

DISCLOSURE STATEMENT

Northbridge Lifecare Trust

12 June 2020

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DISCLOSURE STATEMENT

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

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

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

Capitalised terms used in this Disclosure Statement are explained in the Glossary on page 28.

DETAILS OF VILLAGE AND OPERATOR

Date of Disclosure Statement:	12 June 2020
Date of Registration of Disclosure Statement:	Lodged for registration on 12 June 2020
Village's Registered Office and Address for Service and Street Address:	45 Akoranga Drive Northcote Auckland
Operator's Registered Office and Street Address:	45 Akoranga Drive Northcote Auckland
Operator's Contact Details:	Phone: 09 488 3080 Fax: 09 488 3086 Mobile: 021 632 766 Email: director@northbridge.co.nz
Operator's Agent:	James Jordan Director
Operator's Agent's Contact Details:	Phone: 09 488 3080 Fax: 09 488 3086 Mobile: 021 632 766 Email: director@northbridge.co.nz

IMPORTANT INFORMATION FOR INTENDING RESIDENTS

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

You should read this disclosure statement carefully.

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

Ask questions.

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

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

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

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

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

INFORMATION ABOUT AVOIDING OCCUPATION RIGHT AGREEMENT

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

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

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

Circumstances**Period**

The village was not registered, but was required to be

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

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

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

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

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

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

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

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

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

You should seek legal advice before using the right.

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

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

COOLING-OFF PERIOD

A resident also has certain rights during their cooling-off period. Please see paragraph 10 below for further details. Following is a copy of Section 28 of the Retirement Villages Act 2003:

- (1) An occupation right agreement must contain a provision allowing a resident (other than a person who is a resident solely because paragraph (c) of the definition of resident applies to that person) to cancel the agreement,—
 - (a) without having to give any reason, by notice given not later than 15 working days after the agreement is signed by the resident; and
 - (b) if the agreement relates to a residential unit to be built or completed at a later date and the residential unit is not finished to the point of practical completion within 6 months after the proposed date for completion of the unit, by notice given at any time after the expiry of that 6-month period.
- (2) Notice of cancellation—
 - (a) must be in writing and in a form that indicates (irrespective of the exact words used) the intention of the resident to cancel the agreement; and
 - (b) may be given by the resident or any person authorised in writing by the resident to act on his or her behalf.
- (3) The notice may be given to—
 - (a) the operator; or
 - (b) the real estate agent or other person who dealt with the resident on behalf of the operator when the resident acquired an occupation right, unless the operator has notified the resident that the person has ceased to act on behalf of the operator; or
 - (c) any person who the operator has notified the resident is a person authorised to receive communications on behalf of the operator.
- (4) The operator is entitled to reasonable compensation for services provided to the resident under the occupation right agreement and for damage to a residential unit or any facilities in the retirement village for which the resident is responsible before the cancellation takes effect.
- (5) Despite subsection (1), an occupation right agreement may contain a cancellation provision of the kind referred to in subsection (1) that is more favourable to the resident than the provision referred to in subsection (1), but, if the agreement fails to contain any provision of the kind referred to in subsection (1) or contains a provision that is less favourable to the resident than that provision, the agreement is deemed to contain the provision referred to in subsection (1).

Definitions

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

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

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

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

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

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

resident means any of the following:

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

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

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

- (a) gardening, repair or maintenance services;
- (b) nursing or medical services;

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

OWNERSHIP, MANAGEMENT AND SUPERVISION

1. OWNERSHIP STRUCTURE AND OCCUPANCY RIGHTS

1.1. Legal Nature of Operator

The Operator is a charitable trust incorporated under the Charitable Trusts Act 1957 under number 212074.

1.2. Details of Operator

The trustees of the Operator are Mrs Margaret Ellett, Mr Martin Leak, Dr Gagrath Singh, Ms Janine Bell, Mr Nick Self, Mr Brian Somervell, Mr Nick Scott, and Ms Eleanor Briggs.

1.3. Operator's Interest in the Village

The Operator owns the underlying freehold interest in the Village land, which is registered as certificate of title number NA96B/716 (North Auckland Land Registration District).

1.4. Charges over or Interests in the Operator's Interest

The Village land is subject to a first ranking mortgage in favour of the Statutory Supervisor. The mortgage is to secure the Operator's obligations to the Residents, including the obligation to pay the Exit Payment, Parking Fee and any unaccrued portion of the Lifecare Contribution in accordance with the terms of the Residents' Occupation Licences. There is no maximum sum secured by the mortgage.

ANZ Bank New Zealand Limited has agreed to provide development funding for further construction at the Village and this has been secured by a second ranking mortgage in favour of ANZ over the Village land and a first ranking General Security Agreement. As at the date of this disclosure statement \$3,015,750 has been drawn down. The maximum amount that can be secured by these charges is \$39,110,000 for stage 3 of the redevelopment and \$11,880,000 being the residual balance carried over from stage 1 and 2 (see the stages of development of the Village described in 5.2 below).

1.5. Nature of Resident's Interest and Occupancy Rights

A Resident has no interest in the Village land.

Residents at the Village are offered a contractual licence to occupy their Residential Unit that does not grant the Resident any interest in the land relating to that Residential Unit. That Occupation Licence constitutes an Occupation Right Agreement and is secured by the mortgage in favour of the Statutory Supervisor described in 1.4 above.

1.6 Operator's Right to Require Residents to Relocate

- (a) The Resident's Occupation Right Agreement includes a right for the Operator to require a Resident to transfer to a temporary Residential Unit in the event that the Operator's redevelopment work at the Village affects the Resident's Unit.
- (b) Prior to the Operator exercising its right to require a Resident to transfer, the Operator will give you notice of the nature of the redevelopment including a plan and specifications of the Residential Unit that will replace your existing Residential Unit and at least 2 months' notice of the date of transfer.
- (c) The temporary Residential Unit must generally be of at least an equal standard to your Residential Unit.
- (d) The terms of your Occupation Right Agreement will continue to apply to your temporary Residential Unit.
- (e) Once the redevelopment is completed you will move back to your original Residential Unit.
- (f) The Operator will arrange at its cost for your relocation costs.

2. RESIDENT'S RIGHTS

2.1. Rights the Resident has

A Resident has the following rights:

Right	Details, conditions and limitations
To have a member of the Resident's family (including a de facto partner of the Resident) stay with the Resident in the Residential Unit	A Resident may have friends, relatives or other persons stay in the Residential Unit for periods not exceeding three weeks. The Operator's prior consent is required if the person stays for a longer period. The Operator may revoke this consent if the Operator considers that the arrangement may interfere with other Residents' quiet enjoyment of the Village.

Right	Details, conditions and limitations
To keep a pet in the Residential Unit	Only a bird may be kept, and only with the Operator's prior written consent. Such consent can be withdrawn at any time.
To have a person stay in the Residential Unit to mind it for the Resident whilst the Resident is away	Only with the operator's prior written consent. Such consent can be withdrawn at any time.

2.2. Rights the Resident does not have

A Resident does not have the following rights:

- To sell or market the Residential Unit. Please see paragraph 2.5 below for further information on selling and marketing the Residential Unit.
- To mortgage or otherwise borrow against the Resident's interest in the Residential Unit.
- To grant a security interest in the termination proceeds.
- To have a person stay with the Resident in the Residential Unit as a companion or carer for the Resident.
- To have a person board with the Resident in the Residential Unit.
- To let the Residential Unit to another person.

2.3. Rules

A Resident must comply with the Operator's rules for the Village. The rules may be changed by the Operator from time to time. If the Operator wishes to change the rules it will consult with the Residents and notify them of any changes before requiring Residents to comply with them. A copy of the current rules is available upon request.

2.4. Limits on living in or using the Residential Unit

Alterations

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

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

Personal Use and Occupation

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

Nuisance or Annoyance

A Resident must not do anything or allow anything to be done (within the Resident's control) which is or could be a nuisance or annoyance to other Residents or to the Operator.

Damage

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

2.5. Marketing of the Residential Unit

The Operator controls the sale and marketing of the Residential Unit when a Resident's Occupation Right Agreement terminates. Following termination, the Operator will take all reasonable steps to obtain a new Resident for the Residential Unit. The Resident does not have any control over the selling and marketing process but is entitled to introduce a new Resident.

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

The Operator will consult with the Resident about when the Residential Unit goes on the market and the general nature of the marketing plan. The Operator will keep the Resident informed of the marketing progress on a monthly basis.

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

If a new Occupation Right Agreement is not entered into within six months of termination, the Operator will obtain a valuation (at its cost) of the Residential Unit by an independent registered valuer with experience in valuing retirement village units, to establish a suitable price for marketing the Residential Unit. The Operator will market the Residential Unit at this price. If the Resident does not agree with the valuation, they have the right to obtain a second valuation performed by an independent registered valuer, at the Resident's cost. If a second valuation is obtained, the Operator will consider it when setting the price.

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

A Resident is not required to pay any costs incurred by the Operator in the selling or marketing process.

If a new Occupation Right Agreement is not entered into within 90 days of termination, then the Operator may at its absolute discretion pay the Resident the Exit Payment and the Parking Fee (if applicable and not repaid earlier) and any unaccrued portion of the Lifecare Contribution 90 days after the termination date.

2.6. Circumstances in which a Resident is entitled to a Refund

A Resident is entitled to a refund of their Licence Fee, Parking Fee and Lifecare Contribution if they exercise their rights pursuant to the Cooling-off Period. Please see paragraph 10 below for further details.

A Resident will also be entitled to a refund of their Licence Fee, Parking Fee and Lifecare Contribution if they avoid their Occupation Right Agreement under section 31(1) of the Retirement Villages Act 2003.

If an intending Resident has paid a deposit upon applying for an Occupation Right Agreement but that application does not proceed and no Occupation Right Agreement has been entered into, the Resident is entitled to a refund of that deposit but is not entitled to any interest earned on that deposit.

3. MANAGEMENT ARRANGEMENTS FOR THE VILLAGE

3.1. Details of Manager

The Operator has not delegated its duties to manage the Village to any other party.

The Operator will consult with Residents if it decides to appoint an entity as manager. However, it will not consult with Residents if it decides to employ new staff members in managerial roles.

3.2. Key Management Personnel and Staff at the Village

James Jordan (Director)
Susan F Johansen (Lifecare Manager)
David Carter (Works Manager)

3.3. Times when the Manager has Staff at the Village

Between the hours of 9.00am and 5.00pm on Monday to Friday.

3.4. Other Times the Manager can be Contacted

For emergencies – at any time, by calling 021 632 776.

3.5. Contact Details of Manager and Staff at Village

Phone (landline): 09 488 3080
Fax: 09 488 2086
Mobile: 021 632 776
Email: director@northbridge.co.nz

3.6. Experience and Core Duties of Manager

The Operator was formed in December 1972, and has acted as manager of the Village since its inception.

3.7. Legal Relationship Between Manager and Operator

The Operator is also the manager of the Village.

3.8. Residents' Committee

A residents' committee is established at the Village. The role of the residents' committee is to provide opportunities for Residents to discuss topics, to provide an information exchange aimed at promoting the harmonious development of group activities, and to maintain good communication between the board of trustees of the Operator and Residents. The Operator is not bound to incur any expenditure by any decision of the residents' committee.

4. STATUTORY SUPERVISOR

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

The core duties of a statutory supervisor are to:

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

4.1. Details of Statutory Supervisor

Trustees Executors Limited

Phone: 09 308 7100
 Fax: 09 308 7101
 Email: michael.coote@trustees.co.nz

STATE OF VILLAGE, SERVICES, CHARGES AND ACCOUNTS

5. STATE OF THE VILLAGE

5.1. Details of Village

The Village was constructed between 1976 and 1992 and is predominantly of a concrete block construction with concrete tile roofing. The Village and its facilities, paths, driveways, grounds, lighting, heating arrangements and security lighting are in a good and well-maintained condition and standard of maintenance.

5.2. Completion of Village

As at the date of this Disclosure Statement, the initial development of the Village is complete. Due to the age of the Village the Operator has determined it is appropriate that a redevelopment of the Village be undertaken. The redevelopment is taking place in 3 stages. Stage 1 was completed in April 2018 and stage 2 in November 2019.

Stage 1 involved the construction of the new Block V, which consists of:

- A basement carpark, 30 two bedroom apartments and 1 three bedroom apartments;
- Additional community facilities including a movie theatre, indoor heated pool, gymnasium and recreation room. These facilities will be available to all Village Residents.

Stage 2 involved the demolition of buildings E and F adjacent to Akoranga Drive and replacing these buildings with a new apartment building consisting of 34 two bedroom apartments and an additional recreation room available to all residents.

Stage 3 commenced in November 2019 and is scheduled for completion in November 2021 involves the demolition of existing buildings G and H on the corner of Akoranga Drive and Warehouse Way, replacing these buildings with a new building consisting of 48, two and three bedroom apartments. In addition a new recreation facility building available to all residents is scheduled for completion in September 2020

All new apartment buildings will have underground car spaces for Residents.

When complete, 109 new apartments will have been constructed and 34 existing apartments demolished being in buildings E, F, G and H, resulting in a net increase of 77 apartments. The total number of apartments in the Village is expected to increase from 198 to 273.

Redevelopment Effect:

The redevelopment means that Residents in existing buildings E, F, G and H will be required to move. The Operator will provide these Residents with a new apartment in one of the new buildings being constructed at no additional cost. The Operator will also pay for any moving costs for these Residents.

The development of stage 3 is expected to have a minor effect on Residents as these buildings are situated on the edge of the Village site adjacent to Akoranga Drive. These buildings will not affect any existing apartment views.

5.3. Residential Units at the Village

As at the date of this Disclosure Statement, there are 225 completed Residential Units, being 18 serviced apartments, 205 residential apartments and 2 guest apartments. Three units are unoccupied and available for relicensing and the remainder are occupied.

5.4. Disposals in the last 12 Months

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

Residential Unit	Time Taken to Dispose of
V015	33
L107	1
L103	50
S336	182
D471	80
D488	147
A421	30
Q341	132
M357	87
D480	33
I318	14
V016	44
D476	46
D481	61
K112	23
M262	60
N266	57

Residential Unit	Time Taken to Dispose of
D473	39
V019	6

The average time taken to dispose of occupied Residential Units was 59 days.

The average time taken to dispose of occupied serviced apartments was 67 days.

The average time taken to dispose of occupied residential apartments was 55 days.

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

Residential Unit	Time Taken to Dispose of
F124	3
E118	6
F276	7
E271	8
F121	9
F279	10
E370	14
E273	14
E274	16
F376	22
F380	23
F378	29
F377	31
E270	35
E371	37
E120	38
E272	17

Residential Unit	Time Taken to Dispose of
F280	31
E275	40
E372	53
F125	53
E373	54
F379	63
E375	65
E119	65
E374	142
F123	212
F278	226

The average time taken to dispose of unoccupied Residential Apartments was 47 days.

The average time taken to dispose of all dwellings was 52 days.

The time taken to dispose of a Residential Unit is calculated from the date that it becomes available for occupation to the settlement date.

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

6. SERVICES AND FACILITIES AT THE VILLAGE

6.1. Services Offered at the Village

The following services are offered at the Village:

Service	Details, including frequency and charges
Gardening	Gardening of the common areas of the Village is carried out by the Operator as required. The costs of this service are included in the Monthly Fee.
Lawn mowing	Lawn mowing of the common areas of the Village is carried out by the Operator as required. The costs of this service are included in the Monthly Fee.

Service	Details, including frequency and charges
Repair and maintenance	Repairs and maintenance of the common areas of the Village and the exterior of Residential Units and the Operator's Chattels is carried out by the Operator as required. Some of the costs of this service are included in the Monthly Fee. Some costs are invoiced to Residents as set out in 8.2 below.
Nursing and medical services	The Operator provides some nursing and medical services from the care co-ordinator's clinic. These services are limited to dressings, emergency calls and blood pressure checks, and are available as required by Residents between 9.00am and 5.00pm daily. The costs of this service are included in the Monthly Fee.
Provision of meals	<p>All Residents of serviced apartments are provided with dinner, the cost of which is included in the Assisted Living Payment.</p> <p>Other meals can be provided at current rates that may be obtained from the operator on request. Meals may be purchased from the café or delivered to Residents of residential apartments if the Resident is unwell. The costs of such meals are invoiced to Residents as Additional Services Costs.</p> <p>A café is available on site and is open between 8.30 and 2.30pm daily. The café is also open for evening meals from 5.45 daily. The Resident pays the café operator directly.</p>
Laundry services	The Operator provides laundry services to Residents of serviced apartments, only. Linen is laundered weekly (the costs included in the Assisted Living Payment) and personal laundry is laundered as required (the costs invoiced to Residents as Additional Services Costs).
Hairdressing and other personal care services	A hairdresser visits the Village three times a week. If a Resident uses this service, they pay the hairdresser directly.
Transport services	<p>The Village's care co-ordinator may provide transport to and from Residents' medical appointments, subject to the care co-ordinator's availability. The costs of this service are included in the Monthly Fee.</p> <p>The Operator provides a subsidised transport service to and from Milford three days a week. There is a cost to Residents who elect to use this service of a "gold coin" donation which is payable when using the service.</p>

Service	Details, including frequency and charges
Recreation and entertainment services	Residents arrange their own recreation and entertainment, but the Operator facilitates activities such as table tennis, indoor and outdoor bowls, pétanque, croquet, bridge, five-hundred, Scrabble, craft, Keep Fit, yoga, Tai Chi, socials and entertainers. The cost of this service is included in the Monthly Fee.
Security Services	The Operator arranges for security patrols at least three times nightly. The cost is included in the Monthly Fee.

6.2. Services Not Offered at the Village

The following services are not offered at the Village: shops and other services for the provision of goods.

6.3. Facilities Offered at the Village

The following facilities are offered at the Village:

Facilities	Details, including limits on availability and charges
Dining Facilities	A café is available on site and is open between 8.30 and 2.30pm daily. The café is also open for evening meals from 5.45 daily. The Resident pays the café operator directly.
Lounge or television room	Two social rooms are available for use by Residents at any time.
Laundry	Residential apartments have their own laundry facilities.
Health clinic	The care co-ordinator's clinic is available daily between 9.00am and 5.00pm, but not on Christmas Day.
Pétanque court	Available for use at any time.
Bowling green	Available for club sessions, casual use and for croquet.
Library	Available for use anytime.
Billiards saloon	Available for use at any time.
Hall	Use includes Keep Fit, indoor bowls and Tai Chi.
Art studio	Available for use at any time.
Pavilion	Available for use at any time.

Facilities	Details, including limits on availability and charges
Heated indoor swimming Pool	Available for use anytime also aqua aerobics once a week
Gymnasium	Available for use anytime
Spa Pool	Available for use anytime

The cost of providing these facilities is included in the Monthly Fee (unless otherwise specified above).

6.4. Facilities Not Offered at the Village

The Village does not have a tennis court.

7. CHARGES

7.1. Licence Fee

To secure an interest in a Residential Unit, the Resident must pay the Operator a Licence Fee and Lifecare Contribution which are shown in the Schedule attached to this Disclosure Statement. A deposit is payable when a Resident applies for the Residential Unit with the balance of the Licence Fee and Lifecare Contribution payable on settlement of the Occupation Right Agreement. The amount of the deposit is agreed between the Operator and the Resident on application.

If the Resident wishes to secure a garage or carport at the Village, the Resident must also pay a Parking Fee. Subject to availability residents in new apartment buildings who need a carpark will be allocated a carpark in the basement of their building at no cost. Carparks however will not be allocated or available to Residents who do not own a vehicle and/or hold a current driver's licence.

The Licence Fee and Lifecare Contribution depend on the Residential Unit the Resident is interested in and are set by the Operator and together reflect the market price of an Occupation Right Agreement for that Residential Unit (in the Operator's opinion). In some circumstances the Operator may be willing to negotiate these amounts with the Resident but it is not obliged to do so.

The Lifecare Contribution is set by the Operator when the Resident applies for an Occupation Right Agreement and represents a contribution towards the provision of communal Village facilities and buildings.

The Lifecare Contribution accrues on a daily basis from the Commencement Date (or such other date agreed by the Operator and the Resident and as set out in the Occupation Right Agreement), at a rate of 2% of the Lifecare Contribution per month, until the earlier of the expiry of 50 months from the Commencement Date (or other agreed date) or the Exit Payment Date.

An amount equal to the unaccrued portion of the Lifecare Contribution is paid to the Resident upon termination of the Occupation Right Agreement as detailed in paragraph 7.2 below.

The Licence Fee, Parking Fee (if applicable and not repaid earlier) and Lifecare Contribution are refundable if the Resident exercises their rights under the Cooling-off Period (see paragraph 10 below for further details), or if the Resident avoids the Occupation Right Agreement (see paragraph 2.6 above).

7.2. Exit Payment

7.2.1. After the Occupation Right Agreement is terminated, the Operator pays to the Resident the Exit Payment, which is an amount equal to the Licence Fee, plus an amount equal to the Parking Fee (if applicable and not repaid earlier), subject to the following deductions:

- (a) The outstanding balance of any payments due to the Operator under the Occupation Right Agreement;
- (b) Any actual costs of cleaning the Residential Unit, if the Resident leaves it in a less than clean and tidy condition. These costs are set by the Operator in its sole discretion upon inspection of the Residential Unit when the Resident leaves it; and
- (c) Any actual costs of reinstating or repairing any damage over and above fair wear and tear if the Resident causes it or allows it to be caused to the Residential Unit. These costs are set by the Operator in its sole discretion upon inspection of the Residential Unit when the Resident leaves it.

When the Operator pays to the Resident an amount equal to the Licence Fee plus an amount equal to the Parking Fee (if applicable and not repaid earlier) after the deductions listed above, the Operator also pays the Resident any unaccrued portion of the Lifecare Contribution.

7.2.2. Where the Occupation Right Agreement is terminated upon damage or destruction of the Residential Unit and paragraph 14.3 applies, the above payments will be adjusted as set out in that paragraph.

7.2.3. Exit Payment Date

The Operator is obliged to pay the Resident the Exit Payment and the Parking Fee (if applicable and not repaid earlier) plus or minus the additions and deductions listed above not later than five Working Days after the Operator:

- (a) Receives full settlement of a new Resident's Licence Fee and Lifecare Contribution for the Residential Unit; and
- (b) Holds an Occupation Right Agreement for the Residential Unit properly signed by the new Resident.

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

7.3. Transfer Payments

The Operator will endeavour to accommodate a request of a Resident to transfer to another Residential Unit within the Village. This will be subject to the availability of another Residential Unit and the Operator being satisfied that it will be suitable for the Resident and the Operator finding a new Resident to enter into a new Occupation Right Agreement for the Residential Unit. Before a Resident may transfer, the Operator may require at its option:

- (a) A new Resident to enter an Occupation Right Agreement in respect of the Residential Unit that the Resident is vacating and to make full payment for that Occupation Right Agreement to the Operator; and
- (b) Receipt by the Operator of an acknowledgement of termination of the Occupation Right Agreement signed by the exiting Resident (who will receive the Exit Payment less the deductions set out in the Occupation Right Agreement); and
- (c) The exiting Resident signing an Occupation Right Agreement for the new Residential Unit and paying a Licence Fee and Lifecare Contribution at the then current market rate.

A Resident will be responsible for:

- (a) All costs associated with physically moving to a new residential unit; and
- (b) Payment of his or her legal costs associated with the transfer.

7.4. Periodic Charges

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

Monthly Fee

The Monthly Fee covers the cost of a proportion of the Village Outgoings that the Operator incurs in the operation of the Village. The Resident's Occupation Right Agreement sets out details of those Village Outgoings.

The Operator may change the Monthly Fee at any time to cover any increased costs of the Village Outgoings. The Operator's policy is to review Monthly Fees annually. Any change in the Monthly Fee will only take effect no earlier than one month after the Operator has given the Resident notice of the change.

The Monthly Fee will not include any outgoings of the Village payable by the Operator for any part of the Village which is under construction or any construction works.

The Monthly Fee is payable from the Commencement Date until the date the Resident stops living in the Residential Unit. It is payable monthly.

The Operator retains the Monthly Fees it receives to cover the costs of the Village Outgoings, save that, in respect of the Monthly Fees received from Residents of serviced apartments, the Operator may retain a reasonable management fee of up to 5% of those Monthly Fees.

As at the date of this Disclosure Statement, the amount of the Monthly Fee for each Residential Unit is as follows.

Type of Residential Unit	Amount of Monthly Fee
Residential Apartment A1	\$480.00
Residential Apartment A2	\$519.00
Residential Apartment A3	\$561.00
Residential Apartment B	\$592.00
Residential Apartment C	\$609.00
Residential Apartment Y	\$648.00
Serviced Apartment (includes the Assisted Living Payment described below)	\$1,311.90

Assisted Living Payment

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

The Operator may change the Assisted Living Payment at any time to cover any increased costs of providing the selected Assisted Living Services or it may choose to alter the Assisted Living Services it offers. Any change in the Assisted Living Payment will only take effect no earlier than one month after the Operator has given the Resident notice of the change.

The Assisted Living Payment is payable from the Commencement Date until the date the Resident stops living in the Residential Unit. It is payable monthly.

The Operator retains the Assisted Living Payments it receives to cover its costs of providing the Assisted Living Services, save that the Operator may retain a reasonable management fee of up to 5% of those Assisted Living Payments.

Additional Services Costs

If a Resident requests the Operator to provide any additional services not included in the Assisted Living Services or the Village Outgoings, the Resident will pay the actual cost of providing such service. The Operator will invoice such costs to the Resident at the end of the month and they are payable no later than the 20th of the following month.

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

Other Costs

A Resident is liable to pay their utility costs relating to the Residential Unit.

If any periodic charge is not paid within five Working Days of the due date, the Operator is entitled to charge default interest on the outstanding amount at a rate of 3% per annum above the overdraft bank rate charged by the Operator's bank, until the amount is paid in full.

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

- (a) any new periodic charges; or
- (b) changing the existing periodic charges,

except as discussed above.

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

7.5. Amounts Payable for Maintenance, Rates and Insurance

Amounts payable for maintenance, rates and insurance are included in the Monthly Fee detailed above. Details of specific amounts are available on request.

7.6. Maintenance or Sinking Fund

The Village has a sinking fund to cover costs of repairs, maintenance, renovations and replacements to the Village of a substantial but infrequent or irregularly occurring nature. The amount of the Residents' contribution to the sinking fund is such reasonable sum in each financial year of the Village as the Operator determines. The costs will be payable in accordance with the maintenance plan established by the Village.

Any contributions made by a Resident to the fund are not refunded to the Resident when their Occupation Right Agreement is terminated.

The balance of the fund as at the date of this Disclosure Statement is \$20,257.

As at the date of this Disclosure Statement, the operator is planning to fund the following works from the sinking fund: refurbishments of building foyers; replacing walkway decks; replacing walkway hand rails; repainting roofs; aluminium window upgrades.

The fund can be applied for painting of buildings, replacement of roofs, carpets and flooring, kitchen cabinetry, bathroom fittings, garage doors, net curtains and other large maintenance items not necessarily met on an annual basis, and may be used for refurbishing a Residential Unit vacated because the Occupation Right Agreement for the Residential Unit has been terminated.

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

8. MAINTENANCE AND REFURBISHMENT

8.1. Operator's Maintenance Responsibilities

The Operator is responsible for maintaining the common areas and buildings of the Village (including each Residential Unit) and keeping them in good order and condition.

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

Parts of the Village were constructed before the introduction of the national standards identified in NZS 4121:2001 (Design for Access and Mobility: Buildings and Associated Facilities) and these parts of the Village may not meet all the requirements of these standards. The new buildings built as part of the redevelopment described at 5.2 above meet the standard.

8.2. Resident's Maintenance Responsibilities

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

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

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

- (a) Costs of remedying any breach by the Resident of their maintenance responsibilities; and
- (b) Costs of repairing any damage to the Residential Unit or the Operator's Chattels caused by the Resident or their guests; and
- (c) Costs of all repairs and maintenance carried out by the Operator to the interior of the Residential Unit and the Operator's Chattels during the term of the Occupation Right Agreement; and

- (d) Any other maintenance, repair or replacement costs as set out in the Resident's Occupation Right Agreement.

9. FINANCIAL ACCOUNTS

9.1. Accounts Required by Legislation

The Retirement Villages Act requires the Operator to prepare and register audited financial statements of the Operator, but not of the Village. These financial statements are prepared by the Operator and audited by BDO.

9.2. Other Accounts

The Statutory Supervisor does not require the Operator to prepare financial statements relating to the Village.

9.3. Availability of Accounts

The Operator's audited financial statements are available by searching the Village's file on the Retirement Villages Register. This can be accessed on the Companies Office website at www.companiesoffice.govt.nz under "All Registers". The financial statements are an attachment to the annual return. They are also available to all Residents and intending Residents upon request made to the Operator or the Operator's staff or agents.

OCCUPATION RIGHT AGREEMENTS, TERMINATIONS, DEDUCTIONS AND ESTIMATED FINANCIAL RETURNS

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

10.1. Section 28 of Retirement Villages Act 2003

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

10.2. Cancellation Provisions in Occupation Right Agreement

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

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

11. VARYING OCCUPATION RIGHT AGREEMENT

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

12. TERMINATION OF OCCUPATION RIGHT AGREEMENT

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

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

12.2. Charges Payable after Termination

The Resident is liable to pay certain deductions after termination, as detailed in paragraph 7.2 above.

12.3. Capital Gain and Capital Loss

Capital Gain

A Resident is not entitled to any capital gain when a new Resident enters into an Occupation Right Agreement for the Residential Unit.

Capital Loss

A Resident is not liable for any capital loss when a new Resident enters into an Occupation Right Agreement for the Residential Unit.

13. ESTIMATED FINANCIAL RETURN ON DISPOSAL OF RESIDENTIAL UNIT

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

14. RESPONSIBILITIES FOR INSURANCE

14.1. Operator's Insurance Responsibilities

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

The Operator holds the following insurance policies:

- Comprehensive full replacement insurance in respect of all retirement village property, capital improvements, and additional fittings provided by Residents up to the sum insured;
- Business interruption insurance;
- Motor vehicle insurance;
- General liability / employer's liability / statutory liability insurance; and
- Boiler explosion insurance.

All policies are subject to excesses. In the case of natural disasters the excess is 2.5% of the site value (to a minimum of \$2,500).

14.2. Resident's Insurance Responsibilities

The Resident is strongly recommended to (but is not required to) insure their personal belongings for loss and damage under an appropriate policy. The Resident is required to insure any vehicle they keep at the Village under an appropriate policy. Regardless of whether the Resident holds such insurance, the Operator is not responsible for any loss or damage to the Resident's belongings or vehicle.

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

- (a) reimburse the Operator for any insurance policy excess, where such loss or damage is covered by the Operator's insurance. As at the date of this Disclosure Statement the excess is \$100.
- (b) compensate and reimburse the Operator in full, where such loss or damage is not covered by the Operator's insurance.

14.3. Damage or destruction of the Residential Unit

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

- (a) If the Residential Unit becomes uninhabitable following a Damage Event which is not as a result of any of the Resident's, or their visitors', acts or omissions, the accrual of the Lifecare Contribution will be suspended from the date of the Damage Event (unless the Operator is providing temporary accommodation to the Resident, in which case the accrual shall continue) until the Residential Unit or its replacement is ready for occupation by the Resident following repair or replacement.
- (b) If the Residential Unit becomes uninhabitable following a Damage Event which is not as a result of any of the Resident's, or their visitors', acts or omissions, the Monthly Fee and the Assisted Living Payment will each be suspended from the date of the Damage Event until the Residential Unit or its replacement is ready for occupation by the Resident following repair or replacement. If the Operator is providing temporary accommodation to the Resident, the Resident will pay the actual cost of personal services and outgoings relating to that temporary accommodation.
- (c) If, following a Damage Event, the Operator decides it is not practicable to repair or replace the Residential Unit the Occupation Right Agreement is automatically terminated (unless paragraph (d) below applies), and the Operator will pay the Resident the Exit Payment and Parking Fee (if applicable and not repaid earlier) together with an amount equal to the Lifecare Contribution, less any amounts due to the Operator (see paragraph 7.2).

- (d) If, following a decision not to repair or replace the Residential Unit as set out in paragraph (c) above, the Operator offers the Resident an option to transfer to another Residential Unit (either pre-existing or yet to be constructed) in the Village and the Resident does not accept such offer, the usual Exit Payment provisions and deductions as set out in paragraph 7.2 will apply.

15. MOVING INTO REST HOME OR HOSPITAL CARE FACILITIES IN VILLAGE

A Care Facility with 96 beds is located in the Village and currently offers hospital (35 beds), rest home (45 beds) and dementia care (16 beds). A Resident is entitled, if they request it and if the Operator considers it necessary and there are suitable facilities available, to short term rest home care. A Resident will meet their costs in connection with such care. If the Resident has been assessed as requiring long term residential care or hospital care and the Operator has suitable facilities, the Operator will use its best endeavours to give the Resident priority over other applicants who are not residents in the village. The Resident will be responsible for meeting their costs of residential care, dementia or hospital care including premium room charges if applicable.

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

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

If the Resident would like their spouse or partner to become a Resident of the Residential Unit pursuant to an Occupation Right Agreement, the Operator will require the original Occupation Right Agreement to be terminated and replaced with a new Occupation Right Agreement. The Operator may choose not to charge the usual termination amounts but reserves its right to charge an administration fee and recover its legal or consulting costs in relation to such arrangement.

17. DOCUMENTS AVAILABLE TO RESIDENTS AND INTENDING RESIDENTS

Copies of the following documents are available to Residents or intending Residents upon request. Requests can be made to the Operator or the Operator's staff or agents.

- (a) Audited financial statements of the Operator;
- (b) Sample of the Occupation Right Agreement;
- (c) The rules relating to the Village; and
- (d) Deed of Supervision between the Operator and the Statutory Supervisor dated 25 January 2008.

GLOSSARY

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

Term	Meaning
<i>Cooling-off Period</i>	The period in which a Resident is entitled to cancel the Occupation Right Agreement and receive a full refund. See paragraph 10 for further details.
<i>Occupation Right Agreement</i>	The document which sets out a Resident's right to occupy a Residential Unit at the Village. It also specifies the terms and conditions of to which that occupation right is subject. In relation to this Village, the Occupation Right Agreement is in the form of an Occupation Licence.
<i>Operator</i>	Northbridge Lifecare Trust, being the entity liable to fulfil the obligations under the Occupation Right Agreements to Residents.
<i>Operator's Chattels</i>	Those chattels identified as such in the Resident's Occupation Right Agreement or otherwise identified as such to the Resident.
<i>Resident</i>	A person or persons who have entered into an Occupation Right Agreement in respect of a Residential Unit at the Village.
<i>Residential Unit</i>	A serviced apartment, residential apartment or guest apartment at the Village which is used for the accommodation of a Resident and includes any appurtenances or improvements usually enjoyed with the Residential Unit.
<i>Statutory Supervisor</i>	Trustees Executors Limited. Further details of the Statutory Supervisor's role are provided at paragraph 4 above.
<i>Village</i>	The retirement village known as Northbridge Lifecare Trust, including the Residential Units and all communal areas and facilities used by the Residents.

SCHEDULE

Specific Information for a Particular Resident

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

Resident's Names:

Residential Unit Number:

Licence Fee: \$

Parking Fee (if applicable): \$

Lifecare Contribution: \$

Assisted Living Payment (if applicable): \$

Monthly Fee: \$

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

Term	Licence Fee (Parking Fee if applicable) and Lifecare Contribution Total	Exit Payment (Licence Fee, Parking Fee if applicable plus any unaccrued portion of Lifecare Contribution)	Estimated Financial Return
Two years	\$ plus \$ Total \$	\$ plus \$	\$
Five years	\$ plus \$ Total \$	\$ plus NIL	\$
Ten years	\$ plus \$ Total \$	\$ plus NIL	\$

The above information is provided on the assumptions that:

- (a) the Resident's Licence Fee, Parking Fee (if applicable) and Lifecare Contribution are as set out above;
- (b) the accrual of the Lifecare Contribution is calculated in accordance with the Occupation Right Agreement and there has been no Damage Event (as detailed in paragraph 14.3);

- (c) the Garage or Carport is not surrendered earlier than the Termination Date;
- (d) no deductions from the Exit Payment (as detailed in paragraph 7.2 above and as calculated in accordance with the Occupation Right Agreement) are required to be made.

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