration charge.

### **5.4.2 Deductions Made for the Purposes of Maintenance, Refurbishment and Development**

The cost incurred by the Operator in carrying out refurbishment of the unit in accordance with the terms set out in item 4.4.2 shall be deducted by the Operator from the payments due to the resident.

### **5.4.3 Deductions for Rates, Maintenance and Other Outgoings**

No deduction for rates, maintenance and other outgoings will be made in addition to the village outgoings charge as referred to in item 5.4.1.

## **5.5 Estimated Financial Return on Disposal of Unit**

The estimated financial return that a resident can expect to receive on the sale of the unit at intervals of two years, five years and ten years after the resident enters into an occupation right agreement are set out in the Information Sheet.<sup>6</sup>

## **5.6 Capital Gain/Loss**

Any capital gain arising out of termination of the Occupation Right Agreement is retained by the Operator. Any capital loss arising out of the termination and re-sale of the unit is borne by the Operator.

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<sup>6</sup> See Information Sheet on page 26

## **6. OTHER MATTERS**

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### **6.1 Details Relating to Certain Security Interests**

The Operator advises that no holder of a security interest (to which Section 12(1) (b) of the Retirement Villages Act 2003 applies) has refused consent to the registration of the retirement village under the Act.

### **6.2 Exemption from Requirement to Comply with Code of Practice**

The Operator advises that it has not sought any exemption from the requirement to comply with the provisions of the Code of Practice.

### **6.3 Moving into Rest Home**

The Village does not share premises with or include as part of the Village a rest home and/or hospital care facility. A 100-bed care facility is planned as Stage 4 (refer to clause 4.1.3 on page 11) but this is subject to the Operator determining there is sufficient demand and obtaining resource consents.

### **6.4 Effect of Marriage, etc, on Occupation Right Agreement**

- (a) If a resident marries or enters into a civil union during the term of an occupation right agreement then the married or civil union partner of the resident shall be entitled to reside in the unit with the resident, subject to that person executing in favour of the Operator a deed of covenant in terms of which that person agrees to observe and perform certain terms and conditions as specified by the Operator.
- (b) At the resident's request in writing the Operator will amend the occupation right agreement to the joint names of the resident and married or civil union partner provided that the partner meets the Operator's normal criteria as a resident in the village and the resident pays the Operator's reasonable legal costs. If the resident does not request the Operator in writing to amend the occupation right agreement in accordance with this provision then upon the death of the resident the married or civil union partner will be required to vacate the unit.

### **6.5 Statement of Information about Avoiding an Occupation Right Agreement**

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

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

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

<b>Circumstances</b>	<b>Period</b>
The village was not registered, but was required to be	3 years after you entered into the agreement or 6 months after you knew, or ought to have known, the circumstances existed when you entered into the agreement,

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

whichever ends first

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

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

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

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

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

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

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

You should seek legal advice before using the right.

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

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

## **6.6 Code of Practice**

The Code of Practice 2008 (as varied) is in force at the date of this Disclosure Statement.

## 7. INFORMATION SHEET

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### 7.1 Price of the Unit(s) in which you have expressed an interest:

Unit

Price

\$ \_\_\_\_\_

### 7.2 Estimated Financial Return<sup>7</sup>

Estimate for unit - amenities contribution accruing progressively at the rate of 5% per annum to a maximum of 25% of the capital sum.

After	Capital Sum (i)	Less Amenities Contribution (ii)	Less Repairs (iii)	Estimated total financial return (iv)
2 yrs	\$	\$	Nil	\$
5 yrs	\$	\$	Nil	\$
10 yrs	\$	\$	Nil	\$

### 7.3 Notes:

- (i) The capital sum is subject to adjustment as described in paragraphs 5.4 and therefore may not be the figure stated.
- (ii) The amenities contribution has been calculated here for a full year. If the Resident leaves part way through a year, the amenities contribution will be on a monthly basis for the incomplete year. Where only part of a month elapses, a full month's charge is payable, except for the last month where the accrual shall be on a daily basis.
- (iii) Assumes no damage over and above fair wear and tear so repairs are nil.
- (iv) In calculating the estimated total estimated financial return, the capital sum is taken less the amenities contribution and repair costs. 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.

### 7.4 Effect of Duration on Estimated Return

The estimated financial return is affected by the duration of the occupation right agreement because the amenities contribution accrues on a monthly (or part monthly) basis from the commencement date of occupation of the unit, to a maximum charge equal to 25% of the capital sum. This maximum level of charge is reached on the expiry of five years after the commencement date of occupation.

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<sup>7</sup> See clause 5.5, Estimated Financial Return on page 24

## **7.5 Effect of Termination on Estimated Return**

The estimated financial return is affected by a termination of the occupation right agreement arising out of a breach of the agreement by the resident, or a decision of the resident to terminate the agreement voluntarily, in the following ways:

- (a) In the event of a breach, the resident may be required to pay default interest for the non-payment of moneys due under the agreement;
- (b) In the event of a voluntary termination during the cooling-off period (ie, within 15 working days after signing the agreement), the resident will be entitled to the return of the capital sum, with interest, subject to an obligation to pay reasonable compensation to the Operator for services provided under the agreement, and to damage to the unit and any facilities of the unit in the village;
- (c) In the event of a voluntary termination for delay in completing the unit within 6 months after the proposed date for completion of the unit, the resident will be entitled to a full refund of the capital sum and all other payments for which services and facilities were not provided, interest and actual and reasonable costs associated with voiding an agreement.

## **SCHEDULE**

(refer to clause 4)

### **SPELDHURST COUNTRY ESTATE**

#### **STATE OF THE VILLAGE AS AT 1 May 2024**

##### **Units occupied, unoccupied and still to be completed**

<b>Unit Type</b>	<b>Total numbers</b>	<b>No. Occupied</b>	<b>No. Unoccupied</b>	<b>To be Completed</b>
<b>Villas</b>	475	417	7	51
<b>Serviced Apartments</b>	144	Nil	Nil	144

##### **Details of Unit Disposals in last 12 months**

<b>Timeframe for Resales</b>	<b>Villas</b>
Number of disposals of unoccupied	13
Average time to dispose of unoccupied units (in days)	51

The actual and average times taken to dispose of units set out above reflect past conditions and cannot be relied upon as a guide for the time it will take to dispose of units in the future.