

Code of Residents' Rights



BASIC RIGHTS OF RESIDENTS

This is a summary of the basic rights given to residents by the Retirement Villages Act 2003.

Services and Other Benefits

You have the right to services and other benefits promised to you in your Occupation Right Agreement.

Information

You have the right to information relating to any matters affecting, or likely to affect the terms or conditions of your residency.

Consultation

You have the right to be consulted by the Operator about any proposed changes in the services and benefits provided of the changes that you pay that will or might have material impact on you:

- a) Occupancy; or
- b) Ability to pay for the services and benefits provided.

Right to Complain

You have the right to complain to the Operator and to receive a response within a reasonable time.

Disputes

You have the right to a speedy and efficient process for resolving a dispute within a reasonable time.

Use of Support Person or Representative

You have the right, in your dealings with the Operator or other residents of the village, to involve a support person or person to represent you. The cost of involving a support person or person to represent you must be met by you.

Right to be treated with courtesy and have rights respected

You have the right to be treated with courtesy and have your rights respected by the Operator, the people who work at the village and the people who provide services at the village.

Right not to be exploited

You have the right not to be exploited by the Operator, the people who work at the village and the people who provide services at the village.

YOUR OBLIGATIONS

Your rights exist alongside the rights of the other residents and the rights of the Operator, the people who work in the village and the people who provide services at the village. In the same way that these people are expected to respect your rights, it is expected that you in return will respect their rights and treat them with courtesy.

OPERATORS CONTACT PERSON

If you want more information about your rights or wish to make a complaint against the Operator or another resident, the Operators contact is Tony Sands on 03 307 9080.

OTHER CONTACT PERSONS

Other contact persons, if you wish to make a complaint about a breach of your rights are:

- a) The Statutory Supervisor – Covenant Trustee Services; or
- b) The Registrar of Retirement Villages.

INFORMATION

The Retirement Commissioner publishes information on the Code of Residents' Rights and Disputes Procedures available under the Retirement Village Act 2003 that may assist to resolve your complaint.

Role of the Statutory Supervisor Pursuant to the Retirement Villages Act 2003



A Statutory Supervisor is approved by the Registrar of Retirement Villages to carry out its duties pursuant to the Retirement Villages Act 2003.

A Statutory Supervisor is appointed by the village Operator. The contract appointing the Statutory Supervisor is the Deed of Supervision.

The responsibilities of the Statutory Supervisor are set out in:

- The Retirement Villages Act 2003
- Retirement Villages (General) Regulations 2006
- The Code of Practice 2008
- The Code of Residents Rights
- The Deed of Supervision
- Other village documentation (e.g. Memorandum of Encumbrance and Security Sharing Deed)

The principle duties of a Statutory Supervisor are:

- To provide a stakeholder facility for intending residents for deposits and progress payments
- To monitor the financial position of the Retirement Village
- To monitor the security of the interests of Residents
- To monitor the management of the Retirement Village

The principle powers of the Statutory Supervisor include the power to:

- Direct the Operator to supply all residents with information if may specify
- Direct the Operator to operate the Retirement Village in a specific manner
- Apply to the Court for orders under Section 49 of the Securities Act 1978
- Direct that advertisements including the Disclosure Statement not be published or distributed
- Make a public statement with the consent of the Registrar of Retirement Villages
- Require the Operator to provide information relating to the financial position, security of the interest of residents, or management of the Retirement Village
- Require the Auditor to answer questions or provide information in relation to the Retirement Village

The Statutory Supervisor must exercise reasonable care and skill to ascertain whether the financial position, security interests of residents' and the management are adequate. If it believes they are inadequate it must do everything it is empowered to do under Section 43 unless it is satisfied the inadequacy does not materially prejudice the interests of the residents of the village.

In practice the Statutory Supervisor's responsibilities include:

1. Negotiating initial terms and structures to protect the interests of residents and to establish an appropriate monitoring regime.
2. Holding a First Charge Security over the Retirement Village's land title(s) on behalf of all residents.
3. Reviewing the financial structure and performance and where applicable assessing the sales and debt services ability, reviewing any forecasts for reasonableness, approval of loans and security arrangements and controlling distributions.
4. Monitoring the covenants of the documentation with respect to the provision of community facilities and services.
5. Reviewing six monthly and annual financial statements of the village and possibly other financial information if the village is under development or has high debt level.
6. Receiving and reviewing formal reports on a quarterly basis from the 4 Directors of the Operator confirming that no matters have arisen which would cause concern or has high debt level.

Role of the Statutory Supervisor Pursuant to the Retirement Villages Act 2003



7. Acting as stakeholder for deposits and other monies paid in respect of the Occupation Right Agreement and checking termination calculations. Covenant Trustee Services Limited processes the settlement of the Occupation Right Agreements and the settlement of terminated Occupation Right Agreements through its Trust Account which is subject to external audit.
8. Calling meetings of the Residents should this be required or if this is requested by 10% of the Residents of a Retirement Village and attending meetings at the request of the Residents Committee.
9. Appointing a person to chair all formal meetings of the Residents.
10. Attending and reporting to the Annual Meeting of the Retirement Village.
11. Representing in the interests of Residents in matters affecting the village, at the request of Residents as instructed at a General Meeting or on its own volition.
12. Negotiating with financiers when a village is in difficulty and facilitate a smooth transition to new ownership where this is required.
13. If required, accessing the accounting records of the Operator and/or requesting specialist reports in matters affecting the Retirement Village from Lawyers, Auditors and other professionals.
14. Receiving complaints about breach of Residents' rights in accordance with the Code of Residents Rights.
15. Generally promote the welfare and security of Residents.

GENERAL

In addition the Statutory Supervisor will review the Disclosure Statement which is issued under the Retirement Villages Act 2003 to see that the information is consistent with the Retirement Village's other documentation and information that may be available to the Statutory Supervisor. The Operator of the village is primarily responsible for the contents of the Disclosure Statement.

Our practice is to work in a consultative role in liaising between Management and Residents of a Retirement Village. This usually ensures that problems which may arise are dealt with promptly.

Covenant Trustee Services Limited seeks to meet periodically with Residents and/or the Residents Committee between Annual Meetings in order to remain informed on matters relating to the village. The frequency and style of such meetings will vary depending upon the nature and circumstances of the village.

Expression of Interest



The Manager
Lochlea Lifestyle Resort
25A/25 Charlesworth Drive
ASHBURTON 7700

.....
Title First Names Surname

.....
Title First Names Surname

Address:

.....

.....

Phone: or

I/We wish to express my/our interest in a Villa yet to be built at Lochlea Lifestyle Resort.

I am/We are interested in villa no.

I/We understand the Occupation Licence payment will be \$.....

As confirmation of this interest a deposit of \$..... is attached to be held on my/our behalf with Covenant Trustee Services Limited.

I/We understand this expression of interest can be cancelled at any time and the full deposit plus any interest accrued will be refunded.

I/We understand that by signing this form, I/We are not in any way committed to proceeding with an application for a Villa.

..... Dated: / /

..... Dated: / /

Our Promise to You



- There are no hidden fees.
- When your Villa is sold we will pay you a minimum of 75% of your entry payment.
- Any increase in your weekly fixed fee will be linked to the increase in the Consumer Price Index.
- Your Villa is protected from security over any debts.
- Our Residents will be granted priority access to our Care Facility.
- The village contribution is set at 25% of the entry payment.
- The weekly fee and village contribution will cease the month you leave the village.
- If a new resident has not settled within six months of you vacating your villa, we will pay you interest on the amount due which will be included with your termination proceeds.
- If you move into your villa and change your mind within the first 90 days we will give you your money back.

Licence to Occupy



A Licence to Occupy gives you the right to live in the villa or apartment for your lifetime and the right to use and enjoy, in common with others, the land, buildings and facilities intended for common use in the village.

On termination of the Occupation Licence a village contribution is payable. The village contribution is calculated at 6.25% per annum of the purchase price over the first four years of occupancy, limited to 25% of the purchase price. There is also an option for capital gains that enables a resident to share in any increase in value of the villa at the time the villa is sold. Full details of this scheme are available in a copy of the Occupation Licence.

The Statutory Supervisor is the Covenant Trustee Services and they hold a Memorandum of Encumbrance over that part of the land on which the villas are built. This secures the interests of the residents pursuant to the Deed of Supervision. The Retirement Villages Association, of which Lochlea Lifestyle Resort will become an accredited member, also protects the interests of residents.

Further details are available in a copy of the Occupation Licence and Disclosure.

WEEKLY FEE

The weekly fee pays for the communal services provided and includes the following:

- Rates
- Insurance (dwelling)
- Village Bus
- Security Patrols (if required)
- Rubbish Removal
- Lawn and Garden Maintenance
- 24 Hour Emergency Call Facility to Lochlea Lifestyle Resort
- Repairs and Maintenance to the exterior of your dwelling
- Lochlea Lodge gas, electricity, cleaning and maintenance

The weekly fee is determined annually and increases to existing residents are limited to a formula based on the annual Consumer Price Index (CPI) of New Zealand. No alterations will occur without consultation with the Statutory Supervisor, Covenant Trustee Services Limited.

To view villa plans and find out more, visit: www.lochlearesort.co.nz

Frequently Asked Questions



Q. Can my family and friends visit me at Lochlea Lifestyle Resort?

A. Yes. Definitely. Your dwelling is your home and your visitors are most welcome to visit and use the village amenities with you.

Q. What happens to my home when I go on holiday?

A. We will care for your home and garden while you are away for short or extended periods. We ask to be advised of any extended absence and any change of plans which you may make while you are away.

Q. Can I rent or lease out my home?

A. No. The dwelling is for the sole use of the person(s) named in the Occupation Licence and their visitors.

Q. Is there a 24 Hour Emergency facility?

A. All homes are equipped with an emergency call system which is connected 24 hours a day with a staff member on duty. The call system is located in Lochlea Lodge. If the staff member leaves the Lodge at any time they will have a phone with them to receive all calls including emergency calls. In the event that the staff member is unavailable the call will be transferred to the emergency call centre who will respond immediately. Response calls will be either by phone or visit or both.

Q. Can I bring a pet?

A. Yes. Subject to village Management approval at the time of your application, your current cat, caged bird or small dog will definitely be considered.

Q. Can I have my own garden?

A. We encourage residents to take an active role in the creation of their gardens. You can do as little or as much as you like. The village gardeners will also look after your garden along with the village grounds and gardens. Residents have an option of their own raised vegetable planter box adjacent to their villa.

Q. What other expenses will I be responsible for?

A. In addition to your weekly fee you are responsible for electricity, telephone, SKY and contents insurance accounts and also for the interior maintenance of your home. The village has its own electricity network which provides residents with a reduced bulk rate.

Q. Is there regular financial reporting to residents?

A. Yes. The annual financial reports are available to all residents. These include the past year's village outgoings, financial statements and the budgets for the coming year. The accounts are reviewed by the company Auditor and the Statutory Supervisor.

Q. What community facilities are available?

A. Lochlea Lifestyle Resort consists of a residents lounge, dining area, pool table, café/bar, kitchen, library, hairdresser, health room, craft room, indoor bowls, meeting room and chapel. The indoor heated swimming pool is a tepid 12 metre long pool. There is also a spa and changing rooms. A modern gymnasium with a generous selection of equipment. Outdoor facilities include a full size bowling green, putting green, petanque piste and croquet lawn.

Q. If I have a complaint, who do I raise it with?

A. You may speak to the Lochlea Lifestyle Resort Management about any complaints. Covenant Trustee Services and the Retirement Villages Association are available to residents and will assist with any issues not able to be remedied by the village Management. A Residents Committee will also take any complaints to Management on your behalf.

Benefits of Living in Lochlea Lifestyle Resort



Security

Safe and secure environment with security gates and fences and evening security patrols.

Controlled Weekly Fee

Residents know in advance the maximum increase is linked to the CPI.

Companionship

Organised activities and events including housie, mah-jong, indoor bowls, trips and live shows.

Meals

Special occasions for residents and guests and a regular meal delivery.

Continuing Care

Nursing services, showering services and medication services can all be arranged for you.

Organised Trips

Within New Zealand and Overseas.

Transportation

Resort bus – shopping trips, outings to local places of interest, events and functions.

On Site Services

A Hairdresser, Podiatrist, Physiotherapist, Massage and Beautician and exercise advisers are available.

In Home Packages

Cleaning, laundry and rubbish removal.

Full Garden Maintenance

Regular lawn mowing, plant replacement and weeding.

Worry Free Living

All of these services create peace of mind.

Freedom to enjoy own interests

With no house or garden maintenance, residents spend their time pursuing their own interests, new and existing.

Facilities & Activities

Continue access to a wide range including a heated pool, spa pool, gymnasium, library, lounge, snooker table, hobby/craft room, all weather bowling green, putting green, petanque piste and croquet lawn.