

# AGREEMENT FOR SALE AND PURCHASE OF REAL ESTATE

This form is approved by the Real Estate Institute of New Zealand Incorporated and by Auckland District Law Society Incorporated.

**DATE:****VENDOR:** TMB Limited**PURCHASER:**

and/or nominee

The vendor is registered under the GST Act in respect of the transaction evidenced by this agreement and/or will be so registered at settlement:

**Yes/No****PROPERTY**

Address: The James Subdivision, Three Mile Bush Road, Kamo, Whangarei

Estate: **FREEHOLD** ~~LEASEHOLD~~ ~~STRATUM IN FREEHOLD~~  
~~STRATUM IN LEASEHOLD~~ **CROSS-LEASE (FREEHOLD)** ~~CROSS-LEASE (LEASEHOLD)~~

If none of the above are deleted, the estate being sold is the first option of freehold.

Legal Description:

**Area (more or less):** Lot/Flat/Unit: **DP:** **Record of Title (unique identifier):**  
The land comprising approximately m2 more or less (subject to final survey) and shown as Lot on the proposed scheme plan annexed as schedule 2 and being part of the land currently contained in record of title NA53D/1030 (or any pre-allocated record of title to be issued in substitution for this land).

**PAYMENT OF PURCHASE PRICE****Purchase price:** \$**Plus GST (if any) OR Inclusive of GST (if any)**  
If neither is deleted, the purchase price includes GST (if any).**GST date (refer clause 13.0):****Deposit (refer clause 2.0):** \$ Fifteen (15) per cent of the purchase price paid to the vendor's solicitor trust account upon signing of this agreement by both parties**Balance of purchase price to be paid or satisfied as follows:**

(1) By payment in cleared funds on the settlement date which is 5 working days after issue of title

OR

(2) ~~In the manner described in the Further Terms of Sale.~~**Interest rate for late settlement:** 16 % p.a.**CONDITIONS (refer clause 9.0)**

<b>Finance required (subclause 9.1):</b>	<b>Yes/No</b>	<b>OIA consent required (subclause 9.6):</b>	<b>Yes/No</b>
<b>Finance date:</b>		<b>OIA date (subclause 9.8):</b>	
<b>LIM required (subclause 9.3):</b>	<b>Yes/No</b>	<b>Land Act consent required (subclause 9.7):</b>	<b>Yes/No</b>
<b>Building report required (subclause 9.4):</b>	<b>Yes/No</b>	<b>Land Act date (subclause 9.8):</b>	
<b>Toxicology report required (subclause 9.5):</b>	<b>Yes/No</b>		

**TENANCIES****Name of Tenant(s):****Yes/No**~~Particulars of any tenancies are set out in Schedule 3 or another schedule attached to this agreement by the parties.~~**SALE BY:**

Licensed Real Estate Agent under Real Estate Agents Act 2008

It is agreed that the vendor sells and the purchaser purchases the property, and the chattels listed in Schedule 2, on the terms set out above and in the General Terms of Sale and any Further Terms of Sale.

# GENERAL TERMS OF SALE

## 1.0 Definitions, time for performance, notices, and interpretation

### 1.1 Definitions

- (1) Unless the context requires a different interpretation, words and phrases not otherwise defined have the same meanings ascribed to those words and phrases in the Goods and Services Tax Act 1985, the Property Law Act 2007, the Resource Management Act 1991 or the Unit Titles Act 2010.
- (2) "Accessory unit", "owner", "principal unit", "unit", and "unit plan" have the meanings ascribed to those terms in the Unit Titles Act.
- (3) "Agreement" means this document including the front page, these General Terms of Sale, any Further Terms of Sale, and any schedules and attachments.
- (4) "Associated person", "conveyancer", "offshore RLWT person", "residential land purchase amount", "RLWT", "RLWT certificate of exemption" and "RLWT rules" have the meanings ascribed to those terms in the Income Tax Act 2007.
- (5) "Building", "building consent", "code compliance certificate", "commercial on-seller", "compliance schedule" and "household unit" have the meanings ascribed to those terms in the Building Act.
- (6) "Building Act" means the Building Act 1991 and/or the Building Act 2004.
- (7) "Building warrant of fitness" means a building warrant of fitness supplied to a territorial authority under the Building Act.
- (8) "Cleared funds" means:
  - (a) An electronic transfer of funds that has been made strictly in accordance with the requirements set out in the PLS Guidelines; or
  - (b) A bank cheque, but only in the circumstances permitted by the PLS Guidelines and only if it has been paid strictly in accordance with the requirements set out in the PLS Guidelines.
- (9) "Commissioner" has the meaning ascribed to that term in the Tax Administration Act 1994.
- (10) "Default GST" means any additional GST, penalty (civil or otherwise), interest, or other sum imposed on the vendor (or where the vendor is or was a member of a GST group its representative member) under the GST Act or the Tax Administration Act 1994 by reason of non-payment of any GST payable in respect of the supply made under this agreement but does not include any such sum levied against the vendor (or where the vendor is or was a member of a GST group its representative member) by reason of a default or delay by the vendor after payment of the GST to the vendor by the purchaser.
- (11) "Electronic instrument" has the same meaning as ascribed to that term in the Land Transfer Act 2017.
- (12) "Going concern", "goods", "principal place of residence", "recipient", "registered person", "registration number", "supply", "taxable activity" and "taxable supply" have the meanings ascribed to those terms in the GST Act.
- (13) "GST" means Goods and Services Tax arising pursuant to the Goods and Services Tax Act 1985 and "GST Act" means the Goods and Services Tax Act 1985.
- (14) "Landonline Workspace" means an electronic workspace facility approved by the Registrar-General of Land pursuant to the provisions of the Land Transfer Act 2017.
- (15) "Leases" means any tenancy agreement, agreement to lease (if applicable), lease, sublease, or licence to occupy in respect of the property, and includes any receipt or other evidence of payment of any bond and any formal or informal document or letter evidencing any variation, renewal, extension, review, or assignment.
- (16) "LIM" means a land information memorandum issued pursuant to the Local Government Official Information and Meetings Act 1987.
- (17) "LINZ" means Land Information New Zealand.
- (18) "Local authority" means a territorial authority or a regional council.
- (19) "OIA consent" means consent to purchase the property under the Overseas Investment Act 2005.
- (20) "PLS Guidelines" means the most recent edition, as at the date of this agreement, of the Property Transactions and E-Dealing Practice Guidelines prepared by the Property Law Section of the New Zealand Law Society.
- (21) "Proceedings" means any application to any court or tribunal or any referral or submission to mediation, adjudication or arbitration or any other dispute resolution procedure.
- (22) "Property" means the property described in this agreement.
- (23) "Purchase price" means the total purchase price stated in this agreement which the purchaser has agreed to pay the vendor for the property and the chattels included in the sale.
- (24) "Regional council" means a regional council within the meaning of the Local Government Act 2002.
- (25) "Remote settlement" means settlement of the sale and purchase of the property by way of the purchaser's lawyer paying the moneys due and payable on the settlement date directly into the trust account of the vendor's lawyer, in consideration of the vendor agreeing to meet the vendor's obligations under subclause 3.8(2), pursuant to the protocol for remote settlement recommended in the PLS Guidelines.
- (26) "Residential (but not otherwise sensitive) land" has the meaning ascribed to that term in the Overseas Investment Act 2005.
- (27) "Rules" means body corporate operational rules under the Unit Titles Act.
- (28) "Secure web document exchange" means an electronic messaging service enabling messages and electronic documents to be posted by one party to a secure website to be viewed by the other party immediately after posting.
- (29) "Settlement" means (unless otherwise agreed by the parties in writing) the moment in time when the vendor and purchaser have fulfilled their obligations under subclause 3.8.
- (30) "Settlement date" means the date specified as such in this agreement.
- (31) "Settlement statement" means a statement showing the purchase price, plus any GST payable by the purchaser in addition to the purchase price, less any deposit or other payments or allowances to be credited to the purchaser, together with apportionments of all incomings and outgoings apportioned at the settlement date.
- (32) "Tax information" and "tax statement" have the meanings ascribed to those terms in the Land Transfer Act 2017.
- (33) "Territorial authority" means a territorial authority within the meaning of the Local Government Act 2002.
- (34) "Title" includes where appropriate a record of title within the meaning of the Land Transfer Act 2017.

- (35) "Unit title" means a unit title under the Unit Titles Act.
- (36) "Unit Titles Act" means the Unit Titles Act 2010.
- (37) "Working day" means any day of the week other than:
- Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, and Labour Day;
  - if Waitangi Day or Anzac Day falls on a Saturday or Sunday, the following Monday;
  - a day in the period commencing on the 24th day of December in any year and ending on the 5th day of January (or in the case of subclause 9.3(2) the 15th day of January) in the following year, both days inclusive; and
  - the day observed as the anniversary of any province in which the property is situated.
- A working day shall be deemed to commence at 9.00 am and to terminate at 5.00 pm.

1.2 Unless a contrary intention appears on the front page or elsewhere in this agreement:

- the interest rate for late settlement is equivalent to the interest rate charged by the Inland Revenue Department on unpaid tax under the Tax Administration Act 1994 during the period for which the interest rate for late settlement is payable, plus 5% per annum; and
- a party is in default if it did not do what it has contracted to do to enable settlement to occur, regardless of the cause of such failure.

1.3 Time for Performance

- Where the day nominated for settlement or the fulfilment of a condition is not a working day, then the settlement date or the date for fulfilment of the condition shall be the last working day before the day so nominated.
- Any act done pursuant to this agreement by a party, including service of notices, after 5.00 pm on a working day, or on a day that is not a working day, shall be deemed to have been done at 9.00 am on the next succeeding working day.
- Where two or more acts done pursuant to this agreement, including service of notices, are deemed to have been done at the same time, they shall take effect in the order in which they would have taken effect but for subclause 1.3(2).

1.4 Notices

The following apply to all notices between the parties relevant to this agreement, whether authorised by this agreement or by the general law:

- All notices must be served in writing.
- Any notice under section 28 of the Property Law Act 2007, where the purchaser is in possession of the property, must be served in accordance with section 353 of that Act.
- All other notices, unless otherwise required by the Property Law Act 2007, must be served by one of the following means:
  - on the party as authorised by sections 354 to 361 of the Property Law Act 2007, or
  - on the party or on the party's lawyer:
    - by personal delivery; or
    - by posting by ordinary mail; or
    - by email; or
    - in the case of the party's lawyer only, by sending by document exchange or, if both parties' lawyers have agreed to subscribe to the same secure web document exchange for this agreement, by secure web document exchange.
- In respect of the means of service specified in subclause 1.4(3)(b), a notice is deemed to have been served:
  - in the case of personal delivery, when received by the party or at the lawyer's office;
  - in the case of posting by ordinary mail, on the third working day following the date of posting to the address for service notified in writing by the party or to the postal address of the lawyer's office;
  - in the case of email:
    - when sent to the email address provided for the party or the party's lawyer on the back page; or
    - any other email address notified subsequently in writing by the party or the party's lawyer (which shall supersede the email address on the back page); or
    - if no such email address is provided on the back page or notified subsequently in writing, the office email address of the party's lawyer's firm appearing on the firm's letterhead or website;
  - in the case of sending by document exchange, on the second working day following the date of sending to the document exchange number of the lawyer's office;
  - in the case of sending by secure web document exchange, on the first working day following the date of sending to the secure web document exchange.
- Any period of notice required to be given under this agreement shall be computed by excluding the day of service.

1.5 Interpretation

- If there is more than one vendor or purchaser, the liability of the vendors or of the purchasers, as the case may be, is joint and several.
- Where the purchaser executes this agreement with provision for a nominee, or as agent for an undisclosed or disclosed but unidentified principal, or on behalf of a company to be formed, the purchaser shall at all times remain liable for all obligations on the part of the purchaser.
- If any inserted term (including any Further Terms of Sale) conflicts with the General Terms of Sale the inserted term shall prevail.
- Headings are for information only and do not form part of this agreement.
- References to statutory provisions shall be construed as references to those provisions as they may be amended or re-enacted or as their application is modified by other provisions from time to time.

**2.0 Deposit**

- 2.1 The purchaser shall pay the deposit to the vendor or the vendor's agent immediately upon execution of this agreement by both parties and/or at such other time as is specified in this agreement.

- 2.2 If the deposit is not paid on the due date for payment, the vendor may at any time thereafter serve on the purchaser notice requiring payment. If the purchaser fails to pay the deposit on or before the third working day after service of the notice, time being of the essence, the vendor may cancel this agreement by serving notice of cancellation on the purchaser. No notice of cancellation shall be effective if the deposit has been paid before the notice of cancellation is served.
- 2.3 The deposit shall be in part payment of the purchase price.
- 2.4 The person to whom the deposit is paid shall hold it as a stakeholder until:
- (1) the requisition procedure under clause 6.0 is completed without either party cancelling this agreement; and
  - (2) where this agreement is entered into subject to any condition(s) expressed in this agreement, each such condition has been fulfilled or waived; and
  - (3) where the property is a unit title:
    - (a) a pre-settlement disclosure statement, certified correct by the body corporate, under section 147 of the Unit Titles Act; and
    - (b) an additional disclosure statement under section 148 of the Unit Titles Act (if requested by the purchaser within the time prescribed in section 148(2)),have been provided to the purchaser by the vendor within the times prescribed in those sections or otherwise the purchaser has given notice under section 149(2) of the Unit Titles Act to postpone the settlement date until after the disclosure statements have been provided; or
  - (4) this agreement is:
    - (a) cancelled pursuant to:
      - (i) subclause 6.2(3)(c); or
      - (ii) sections 36 or 37 of the Contract and Commercial Law Act 2017; or
    - (b) avoided pursuant to subclause 9.10(5); or
  - (5) where the property is a unit title and the purchaser, having the right to cancel this agreement pursuant to section 151(2) of the Unit Titles Act, has cancelled this agreement pursuant to that section, or has elected not to cancel by giving notice to the vendor, or by completing settlement of the purchase.
- 2.5 Where the person to whom the deposit is paid is a real estate agent, the period for which the agent must hold the deposit as a stakeholder pursuant to subclause 2.4 shall run concurrently with the period for which the agent must hold the deposit under section 123 of the Real Estate Agents Act 2008, but the agent must hold the deposit for the longer of those two periods, or such lesser period as is agreed between the parties in writing as required by section 123 of the Real Estate Agents Act 2008, but in no event shall the deposit be released prior to the expiry of the requisition period under clause 6.0, unless the requisition period is expressly waived in writing after the effect of the same is explained to the purchaser by the agent or by the purchaser's lawyer or conveyancer.

### 3.0 Possession and Settlement

#### Possession

- 3.1 Unless particulars of a tenancy are included in this agreement, the property is sold with vacant possession and the vendor shall so yield the property on the settlement date.
- 3.2 If the property is sold with vacant possession, then subject to the rights of any tenants of the property, the vendor shall permit the purchaser or any person authorised by the purchaser in writing, upon reasonable notice:
- (1) to enter the property on one occasion prior to the settlement date for the purposes of examining the property, chattels and fixtures which are included in the sale; and
  - (2) to re-enter the property no later than the day prior to the settlement date to confirm compliance by the vendor with any agreement made by the vendor to carry out any work on the property, the chattels and the fixtures.
- 3.3 Possession shall be given and taken on the settlement date. Outgoings and incomings in respect of the settlement date are the responsibility of and belong to the vendor.
- 3.4 On the settlement date, the vendor shall make available to the purchaser keys to all exterior doors that are locked by key, electronic door openers to all doors that are opened electronically, and the keys and/or security codes to any alarms. The vendor does not have to make available keys, electronic door openers, and security codes where the property is tenanted and these are held by the tenant.

#### Settlement

- 3.5 The vendor shall prepare, at the vendor's own expense, a settlement statement. The vendor shall tender the settlement statement to the purchaser or the purchaser's lawyer a reasonable time prior to the settlement date.
- 3.6 The purchaser's lawyer shall:
- (1) within a reasonable time prior to the settlement date create a Landonline Workspace for the transaction, notify the vendor's lawyer of the dealing number allocated by LINZ, and prepare in that workspace a transfer instrument in respect of the property; and
  - (2) prior to settlement:
    - (a) lodge in that workspace the tax information contained in the transferee's tax statement; and
    - (b) certify and sign the transfer instrument.
- 3.7 The vendor's lawyer shall:
- (1) within a reasonable time prior to the settlement date prepare in that workspace all other electronic instruments required to confer title on the purchaser in terms of the vendor's obligations under this agreement; and
  - (2) prior to settlement:
    - (a) lodge in that workspace the tax information contained in the transferor's tax statement; and
    - (b) have those instruments and the transfer instrument certified, signed and, where possible, pre-validated.

- 3.8 On the settlement date:
- (1) the balance of the purchase price, interest and other moneys, if any, shall be paid by the purchaser in cleared funds or otherwise satisfied as provided in this agreement (credit being given for any amount payable by the vendor under subclause 3.12 or 3.13, or for any deduction allowed to the purchaser under subclause 5.2, or for any compensation agreed by the vendor in respect of a claim made by the purchaser pursuant to subclause 10.2(1), or for any interim amount the purchaser is required to pay to a stakeholder pursuant to subclause 10.8);
  - (2) the vendor's lawyer shall immediately thereafter:
    - (a) release or procure the release of the transfer instrument and the other instruments mentioned in subclause 3.7(1) so that the purchaser's lawyer can then submit them for registration;
    - (b) pay to the purchaser's lawyer the LINZ registration fees on all of the instruments mentioned in subclause 3.7(1), unless these fees will be invoiced to the vendor's lawyer by LINZ directly; and
    - (c) deliver to the purchaser's lawyer any other documents that the vendor must provide to the purchaser on settlement in terms of this agreement, including where this agreement provides for the property to be sold tenanted, all leases relating to the tenancy that are held by the vendor and a notice from the vendor to each tenant advising them of the sale of the property and directing them to pay to the purchaser as landlord, in such manner as the purchaser may prescribe, all rent or other moneys payable under the leases.
- 3.9 All obligations under subclause 3.8 are interdependent.
- 3.10 The parties shall complete settlement by way of remote settlement, provided that where payment by bank cheque is permitted under the PLS Guidelines, payment may be made by the personal delivery of a bank cheque to the vendor's lawyer's office, so long as it is accompanied by the undertaking from the purchaser's lawyer required by those Guidelines.

#### **Last-Minute Settlement**

- 3.11 If due to the delay of the purchaser, settlement takes place between 4.00 pm and 5.00 pm on the settlement date ("last-minute settlement"), the purchaser shall pay the vendor:
- (1) one day's interest at the interest rate for late settlement on the portion of the purchase price paid in the last-minute settlement; and
  - (2) if the day following the last-minute settlement is not a working day, an additional day's interest (calculated in the same manner) for each day until, but excluding, the next working day.

#### **Purchaser Default: Late Settlement**

- 3.12 If any portion of the purchase price is not paid upon the due date for payment, then, provided that the vendor provides reasonable evidence of the vendor's ability to perform any obligation the vendor is obliged to perform on that date in consideration for such payment:
- (1) the purchaser shall pay to the vendor interest at the interest rate for late settlement on the portion of the purchase price so unpaid for the period from the due date for payment until payment ("the default period"); but nevertheless, this stipulation is without prejudice to any of the vendor's rights or remedies including any right to claim for additional expenses and damages. For the purposes of this subclause, a payment made on a day other than a working day or after the termination of a working day shall be deemed to be made on the next following working day and interest shall be computed accordingly; and
  - (2) the vendor is not obliged to give the purchaser possession of the property or to pay the purchaser any amount for remaining in possession, unless this agreement relates to a tenanted property, in which case the vendor must elect either to:
    - (a) account to the purchaser on settlement for incomings in respect of the property which are payable and received during the default period, in which event the purchaser shall be responsible for the outgoings relating to the property during the default period; or
    - (b) retain such incomings in lieu of receiving interest from the purchaser pursuant to subclause 3.12(1).
  - (3) if the parties are unable to agree upon any amount payable under this subclause 3.12, either party may make a claim under clause 10.0.

#### **Vendor Default: Late Settlement or Failure to Give Possession**

- 3.13 (1) For the purposes of this subclause 3.13:
- (a) the default period means:
    - (i) in subclause 3.13(2), the period from the settlement date until the date when the vendor is able and willing to provide vacant possession and the purchaser takes possession; and
    - (ii) in subclause 3.13(3), the period from the date the purchaser takes possession until the date when settlement occurs; and
    - (iii) in subclause 3.13(5), the period from the settlement date until the date when settlement occurs; and
  - (b) the vendor shall be deemed to be unwilling to give possession if the vendor does not offer to give possession.
- (2) If this agreement provides for vacant possession but the vendor is unable or unwilling to give vacant possession on the settlement date, then, provided that the purchaser provides reasonable evidence of the purchaser's ability to perform the purchaser's obligations under this agreement:
- (a) the vendor shall pay the purchaser, at the purchaser's election, either:
    - (i) compensation for any reasonable costs incurred for temporary accommodation for persons and storage of chattels during the default period; or
    - (ii) an amount equivalent to interest at the interest rate for late settlement on the entire purchase price during the default period; and

- (b) the purchaser shall pay the vendor an amount equivalent to the interest earned or which would be earned on overnight deposits lodged in the purchaser's lawyer's trust bank account on such portion of the purchase price (including any deposit) as is payable under this agreement on or by the settlement date but remains unpaid during the default period less:
- (i) any withholding tax; and
  - (ii) any bank or legal administration fees and commission charges; and
  - (iii) any interest payable by the purchaser to the purchaser's lender during the default period in respect of any mortgage or loan taken out by the purchaser in relation to the purchase of the property.
- (3) If this agreement provides for vacant possession and the vendor is able and willing to give vacant possession on the settlement date, then, provided the purchaser provides reasonable evidence of the purchaser's ability to perform the purchaser's obligations under this agreement, the purchaser may elect to take possession in which case the vendor shall not be liable to pay any interest or other moneys to the purchaser but the purchaser shall pay the vendor the same amount as that specified in subclause 3.13(2)(b) during the default period. A purchaser in possession under this subclause 3.13(3) is a licensee only.
- (4) Notwithstanding the provisions of subclause 3.13(3), the purchaser may elect not to take possession when the purchaser is entitled to take it. If the purchaser elects not to take possession, the provisions of subclause 3.13(2) shall apply as though the vendor were unable or unwilling to give vacant possession on the settlement date.
- (5) If this agreement provides for the property to be sold tenanted then, provided that the purchaser provides reasonable evidence of the purchaser's ability to perform the purchaser's obligations under this agreement, the vendor shall on settlement account to the purchaser for incomings which are payable and received in respect of the property during the default period less the outgoings paid by the vendor during that period. Apart from accounting for such incomings, the vendor shall not be liable to pay any other moneys to the purchaser but the purchaser shall pay the vendor the same amount as that specified in subclause 3.13(2)(b) during the default period.
- (6) The provisions of this subclause 3.13 shall be without prejudice to any of the purchaser's rights or remedies including any right to claim for any additional expenses and damages suffered by the purchaser.
- (7) If the parties are unable to agree upon any amount payable under this subclause 3.13, either party may make a claim under clause 10.0.

#### Deferment of Settlement and Possession

##### 3.14 If

- (1) this is an agreement for the sale by a commercial on-seller of a household unit; and
  - (2) a code compliance certificate has not been issued by the settlement date in relation to the household unit,
- then, unless the parties agree otherwise (in which case the parties shall enter into a written agreement in the form (if any) prescribed by the Building (Forms) Regulations 2004), the settlement date shall be deferred to the fifth working day following the date upon which the vendor has given the purchaser notice that the code compliance certificate has been issued (which notice must be accompanied by a copy of the certificate).

3.15 In every case, if neither party is ready, willing, and able to settle on the settlement date, the settlement date shall be deferred to the third working day following the date upon which one of the parties gives notice it has become ready, willing, and able to settle.

##### 3.16 If

- (1) the property is a unit title;
- (2) the settlement date is deferred pursuant to either subclause 3.14 or subclause 3.15; and
- (3) the vendor considers on reasonable grounds that an extension of time is necessary or desirable in order for the vendor to comply with the warranty by the vendor in subclause 8.2(3),

then the vendor may extend the settlement date:

- (a) where there is a deferment of the settlement date pursuant to subclause 3.14, to the tenth working day following the date upon which the vendor gives the purchaser notice that the code compliance certificate has been issued, provided the vendor gives notice of the extension to the purchaser no later than the second working day after such notice; or
- (b) where there is a deferment of the settlement date pursuant to subclause 3.15, to the tenth working day following the date upon which one of the parties gives notice that it has become ready, willing, and able to settle, provided the vendor gives notice of the extension to the purchaser no later than the second working day after such notice.

#### New Title Provision

##### 3.17 (1) Where

- (a) the transfer of the property is to be registered against a new title yet to be issued; and
- (b) a search copy, as defined in section 60 of the Land Transfer Act 2017, of that title is not obtainable by the tenth working day prior to the settlement date,

then, unless the purchaser elects that settlement shall still take place on the agreed settlement date, the settlement date shall be deferred to the tenth working day following the later of the date on which:

- (i) the vendor has given the purchaser notice that a search copy is obtainable; or
- (ii) the requisitions procedure under clause 6.0 is complete.

- (2) Subclause 3.17(1) shall not apply where it is necessary to register the transfer of the property to enable a plan to be deposited and title to the property to be issued.

## 4.0 Residential Land Withholding Tax

4.1 If the vendor does not have a conveyancer or the vendor and the purchaser are associated persons, then:

- (1) the vendor must provide the purchaser or the purchaser's conveyancer, on or before the second working day before the due date for payment of the first residential land purchase amount payable under this agreement, with:
  - (a) sufficient information to enable the purchaser or the purchaser's conveyancer to determine to their reasonable satisfaction whether section 54C of the Tax Administration Act 1994 applies to the sale of the property; and

- (b) if the purchaser or the purchaser's conveyancer determines to their reasonable satisfaction that section 54C of the Tax Administration Act 1994 does apply, all of the information required by that section and either an RLWT certificate of exemption in respect of the sale or otherwise such other information that the purchaser or the purchaser's conveyancer may reasonably require to enable the purchaser or the purchaser's conveyancer to determine to their reasonable satisfaction the amount of RLWT that must be withheld from each residential land purchase amount;
- (2) the vendor shall be liable to pay any costs reasonably incurred by the purchaser or the purchaser's conveyancer in relation to RLWT, including the cost of obtaining professional advice in determining whether there is a requirement to withhold RLWT and the amount of RLWT that must be withheld, if any; and
- (3) any payments payable by the purchaser on account of the purchase price shall be deemed to have been paid to the extent that:
  - (a) RLWT has been withheld from those payments by the purchaser or the purchaser's conveyancer as required by the RLWT rules; and
  - (b) any costs payable by the vendor under subclause 4.1(2) have been deducted from those payments by the purchaser or the purchaser's conveyancer.
- 4.2 If the vendor does not have a conveyancer or the vendor and the purchaser are associated persons and if the vendor fails to provide the information required under subclause 4.1(1), then the purchaser may:
  - (1) defer the payment of the first residential land purchase amount payable under this agreement (and any residential land purchase amount that may subsequently fall due for payment) until such time as the vendor supplies that information; or
  - (2) on the due date for payment of that residential land purchase amount, or at any time thereafter if payment has been deferred by the purchaser pursuant to this subclause and the vendor has still not provided that information, treat the sale of the property as if it is being made by an offshore RLWT person where there is a requirement to pay RLWT.
- 4.3 If pursuant to subclause 4.2 the purchaser treats the sale of the property as if it is being made by an offshore RLWT person where there is a requirement to pay RLWT, the purchaser or the purchaser's conveyancer may:
  - (1) make a reasonable assessment of the amount of RLWT that the purchaser or the purchaser's conveyancer would be required by the RLWT rules to withhold from any residential land purchase amount if the sale is treated in that manner; and
  - (2) withhold that amount from any residential land purchase amount and pay it to the Commissioner as RLWT.
- 4.4 Any amount withheld by the purchaser or the purchaser's conveyancer pursuant to subclause 4.3 shall be treated as RLWT that the purchaser or the purchaser's conveyancer is required by the RLWT rules to withhold.
- 4.5 The purchaser or the purchaser's conveyancer shall give notice to the vendor a reasonable time before payment of any sum due to be paid on account of the purchase price of:
  - (1) the costs payable by the vendor under subclause 4.1(2) that the purchaser or the purchaser's conveyancer intends to deduct; and
  - (2) the amount of RLWT that the purchaser or the purchaser's conveyancer intends to withhold.

## 5.0 Risk and insurance

- 5.1 The property and chattels shall remain at the risk of the vendor until possession is given and taken.
- 5.2 If, prior to the giving and taking of possession, the property is destroyed or damaged, and such destruction or damage has not been made good by the settlement date, then the following provisions shall apply:
  - (1) if the destruction or damage has been sufficient to render the property untenable and it is untenable on the settlement date, the purchaser may:
    - (a) complete the purchase at the purchase price, less a sum equal to any insurance moneys received or receivable by or on behalf of the vendor in respect of such destruction or damage, provided that no reduction shall be made to the purchase price if the vendor's insurance company has agreed to reinstate for the benefit of the purchaser to the extent of the vendor's insurance cover; or
    - (b) cancel this agreement by serving notice on the vendor in which case the vendor shall return to the purchaser immediately the deposit and any other moneys paid by the purchaser, and neither party shall have any right or claim against the other arising from this agreement or its cancellation;
  - (2) if the property is not untenable on the settlement date, the purchaser shall complete the purchase at the purchase price less a sum equal to the amount of the diminution in value of the property which, to the extent that the destruction or damage to the property can be made good, shall be deemed to be equivalent to the reasonable cost of reinstatement or repair;
  - (3) in the case of a property zoned for rural purposes under an operative District Plan, damage to the property shall be deemed to have rendered the property untenable where the diminution in value exceeds an amount equal to 20% of the purchase price; and
  - (4) if the amount of the diminution in value is disputed, the parties shall follow the same procedure as that set out in subclause 10.8 for when an amount of compensation is disputed.
- 5.3 The purchaser shall not be required to take over any insurance policies held by the vendor.

## 6.0 Title, boundaries and requisitions

- 6.1 The vendor shall not be bound to point out the boundaries of the property except that on the sale of a vacant residential lot which is not limited as to parcels the vendor shall ensure that all boundary markers required by the Cadastral Survey Act 2002 and any related rules and regulations to identify the boundaries of the property are present in their correct positions at the settlement date.
- 6.2 (1) The purchaser is deemed to have accepted the vendor's title except as to objections or requisitions which the purchaser is entitled to make and notice of which the purchaser serves on the vendor on or before the earlier of:
  - (a) the tenth working day after the date of this agreement; or
  - (b) the settlement date.

- (2) Where the transfer of the property is to be registered against a new title yet to be issued, the purchaser is deemed to have accepted the title except as to such objections or requisitions which the purchaser is entitled to make and notice of which the purchaser serves on the vendor on or before the fifth working day following the date the vendor has given the purchaser notice that the title has been issued and a search copy of it as defined in section 60 of the Land Transfer Act 2017 is obtainable.
- (3) If the vendor is unable or unwilling to remove or comply with any objection or requisition as to title, notice of which has been served on the vendor by the purchaser, then the following provisions will apply:
- the vendor shall notify the purchaser (“a vendor’s notice”) of such inability or unwillingness on or before the fifth working day after the date of service of the purchaser’s notice;
  - if the vendor does not give a vendor’s notice the vendor shall be deemed to have accepted the objection or requisition and it shall be a requirement of settlement that such objection or requisition shall be complied with before settlement;
  - if the purchaser does not on or before the fifth working day after service of a vendor’s notice notify the vendor that the purchaser waives the objection or requisition, either the vendor or the purchaser may (notwithstanding any intermediate negotiations) by notice to the other, cancel this agreement.

6.3 In the event of cancellation under subclause 6.2(3), the purchaser shall be entitled to the immediate return of the deposit and any other moneys paid under this agreement by the purchaser and neither party shall have any right or claim against the other arising from this agreement or its cancellation. In particular, the purchaser shall not be entitled to any interest or to the expense of investigating the title or to any compensation whatsoever.

- 6.4 (1) If the title to the property being sold is a cross-lease title or a unit title and there are:
- in the case of a cross-lease title:
    - alterations to the external dimensions of any leased structure; or
    - buildings or structures not intended for common use which are situated on any part of the land that is not subject to a restricted use covenant;
  - in the case of a unit title, encroachments out of the principal unit or accessory unit title space (as the case may be);
- then the purchaser may requisition the title under subclause 6.2 requiring the vendor:
- in the case of a cross-lease title, to deposit a new plan depicting the buildings or structures and register a new cross-lease or cross-leases (as the case may be) and any other ancillary dealings in order to convey good title; or
  - in the case of a unit title, to deposit an amendment to the unit plan, a redevelopment plan or new unit plan (as the case may be) depicting the principal and/or accessory units and register such transfers and any other ancillary dealings in order to convey good title.
- (2) The words “alterations to the external dimensions of any leased structure” shall only mean alterations which are attached to the leased structure and enclosed.

6.5 The vendor shall not be liable to pay for or contribute towards the expense of erection or maintenance of any fence between the property and any contiguous land of the vendor but this proviso shall not enure for the benefit of any subsequent purchaser of the contiguous land; and the vendor shall be entitled to require the inclusion of a fencing covenant to this effect in any transfer of the property.

## 7.0 Vendor’s warranties and undertakings

- 7.1 The vendor warrants and undertakes that at the date of this agreement the vendor has not:
- received any notice or demand and has no knowledge of any requisition or outstanding requirement:
    - from any local or government authority or other statutory body; or
    - under the Resource Management Act 1991; or
    - from any tenant of the property; or
    - from any other party; or
  - given any consent or waiver, which directly or indirectly affects the property and which has not been disclosed in writing to the purchaser.
- 7.2 The vendor warrants and undertakes that at the date of this agreement the vendor has no knowledge or notice of any fact which might result in proceedings being instituted by or against the vendor or the purchaser in respect of the property.
- 7.3 The vendor warrants and undertakes that at settlement:
- The chattels included in the sale listed in Schedule 2 and all plant, equipment, systems or devices which provide any services or amenities to the property, including, without limitation, security, heating, cooling, or air-conditioning, are delivered to the purchaser in reasonable working order, but in all other respects in their state of repair as at the date of this agreement (fair wear and tear excepted) but failure to do so shall only create a right of compensation.
  - All electrical and other installations on the property are free of any charge whatsoever and all chattels included in the sale are the unencumbered property of the vendor.
  - There are no arrears of rates, water rates or charges outstanding on the property and where the property is subject to a targeted rate that has been imposed as a means of repayment of any loan, subsidy or other financial assistance made available by or through the local authority, the amount required to remove the imposition of that targeted rate has been paid.
  - Where an allowance has been made by the vendor in the settlement statement for incomings receivable, the settlement statement correctly records those allowances including, in particular, the dates up to which the allowances have been made.
  - Where the vendor has done or caused or permitted to be done on the property any works:
    - any permit, resource consent, or building consent required by law was obtained; and
    - to the vendor’s knowledge, the works were completed in compliance with those permits or consents; and
    - where appropriate, a code compliance certificate was issued for those works.
  - Where under the Building Act, any building on the property sold requires a compliance schedule:
    - the vendor has fully complied with any requirements specified in any compliance schedule issued by a territorial authority under the Building Act in respect of the building;
    - the building has a current building warrant of fitness; and

- (c) the vendor is not aware of any reason, that the vendor has not disclosed in writing to the purchaser, which would prevent a building warrant of fitness from being supplied to the territorial authority when the building warrant of fitness is next due.
- (7) Since the date of this agreement, the vendor has not given any consent or waiver which directly or indirectly affects the property.
- (8) Any notice or demand received by the vendor, which directly or indirectly affects the property, after the date of this agreement:
- (a) from any local or government authority or other statutory body; or
  - (b) under the Resource Management Act 1991; or
  - (c) from any tenant of the property; or
  - (d) from any other party,
- has been delivered forthwith by the vendor to either the purchaser or the purchaser's lawyer, unless the vendor has paid or complied with such notice or demand. If the vendor fails to so deliver or pay the notice or demand, the vendor shall be liable for any penalty incurred.
- 7.4 If the property is or includes part only of a building, the warranty and undertaking in subclause 7.3(6) does not apply. Instead the vendor warrants and undertakes at the date of this agreement that, where under the Building Act the building of which the property forms part requires a compliance schedule:
- (1) to the vendor's knowledge, there has been full compliance with any requirements specified in any compliance schedule issued by a territorial authority under the Building Act in respect of the building;
  - (2) the building has a current building warrant of fitness; and
  - (3) the vendor is not aware of any reason, that the vendor has not disclosed in writing to the purchaser, which would prevent a building warrant of fitness from being supplied to the territorial authority when the building warrant of fitness is next due.
- 7.5 The vendor warrants and undertakes that on or immediately after settlement:
- (1) If the water and wastewater charges are determined by meter, the vendor will have the water meter read and will pay the amount of the charge payable pursuant to that reading; but if the water supplier will not make special readings, the water and wastewater charges shall be apportioned.
  - (2) Any outgoings included in the settlement statement are paid in accordance with the settlement statement and, where applicable, to the dates shown in the settlement statement, or will be so paid immediately after settlement.
  - (3) The vendor will give notice of sale in accordance with the Local Government (Rating) Act 2002 to the territorial authority and regional council in whose district the land is situated and will also give notice of the sale to every other authority that makes and levies rates or charges on the land and to the supplier of water.
  - (4) Where the property is a unit title, the vendor will notify the body corporate in writing of the transfer of the property and the name and address of the purchaser.

## 8.0 Unit title and cross-lease provisions

### Unit Titles

- 8.1 If the property is a unit title, sections 144 to 153 of the Unit Titles Act require the vendor to provide to the purchaser a pre-contract disclosure statement, a pre-settlement disclosure statement and, if so requested by the purchaser, an additional disclosure statement.
- 8.2 If the property is a unit title, the vendor warrants and undertakes as follows:
- (1) The information in the pre-contract disclosure statement provided to the purchaser was complete and correct.
  - (2) Apart from regular periodic contributions, no contributions have been levied or proposed by the body corporate that have not been disclosed in writing to the purchaser.
  - (3) Not less than five working days before the settlement date, the vendor will provide:
    - (a) a certificate of insurance for all insurances effected by the body corporate under the provisions of section 135 of the Unit Titles Act; and
    - (b) a pre-settlement disclosure statement from the vendor, certified correct by the body corporate, under section 147 of the Unit Titles Act. Any periodic contributions to the operating account shown in that pre-settlement disclosure statement shall be apportioned. There shall be no apportionment of contributions to any long-term maintenance fund, contingency fund or capital improvement fund.
  - (4) There are no other amounts owing by the owner under any provision of the Unit Titles Act.
  - (5) There are no unsatisfied judgments against the body corporate and no proceedings have been instituted against or by the body corporate.
  - (6) No order or declaration has been made by any Court against the body corporate or the owner under any provision of the Unit Titles Act.
  - (7) The vendor has no knowledge or notice of any fact which might result in:
    - (a) the owner or the purchaser incurring any other liability under any provision of the Unit Titles Act; or
    - (b) any proceedings being instituted by or against the body corporate; or
    - (c) any order or declaration being sought against the body corporate or the owner under any provision of the Unit Titles Act.
  - (8) The vendor is not aware of proposals to pass any body corporate resolution relating to its rules nor are there any unregistered changes to the body corporate rules which have not been disclosed in writing to the purchaser.
  - (9) No lease, licence, easement, or special privilege has been granted by the body corporate in respect of any part of the common property which has not been disclosed in writing to the purchaser.
  - (10) No resolution has been passed and no application has been made and the vendor has no knowledge of any proposal for:
    - (a) the transfer of the whole or any part of the common property;
    - (b) the addition of any land to the common property;
    - (c) the cancellation of the unit plan; or

(d) the deposit of an amendment to the unit plan, a redevelopment plan, or a new unit plan in substitution for the existing unit plan,

which has not been disclosed in writing to the purchaser.

(11) As at settlement, all contributions and other moneys payable by the vendor to the body corporate have been paid in full.

8.3 If the property is a unit title and if the vendor does not provide the certificates of insurance and the pre-settlement disclosure statement under section 147 of the Unit Titles Act in accordance with the requirements of subclause 8.2(3), then in addition to the purchaser's rights under sections 149 and 150 of the Unit Titles Act, the purchaser may:

- (1) postpone the settlement date until the fifth working day following the date on which that information is provided to the purchaser; or
- (2) elect that settlement shall still take place on the settlement date.

8.4 If the property is a unit title, each party specifies that:

- (1) any email address of that party's lawyer provided on the back page of this agreement, or notified subsequently in writing by that party's lawyer shall be an address for service for that party for the purposes of section 205(1)(d) of the Unit Titles Act; and
- (2) if that party is absent from New Zealand, that party's lawyer shall be that party's agent in New Zealand for the purposes of section 205(2) of the Unit Titles Act.

8.5 If the property is a unit title, any costs owing by the purchaser to the vendor pursuant to section 148(5) of the Unit Titles Act for providing an additional disclosure statement shall be included in the moneys payable by the purchaser on settlement pursuant to subclause 3.8(1). Such costs may be deducted from the deposit if the purchaser becomes entitled to a refund of the deposit upon cancellation or avoidance of this agreement.

8.6 Unauthorised Structures – Cross-Leases and Unit Titles

- (1) Where structures (not stated in clause 6.0 to be requisitionable) have been erected on the property without:
  - (a) in the case of a cross-lease title, any required lessors' consent; or
  - (b) in the case of a unit title, any required body corporate consent,
 the purchaser may demand within the period expiring on the earlier of:
  - (i) the tenth working day after the date of this agreement; or
  - (ii) the settlement date,
 that the vendor obtain the written consent of the current lessors or the body corporate (as the case may be) to such improvements ("a current consent") and provide the purchaser with a copy of such consent on or before the settlement date.
- (2) Should the vendor be unwilling or unable to obtain a current consent, then the procedure set out in subclauses 6.2(3) and 6.3 shall apply, with the purchaser's demand under subclause 8.6(1) being deemed to be an objection and requisition.

## 9.0 Conditions and mortgage terms

9.1 Finance condition

- (1) If the purchaser has identified that finance is required on the front page of this agreement, this agreement is conditional upon the purchaser arranging finance for such amount as the purchaser may require from a bank or other lending institution of the purchaser's choice on terms and conditions satisfactory to the purchaser in all respects on or before the finance date.
- (2) If the purchaser avoids this agreement for failing to arrange finance in terms of subclause 9.1(1), the purchaser must provide a satisfactory explanation of the grounds relied upon by the purchaser, together with supporting evidence, immediately upon request by the vendor.

9.2 Mortgage terms

- (1) Any mortgage to be arranged pursuant to a finance condition shall be upon and subject to the terms and conditions currently being required by the lender in respect of loans of a similar nature.

9.3 LIM condition

- (1) If the purchaser has indicated on the front page of this agreement that a LIM is required:
  - (a) that LIM is to be obtained by the purchaser at the purchaser's cost;
  - (b) the purchaser is to request the LIM on or before the fifth working day after the date of this agreement; and
  - (c) this agreement is conditional upon the purchaser approving that LIM, provided that such approval must not be unreasonably or arbitrarily withheld.
- (2) If, on reasonable grounds, the purchaser does not approve the LIM, the purchaser shall give notice to the vendor ("the purchaser's notice") on or before the fifteenth working day after the date of this agreement stating the particular matters in respect of which approval is withheld and, if those matters are capable of remedy, what the purchaser reasonably requires to be done to remedy those matters. If the purchaser does not give a purchaser's notice the purchaser shall be deemed to have approved the LIM. If through no fault of the purchaser, the LIM is not available on or before the fifteenth working day after the date of this agreement and the vendor does not give an extension when requested, this condition shall not have been fulfilled and the provisions of subclause 9.10(5) shall apply.
- (3) The vendor shall give notice to the purchaser ("the vendor's notice") on or before the fifth working day after receipt of the purchaser's notice advising whether or not the vendor is able and willing to comply with the purchaser's notice by the settlement date.
- (4) If the vendor does not give a vendor's notice, or if the vendor's notice advises that the vendor is unable or unwilling to comply with the purchaser's notice, and if the purchaser does not, on or before the tenth working day after the date on which the purchaser's notice is given, give notice to the vendor that the purchaser waives the objection to the LIM, this condition shall not have been fulfilled and the provisions of subclause 9.10(5) shall apply.
- (5) If the vendor gives a vendor's notice advising that the vendor is able and willing to comply with the purchaser's notice, this condition is deemed to have been fulfilled, and it shall be a requirement of settlement that the purchaser's notice shall be complied with, and also, if the vendor must carry out work on the property, that the vendor shall obtain the approval of the territorial authority to the work done, both before settlement.

- 9.4 Building report condition
- (1) If the purchaser has indicated on the front page of this agreement that a building report is required, this agreement is conditional upon the purchaser obtaining at the purchaser's cost on or before the fifteenth working day after the date of this agreement a report on the condition of the buildings and any other improvements on the property that is satisfactory to the purchaser, on the basis of an objective assessment.
  - (2) The report must be prepared in good faith by a suitably-qualified building inspector in accordance with accepted principles and methods and it must be in writing.
  - (3) Subject to the rights of any tenants of the property, the vendor shall allow the building inspector to inspect the property at all reasonable times upon reasonable notice for the purposes of preparation of the report.
  - (4) The building inspector may not carry out any invasive testing in the course of inspection without the vendor's prior written consent.
  - (5) If the purchaser avoids this agreement for non-fulfilment of this condition pursuant to subclause 9.10(5), the purchaser must provide the vendor immediately upon request with a copy of the building inspector's report.
- 9.5 Toxicology report condition
- (1) If the purchaser has indicated on the front page of this agreement that a toxicology report is required, this agreement is conditional upon the purchaser obtaining at the purchaser's cost on or before the fifteenth working day after the date of this agreement, a toxicology report on the property that is satisfactory to the purchaser, on the basis of an objective assessment.
  - (2) The purpose of the toxicology report shall be to detect whether the property has been contaminated by the preparation, manufacture or use of drugs including, but not limited to, methamphetamine.
  - (3) The report must be prepared in good faith by a suitably-qualified inspector using accepted principles and methods and it must be in writing.
  - (4) Subject to the rights of any tenants of the property, the vendor shall allow the inspector to inspect the property at all reasonable times upon reasonable notice for the purposes of carrying out the testing and preparation of the report.
  - (5) The inspector may not carry out any invasive testing in the course of the inspection without the vendor's prior written consent.
  - (6) If the purchaser avoids this agreement for non-fulfilment of this condition pursuant to subclause 9.10(5), the purchaser must provide the vendor immediately upon request with a copy of the inspector's report.
- 9.6 OIA consent condition
- (1) If the purchaser has indicated on the front page of this agreement that OIA consent is required, this agreement is conditional upon OIA consent being obtained on or before the OIA date shown on the front page of this agreement on terms and conditions that are satisfactory to the purchaser, acting reasonably, the purchaser being responsible for payment of the application fee.
  - (2) If the purchaser has indicated on the front page of this agreement that OIA consent is not required, or has failed to indicate whether it is required, then the purchaser warrants that the purchaser does not require OIA consent.
- 9.7 If this agreement relates to a transaction to which the Land Act 1948 applies, this agreement is conditional upon the vendor obtaining the necessary consent by the Land Act date shown on the front page of this agreement.
- 9.8 If the Land Act date or OIA date is not shown on the front page of this agreement that date shall be the settlement date or a date 65 working days from the date of this agreement whichever is the sooner, except where the property comprises residential (but not otherwise sensitive) land in which case that date shall be the settlement date or a date 20 working days from the date of this agreement, whichever is the sooner.
- 9.9 Resource Management Act condition
- (1) If this agreement relates to a transaction to which section 225 of the Resource Management Act 1991 applies then this agreement is subject to the appropriate condition(s) imposed by that section.
- 9.10 Operation of conditions
- If this agreement is expressed to be subject either to the above or to any other condition(s), then in relation to each such condition the following shall apply unless otherwise expressly provided:
- (1) The condition shall be a condition subsequent.
  - (2) The party or parties for whose benefit the condition has been included shall do all things which may reasonably be necessary to enable the condition to be fulfilled by the date for fulfilment.
  - (3) Time for fulfilment of any condition and any extended time for fulfilment to a fixed date shall be of the essence.
  - (4) The condition shall be deemed to be not fulfilled until notice of fulfilment has been served by one party on the other party.
  - (5) If the condition is not fulfilled by the date for fulfilment, either party may at any time before the condition is fulfilled or waived avoid this agreement by giving notice to the other. Upon avoidance of this agreement, the purchaser shall be entitled to the immediate return of the deposit and any other moneys paid by the purchaser under this agreement and neither party shall have any right or claim against the other arising from this agreement or its termination.
  - (6) At any time before this agreement is avoided, the purchaser may waive any finance condition and either party may waive any other condition which is for the sole benefit of that party. Any waiver shall be by notice.

## 10.0 Claims for compensation

- 10.1 If the purchaser has not purported to cancel this agreement, the breach by the vendor of any term of this agreement does not defer the purchaser's obligation to settle, but that obligation is subject to the provisions of this clause 10.0.
- 10.2 The provisions of this clause apply if:
- (1) the purchaser claims a right to compensation for:
    - (a) a breach of any term of this agreement; or
    - (b) a misrepresentation; or
    - (c) a breach of section 9 or section 14 of the Fair Trading Act 1986; or
    - (d) an equitable set-off, or

- (2) there is a dispute between the parties regarding any amounts payable:
- (a) under subclause 3.12 or subclause 3.13; or
  - (b) under subclause 5.2.
- 10.3 To make a claim under this clause 10.0:
- (1) the claimant must serve notice of the claim on the other party on or before the last working day prior to the settlement date (except for claims made after the settlement date for amounts payable under subclause 3.12 or subclause 3.13, in respect of which the claimant may serve notice of the claim on the other party at any time after a dispute arises over those amounts); and
  - (2) the notice must:
    - (a) state the particular breach of the terms of the agreement, or the claim under subclause 3.12, subclause 3.13 or subclause 5.2, or for misrepresentation, or for breach of section 9 or section 14 of the Fair Trading Act 1986, or for an equitable set-off; and
    - (b) state a genuine pre-estimate of the loss suffered by the claimant; and
    - (c) be particularised and quantified to the extent reasonably possible as at the date of the notice.
- 10.4 If the claimant is unable to give notice under subclause 10.3 in respect of claims under subclause 10.2(1) or subclause 10.2(2)(b) by the settlement date by reason of the conduct or omission of the other party, the notice may be served on or before the working day immediately preceding the last working day on which settlement must take place under a settlement notice served by either party under subclause 11.1.
- 10.5 If the amount of compensation is agreed, it shall be deducted from or added to the amount to be paid by the purchaser on settlement.
- 10.6 If the purchaser makes a claim for compensation under subclause 10.2(1) but the vendor disputes the purchaser's right to make that claim, then:
- (1) the vendor must give notice to the purchaser within three working days after service of the purchaser's notice under subclause 10.3, time being of the essence; and
  - (2) the purchaser's right to make the claim shall be determined by an experienced property lawyer or an experienced litigator appointed by the parties. If the parties cannot agree on the appointee, the appointment shall be made on the application of either party by the president for the time being of the New Zealand Law Society. The appointee's costs shall be met by the party against whom the determination is made.
- 10.7 If the purchaser makes a claim for compensation under subclause 10.2(1) and the vendor fails to give notice to the purchaser pursuant to clause 10.6, the vendor is deemed to have accepted that the purchaser has a right to make that claim.
- 10.8 If it is accepted, or determined under subclause 10.6, that the purchaser has a right to claim compensation under subclause 10.2(1) but the amount of compensation claimed is disputed, or if the claim is made under subclause 10.2(2) and the amount of compensation claimed is disputed, then:
- (1) an interim amount shall be paid on settlement by the party required to a stakeholder until the amount of the claim is determined;
  - (2) if the parties cannot agree on a stakeholder, the interim amount shall be paid to a stakeholder nominated on the application of either party by the president for the time being of the New Zealand Law Society;
  - (3) the interim amount must be a reasonable sum having regard to all of the circumstances, except that where the claim is under subclause 3.13 the interim amount shall be the lower of the amount claimed, or an amount equivalent to interest at the interest rate for late settlement for the relevant default period on such portion of the purchase price (including any deposit) as is payable under this agreement on or by the settlement date;
  - (4) if the parties cannot agree on the interim amount, the interim amount shall be determined by an experienced property lawyer, an experienced litigator, or, where the claim for compensation is made under subclause 5.2, an experienced registered valuer or quantity surveyor appointed by the parties. The appointee's costs shall be met equally by the parties. If the parties cannot agree on the appointee, the appointment shall be made on the application of either party by the president for the time being of the New Zealand Law Society;
  - (5) the amount of the claim determined to be payable shall not be limited by the interim amount;
  - (6) the stakeholder shall lodge the interim amount on an interest-bearing call deposit with a bank registered under the Reserve Bank of New Zealand Act 1989 in the joint names of the vendor and the purchaser;
  - (7) the interest earned on the interim amount net of any withholding tax and any bank or legal administration fees and commission charges shall follow the destination of the interim amount;
  - (8) apart from the net interest earned on the interim amount, no interest shall be payable by either party to the other in respect of the claim for compensation once the amount of the claim has been determined, provided that if the amount determined is in excess of the interim amount, the party liable to make payment of that excess shall pay interest to the other party at the interest rate for late settlement on the amount of that excess if it is not paid on or before the third working day after the date of notification of the determination, computed from the date of such notification until payment.
- 10.9 Where a determination has to be made under subclause 10.6(2) or subclause 10.8(4) and the settlement date will have passed before the determination is made, the settlement date shall be deferred to the second working day following the date of notification to both parties of the determination. Where a determination has to be made under both of these subclauses, the settlement date shall be deferred to the second working day following the date on which notification to both parties has been made of both determinations.
- 10.10 The procedures prescribed in subclauses 10.1 to 10.9 shall not prevent either party from taking proceedings for specific performance of the contract.
- 10.11 A determination under subclause 10.6 that the purchaser does not have a right to claim compensation under subclause 10.2(1) shall not prevent the purchaser from pursuing that claim following settlement.
- 10.12 Where a determination is made by a person appointed under either subclause 10.6 or subclause 10.8, that person shall not be liable to either party for any costs or losses that either party may claim to have suffered in respect of the determination.

**11.0 Notice to complete and remedies on default**

- 11.1 (1) If the sale is not settled on the settlement date, either party may at any time thereafter serve on the other party a settlement notice.
- (2) The settlement notice shall be effective only if the party serving it is at the time of service either in all material respects ready, able, and willing to proceed to settle in accordance with clauses 3.0 and 10.0 or is not so ready, able, and willing to settle only by reason of the default or omission of the other party.
- (3) If the purchaser is in possession, the vendor's right to cancel this agreement will be subject to sections 28 to 36 of the Property Law Act 2007 and the settlement notice may incorporate or be given with a notice under section 28 of that Act complying with section 29 of that Act.
- 11.2 Subject to subclause 11.1(3), upon service of the settlement notice the party on whom the notice is served shall settle:
- (1) on or before the twelfth working day after the date of service of the notice; or
- (2) on the first working day after the 13th day of January if the period of twelve working days expires during the period commencing on the 6th day of January and ending on the 13th day of January, both days inclusive, time being of the essence, but without prejudice to any intermediate right of cancellation by either party.
- 11.3 (1) If this agreement provides for the payment of the purchase price by instalments and the purchaser fails duly and punctually to pay any instalment on or within one month from the date on which it fell due for payment then, whether or not the purchaser is in possession, the vendor may immediately give notice to the purchaser calling up the unpaid balance of the purchase price, which shall upon service of the notice fall immediately due and payable.
- (2) The date of service of the notice under this subclause shall be deemed the settlement date for the purposes of subclause 11.1.
- (3) The vendor may give a settlement notice with a notice under this subclause.
- (4) For the purpose of this subclause a deposit is not an instalment.
- 11.4 If the purchaser does not comply with the terms of the settlement notice served by the vendor then, subject to subclause 11.1(3):
- (1) Without prejudice to any other rights or remedies available to the vendor at law or in equity, the vendor may:
- (a) sue the purchaser for specific performance; or
- (b) cancel this agreement by notice and pursue either or both of the following remedies, namely:
- (i) forfeit and retain for the vendor's own benefit the deposit paid by the purchaser, but not exceeding in all 10% of the purchase price; and/or
- (ii) sue the purchaser for damages.
- (2) Where the vendor is entitled to cancel this agreement, the entry by the vendor into a conditional or unconditional agreement for the resale of the property or any part thereof shall take effect as a cancellation of this agreement by the vendor if this agreement has not previously been cancelled and such resale shall be deemed to have occurred after cancellation.
- (3) The damages claimable by the vendor under subclause 11.4(1)(b)(ii) shall include all damages claimable at common law or in equity and shall also include (but shall not be limited to) any loss incurred by the vendor on any bona fide resale contracted within one year from the date by which the purchaser should have settled in compliance with the settlement notice. The amount of that loss may include:
- (a) interest on the unpaid portion of the purchase price at the interest rate for late settlement from the settlement date to the settlement of such resale; and
- (b) all costs and expenses reasonably incurred in any resale or attempted resale; and
- (c) all outgoings (other than interest) on or maintenance expenses in respect of the property from the settlement date to the settlement of such resale.
- (4) Any surplus money arising from a resale shall be retained by the vendor.
- 11.5 If the vendor does not comply with the terms of a settlement notice served by the purchaser, then, without prejudice to any other rights or remedies available to the purchaser at law or in equity the purchaser may:
- (1) sue the vendor for specific performance; or
- (2) cancel this agreement by notice and require the vendor forthwith to repay to the purchaser any deposit and any other money paid on account of the purchase price and interest on such sum(s) at the interest rate for late settlement from the date or dates of payment by the purchaser until repayment.
- 11.6 The party serving a settlement notice may extend the term of the notice for one or more specifically stated periods of time and thereupon the term of the settlement notice shall be deemed to expire on the last day of the extended period or periods and it shall operate as though this clause stipulated the extended period(s) of notice in lieu of the period otherwise applicable; and time shall be of the essence accordingly. An extension may be given either before or after the expiry of the period of the notice.
- 11.7 Nothing in this clause shall preclude a party from suing for specific performance without serving a settlement notice.
- 11.8 A party who serves a settlement notice under this clause shall not be in breach of an essential term by reason only of that party's failure to be ready and able to settle upon the expiry of that notice.

**12.0 Non-merger**

- 12.1 The obligations and warranties of the parties in this agreement shall not merge with:
- (1) the giving and taking of possession;
- (2) settlement;
- (3) the transfer of title to the property;
- (4) delivery of the chattels (if any); or
- (5) registration of the transfer of title to the property.

**13.0 Goods and Services Tax**

- 13.1 If this agreement provides for the purchaser to pay (in addition to the purchase price stated without GST) any GST which is payable in respect of the supply made under this agreement, then:
- (1) the purchaser shall pay to the vendor the GST which is so payable in one sum on the GST date;
  - (2) where the GST date has not been inserted on the front page of this agreement the GST date shall be the settlement date;
  - (3) where any GST is not so paid to the vendor, the purchaser shall pay to the vendor:
    - (a) interest at the interest rate for late settlement on the amount of GST unpaid from the GST date until payment; and
    - (b) any default GST;
  - (4) it shall not be a defence to a claim against the purchaser for payment to the vendor of any default GST that the vendor has failed to mitigate the vendor's damages by paying an amount of GST when it fell due under the GST Act; and
  - (5) any sum referred to in this clause is included in the moneys payable by the purchaser on settlement pursuant to subclause 3.8(1).
- 13.2 If the supply under this agreement is a taxable supply, the vendor will deliver a tax invoice to the purchaser on or before the GST date or such earlier date as the purchaser is entitled to delivery of an invoice under the GST Act.
- 13.3
- (1) Without prejudice to the vendor's rights and remedies under subclause 13.1, where any GST is not paid to the vendor on or within one month of the GST date, then whether or not the purchaser is in possession, the vendor may immediately give notice to the purchaser calling up any unpaid balance of the purchase price, which shall upon service of the notice fall immediately due and payable.
  - (2) The date of service of the notice under this subclause shall be deemed the settlement date for the purposes of subclause 11.1.
  - (3) The vendor may give a settlement notice under subclause 11.1 with a notice under this subclause.

**14.0 Zero-rating**

- 14.1 The vendor warrants that the statement on the front page regarding the vendor's GST registration status in respect of the supply under this agreement and any particulars stated by the vendor in Schedule 1 are correct at the date of this agreement and will remain correct at settlement.
- 14.2 The purchaser warrants that any particulars stated by the purchaser in Schedule 1 are correct at the date of this agreement.
- 14.3 Where the particulars stated on the front page and in Schedule 1 indicate that:
- (1) the vendor is and/or will be at settlement a registered person in respect of the supply under this agreement;
  - (2) the recipient is and/or will be at settlement a registered person;
  - (3) the recipient intends at settlement to use the property for making taxable supplies; and
  - (4) the recipient does not intend at settlement to use the property as a principal place of residence by the recipient or a person associated with the recipient under section 2A(1)(c) of the GST Act,
- GST will be chargeable on the supply under this agreement at 0% pursuant to section 11(1)(mb) of the GST Act.
- 14.4 If GST is chargeable on the supply under this agreement at 0% pursuant to section 11(1)(mb) of the GST Act, then on or before settlement the purchaser will provide the vendor with the recipient's name, address, and registration number if any of those details are not included in Schedule 1 or they have altered.
- 14.5
- (1) If any of the particulars stated by the purchaser in Schedule 1:
    - (a) are incomplete; or
    - (b) alter between the date of this agreement and settlement,the purchaser shall notify the vendor of the particulars which have not been completed and the altered particulars as soon as practicable before settlement.
  - (2) The purchaser warrants that any added or altered particulars will be correct as at the date of the purchaser's notification.
  - (3) If the GST treatment of the supply under this agreement should be altered as a result of the added or altered particulars, the vendor shall prepare and deliver to the purchaser or the purchaser's lawyer an amended settlement statement, if the vendor has already tendered a settlement statement, and a credit note or a debit note, as the case may be, if the vendor has already issued a tax invoice.
- 14.6 If
- (1) the particulars in Schedule 1 state that part of the property is being used as a principal place of residence at the date of this agreement; and
  - (2) that part is still being so used at the time of the supply under this agreement,
- then, the supply of that part will be a separate supply in accordance with section 5(15)(a) of the GST Act.
- 14.7 If
- (1) the particulars stated in Schedule 1 indicate that the recipient intends to use part of the property as a principal place of residence by the recipient or a person associated with the recipient under section 2A(1)(c) of the GST Act; and
  - (2) that part is the same part as that being used as a principal place of residence at the time of the supply under this agreement,
- then the references in subclauses 14.3 and 14.4 to "the property" shall be deemed to mean the remainder of the property excluding that part and the references to "the supply under this agreement" shall be deemed to mean the supply under this agreement of that remainder.
- 14.8 If the particulars stated on the front page and in Schedule 1 indicate in terms of subclause 14.3 that GST will be chargeable on the supply under this agreement at 0% pursuant to section 11(1)(mb) of the GST Act, but any of the particulars stated by the purchaser in Schedule 1 should alter between the date of this agreement and settlement, such that GST no longer becomes chargeable on the supply at 0%, then:
- (1) the purchase price shall be plus GST (if any), even if it has been expressed as being inclusive of GST (if any) on the front page of this agreement; and

- (2) if the vendor has already had to account to the Inland Revenue Department for the GST which is payable in respect of the supply under this agreement and did so on the basis that in accordance with subclause 14.3 the GST would be chargeable at 0%, the purchaser shall pay GST and any default GST to the vendor immediately upon demand served on the purchaser by the vendor (and where any GST or default GST is not so paid to the vendor, the purchaser shall pay to the vendor interest at the interest for late settlement on the amount unpaid from the date of service of the vendor's demand until payment).

### 15.0 Supply of a Going Concern

- 15.1 If there is a supply under this agreement to which section 11(1)(mb) of the GST Act does not apply but which comprises the supply of a taxable activity that is a going concern at the time of the supply, then, unless otherwise expressly stated in this agreement:
  - (1) each party warrants that it is a registered person or will be so by the date of the supply;
  - (2) each party agrees to provide the other party by the date of the supply with proof of its registration for GST purposes;
  - (3) the parties agree that they intend that the supply is of a taxable activity that is capable of being carried on as a going concern by the purchaser; and
  - (4) the parties agree that the supply made pursuant to this agreement is the supply of a going concern on which GST is chargeable at 0%.
- 15.2 If it subsequently transpires that GST is payable in respect of the supply and if this agreement provides for the purchaser to pay (in addition to the purchase price without GST) any GST which is payable in respect of the supply made under this agreement, then the provisions of clause 13.0 of this agreement shall apply.

### 16.0 Limitation of Liability

- 16.1 If any person enters into this agreement as trustee of a trust and if that person has no right to or interest in any assets of the trust, except in that person's capacity as a trustee of the trust, then that person's liability under this agreement will not be personal and unlimited but will be limited to the actual amount recoverable from the assets of the trust from time to time ("the limited amount").
- 16.2 If the right of that person to be indemnified from the trust assets has been lost or impaired, that person's liability will become personal but limited to the extent of that part of the limited amount which cannot be recovered from any other person.

### 17.0 Counterparts

- 17.1 This agreement may be executed and delivered in any number of counterparts (including scanned and emailed PDF counterparts).
- 17.2 Each executed counterpart will be deemed an original and all executed counterparts together will constitute one (and the same) instrument.
- 17.3 This agreement shall not come into effect until each person required to sign has signed at least one counterpart and both vendor and purchaser have received a counterpart signed by each person required to sign.
- 17.4 If the parties cannot agree on the date of this agreement, and counterparts are signed on separate dates, the date of the agreement is the date on which the last counterpart was signed and delivered to all parties.

### 18.0 Agency

- 18.1 If the name of a licensed real estate agent is recorded on this agreement, it is acknowledged that the sale evidenced by this agreement has been made through that agent whom the vendor has appointed as the vendor's agent according to an executed agency agreement.
- 18.2 The scope of the authority of the agent under subclause 18.1 does not extend to making an offer, counteroffer, or acceptance of a purchaser's offer or counteroffer on the vendor's behalf without the express authority of the vendor for that purpose. That authority, if given, should be recorded in the executed agency agreement.
- 18.3 The vendor shall be liable to pay the agent's charges including GST in accordance with the executed agency agreement.

### 19.0 Collection of Sales Information

- 19.1 Once this agreement has become unconditional in all respects, the agent may provide certain information relating to the sale to the Real Estate Institute of New Zealand Incorporated (REINZ).
- 19.2 This information will be stored on a secure password protected network under REINZ's control and may include (amongst other things) the sale price and the address of the property, but will not include the parties' names or other personal information under the Privacy Act 1993.
- 19.3 This information is collected, used and published for statistical, property appraisal and market analysis purposes, by REINZ, REINZ member agents and others.
- 19.4 Despite the above, if REINZ does come to hold any of the vendor or purchaser's personal information, that party has a right to access and correct that personal information by contacting REINZ at info@reinz.co.nz or by post or telephone.

## FURTHER TERMS OF SALE

see attached further terms of sale



## SCHEDULE 1

### (GST Information – see clause 14.0)

This Schedule must be completed if the vendor has stated on the front page that the vendor is registered under the GST Act in respect of the transaction evidenced by this agreement and/or will be so registered at settlement. Otherwise there is no need to complete it.

<b>Section 1 Vendor</b>	
1(a) The vendor's registration number (if already registered): 129-286-270	
1(b) (i) Part of the property is being used as a principal place of residence at the date of this agreement.	Yes/No
(ii) That part is: (e.g. "the main farmhouse" or "the apartment above the shop".)	<del>Yes/No</del>
(iii) The supply of that part will be a taxable supply.	<del>Yes/No</del>
<b>Section 2 Purchaser</b>	
2(a) The purchaser is registered under the GST Act and/or will be so registered at settlement.	
Yes/No	
2(b) The purchaser intends at settlement to use the property for making taxable supplies.	
Yes/No	
<b>If the answer to either or both of questions 2(a) and 2(b) is "No", go to question 2(e)</b>	
2(c) The purchaser's details are as follows:	
(i) Full name:	
(ii) Address:	
(iii) Registration number (if already registered):	
2(d) The purchaser intends at settlement to use the property as a principal place of residence by the purchaser or by a person associated with the purchaser under section 2A(1)(c) of the GST Act (connected by blood relationship, marriage, civil union, de facto relationship or adoption).	Yes/No
<b>OR</b> The purchaser intends at settlement to use part of the property (and no other part) as a principal place of residence by the purchaser or by a person associated with the purchaser under section 2A(1)(c) of the GST Act. That part is: (e.g. "the main farmhouse" or "the apartment above the shop")	Yes/No
2(e) The purchaser intends to direct the vendor to transfer title to the property to another party ("nominee").	
Yes/No	
<b>If the answer to question 2(e) is "Yes", then please continue. Otherwise, there is no need to complete this Schedule any further.</b>	
<b>Section 3 Nominee</b>	
3(a) The nominee is registered under the GST Act and/or is expected by the purchaser to be so registered at settlement.	
Yes/No	
3(b) The purchaser expects the nominee at settlement to use the property for making taxable supplies.	
Yes/No	
<b>If the answer to either or both of questions 3(a) and 3(b) is "No", there is no need to complete this Schedule any further.</b>	
3(c) The nominee's details (if known to the purchaser) are as follows:	
(i) Full name:	
(ii) Address:	
(iii) Registration number (if already registered):	
3(d) The purchaser expects the nominee to intend at settlement to use the property as a principal place of residence by the nominee or by a person associated with the nominee under section 2A(1)(c) of the GST Act (connected by blood relationship, marriage, civil union, de facto relationship or adoption).	Yes/No
<b>OR</b> The purchaser expects the nominee to intend at settlement to use part of the property (and no other part) as a principal place of residence by the nominee or by a person associated with the nominee under section 2A(1)(c) of the GST Act. That part is: (e.g. "the main farmhouse" or "the apartment above the shop".)	Yes/No

<b>SCHEDULE 2</b>			
List all chattels included in the sale (strike out or add as applicable)			
Stove	Rangehood	Wall oven	Cooktop
Dishwasher	Kitchen waste disposal	Light fittings	Smoke detector(s)
Burglar alarm	Heated towel rail(s)	Heat pump(s)	Garage door remote control(s)
Blinds	Curtains	Fixed floor coverings	

<b>SCHEDULE 3</b>			
Residential Tenancies			
<b>Name of Tenant(s):</b>			
<b>Rent:</b>	<b>Term:</b>	<b>Bond:</b>	
<b>Commercial/Industrial Tenancies</b> (If necessary complete on a separate schedule)			
<b>1. Name of Tenant(s):</b>			
<b>Rent:</b>	<b>Term:</b>	<b>Right of Renewal:</b>	<b>Other:</b>
<b>2. Name of Tenant(s):</b>			
<b>Rent:</b>	<b>Term:</b>	<b>Right of Renewal:</b>	<b>Other:</b>

**WARNING** (This warning does not form part of this agreement)  
**This is a binding contract. Read the information set out on the back page before signing.**

**Acknowledgements**

Where this agreement relates to the sale of a residential property and this agreement was provided to the parties by a real estate agent, or by a licensee on behalf of the agent, the parties acknowledge that they have been given the guide about the sale of residential property approved by the Real Estate Authority.

Where this agreement relates to the sale of a unit title property, the purchaser acknowledges that the purchaser has been provided with a pre-contract disclosure statement under section 146 of the Unit Titles Act.

**Signature of Purchaser(s):**

**Signature of Vendor(s):**

\_\_\_\_\_  
**Director / Trustee / Authorised Signatory / Agent / Attorney\***  
 Delete the options that do not apply  
 If no option is deleted, the signatory is signing in their personal capacity

\_\_\_\_\_  
**Director / Trustee / Authorised Signatory / Agent / Attorney\***  
 Delete the options that do not apply  
 If no option is deleted, the signatory is signing in their personal capacity

\_\_\_\_\_  
**Director / Trustee / Authorised Signatory / Agent / Attorney\***  
 Delete the options that do not apply  
 If no option is deleted, the signatory is signing in their personal capacity

\_\_\_\_\_  
**Director / Trustee / Authorised Signatory / Agent / Attorney\***  
 Delete the options that do not apply  
 If no option is deleted, the signatory is signing in their personal capacity

- \*If this agreement is signed under:
- (i) a Power of Attorney – please attach a **Certificate of non-revocation** (available from ADLS: 4098WFP or REINZ); or
  - (ii) an Enduring Power of Attorney – please attach a **Certificate of non-revocation and non-suspension of the enduring power of attorney** (available from ADLS: 4997WFP or REINZ); or
  - (iii) where the attorney signs for a trustee, a Certificate in the relevant form in Schedule 4 to the Trustee Act 1956.

Also insert the following wording for the Attorney’s Signature above:  
 Signed for [full name of the donor] by his or her Attorney [attorney’s signature].

**BEFORE SIGNING THE AGREEMENT**

- Note: the purchaser is entitled to a copy of any signed offer at the time it is made.
- It is recommended both parties seek professional advice before signing. This is especially so if:
  - there are any doubts. Once signed, this will be a binding contract with only restricted rights of termination.
  - the purchaser is not a New Zealand citizen. There are strict controls on the purchase of a property in New Zealand by persons who are not New Zealand citizens.
  - property such as a hotel or a farm is being sold. The agreement is designed primarily for the sale of residential and commercial property.
  - the property is vacant land in the process of being subdivided or there is a new unit title or cross-lease to be issued. In these cases additional clauses may need to be inserted.
  - there is any doubt as to the position of the boundaries.
  - the purchaser wishes to check the weathertightness and soundness of construction of any dwellings or other buildings on the land.
- Both parties may need to have customer due diligence performed on them by their lawyer or conveyancer in accordance with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 which is best done prior to the signing of this agreement.
- The purchaser should investigate the status of the property under the Council’s District Plan. The property and those around it are affected by zoning and other planning provisions regulating their use and future development.
- The purchaser should investigate whether necessary permits, consents and code compliance certificates have been obtained from the Council where building works have been carried out. This investigation can be assisted by obtaining a LIM from the Council.
- The purchaser should compare the title plans against the physical location of existing structures where the property is a unit title or cross-lease. Structures or alterations to structures not shown on the plans may result in the title being defective.
- In the case of a unit title, before the purchaser enters into the agreement:
  - the vendor **must** provide to the purchaser a pre-contract disclosure statement under section 146 of the Unit Titles Act;
  - the purchaser should check the minutes of the past meetings of the body corporate, enquire whether there are any issues affecting the units and/or the common property, check the body corporate’s long-term maintenance plan and enquire whether the body corporate has imposed or proposed levies for a long-term maintenance fund or any other fund for the maintenance of, or remedial or other work to, the common property.
- The vendor should ensure the warranties and undertakings in clauses 7.0 and 8.0:
  - are able to be complied with; and if not
  - the applicable warranty is deleted from the agreement and any appropriate disclosure is made to the purchaser.
- Both parties should ensure the chattels’ list in Schedule 2 is accurate.
- Both parties should seek professional advice regarding the GST treatment of the transaction. This depends upon the GST information supplied by the parties and could change before settlement if that information changes.

**THE ABOVE NOTES ARE NOT PART OF THIS AGREEMENT AND ARE NOT A COMPLETE LIST OF MATTERS WHICH ARE IMPORTANT IN CONSIDERING THE LEGAL CONSEQUENCES OF THIS AGREEMENT.**

**PROFESSIONAL ADVICE SHOULD BE SOUGHT REGARDING THE EFFECT AND CONSEQUENCES OF ANY AGREEMENT ENTERED INTO BETWEEN THE PARTIES.**

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**AGREEMENT FOR SALE AND PURCHASE OF REAL ESTATE**

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**DATE:**

**VENDOR:**

TMB Limited  
Contact Details:

**VENDOR’S LAWYERS:**

Firm: Tompkins Wake (Hamilton Office)  
Individual Acting: Robyn Harris  
Email: [robyn.harris@tompkinswake.co.nz](mailto:robyn.harris@tompkinswake.co.nz)  
Contact Details:  
PO Box 258  
Hamilton 3240  
021 453 850

**Email Address for Service of Notices:**

(subclause 1.4)  
[robyn.harris@tompkinswake.co.nz](mailto:robyn.harris@tompkinswake.co.nz)

**PURCHASER:**

Contact Details:

**PURCHASER’S LAWYERS:**

Firm:  
Individual Acting:  
Email:  
Contact Details:

**Email Address for Service of Notices:**

(subclause 1.4)

**LICENSED REAL ESTATE AGENT:**

Agent’s Name:  
Manager:  
Salesperson:  
Contact Details:

## **FURTHER TERMS OF SALE**

### **20. Definitions**

20.1 In these further terms of sale:

“**Council**” means the Whangarei District Council

“**Guarantor**” - see Schedule 3.

“**Property**” means the property agreed to be sold pursuant to this agreement.

“**Development**” means the residential land development undertaken by the Vendor on the land.

“**Land**” means the land described in CFR NA53D/1030 of which the property forms part.

“**Resource Consent**” means the resource consent granted by Council on 20 November 2019 for subdivision under number SL1900025 and P35809 and section 127 change of consent dated 15 October 2020 under number SL2000130 and P35809 and includes all variations to and consents issue in addition to or substitution for that consent.

“**Scheme Plan**” means the scheme plan of subdivision approved under the Resource Consent and attached to this agreement as Schedule 2.

“**Survey Plan**” means the plan to be lodged with and approved by Council and LINZ which, subject to the terms of this agreement, is based on the Scheme Plan.

### **21. Subdivision**

21.1 The Purchaser acknowledges and accepts the terms and conditions of the Resource Consent.

21.2 The Vendor will at its cost and with all reasonable speed and diligence:

(a) Undertake all work and do all things necessary to enable the Survey Plan to be deposited with LINZ.

(b) Arrange for the Survey Plan to be deposited with LINZ and for a separate records of title for the Property to be issued.

21.3 The Survey Plan will generally be in accordance with the Scheme Plan, provided that all measurements and areas are subject to approval by LINZ and Council. The Vendor expressly reserves the right to make such changes to the Survey Plan as it may in its sole discretion deem necessary or desirable for the purposes of its development.

(a) If a change in the area of the Property results in a reduction of the area of the Property by greater than 3% the Purchaser shall be entitled to a reduction in the purchase price calculated on an area basis for each m<sup>2</sup> of reduction in excess of the 3% threshold.

- (b) If a change in the area of the Property results in a reduction or increase in the area of the Property by less than 3% the Purchaser shall have no claim whatsoever against the Vendor in respect of such change.

21.4 The Vendor gives no warranty as to whether the final appearance of the development or that the Property will be similar to any representation or advertisement provided to or viewed by the Purchaser.

## 22. **Vendors Rights**

22.1 The Purchaser acknowledges that the Vendor retains the following rights in respect of the Property:

- (a) To enter onto the Property itself or by its servants, agents or workmen and do such work as shall in the opinion of the Vendor be necessary or desirable to complete the development.

22.2 The Purchaser acquires the Property subject to the following:-

- (a) All existing interests and encumbrances on the existing record of title/s of the land;
- (b) All new easements as may be required in connection with the development where required either as a condition of the Resource Consent or by the Vendor in connection with the development. These may include but not be limited to access, service and other easements;
- (c) Any other encumbrance, consent notice, covenant or other interest as may be required as a condition of the Resource Consent;
- (d) The land covenants outlined in Schedule 1;
- (e) Any other interest or encumbrance which the Vendor considers as reasonably necessary or desirable in connection with the development.

22.3 The Purchaser acquires the Property together with the following:-

- (a) All existing appurtenant benefits (if any) shown on the existing record of title/s of the land;
- (b) All new appurtenant rights which are either required as a condition of the Resource Consent or required by the Vendor in connection with the development.

- 22.4 The Purchaser accepts that the terms of any instruments registered in accordance with clauses 22.2 and 22.3 will be on the terms used by the Vendor's solicitor subject to such variations as the Vendor in its sole discretion deems necessary or desirable in respect of the development.
- 22.5 The Vendor reserves the right to create or register any interest or encumbrance pursuant to this clause either prior to or concurrent with, the transfer of the Property to the Purchaser. In that regard the Purchaser will to the extent that is necessary sign any documents and do such things as may be reasonably necessary in order to give effect to this Agreement.
- 22.6 None of the matters referred to in this condition shall entitle the Purchaser or any person claiming under him to damages or compensation or to make any objection or requisition pursuant to the provisions of the general conditions of sale. The Purchaser will sign all such documents, do all such things and obtain all such consents as may be necessary to facilitate implementation of these rights.
- 22.7 For clarity the parties acknowledge the settlement date is 5 working days after issue of title and clause 3.17 of the general terms of sale is deleted accordingly and shall have no effect.

23. **Caveat**

- 23.1 The Purchaser will not at any time prior to the date of possession lodge any caveat pursuant to the provisions of the Land Transfer Act 2017 (or any substitute for it) against the record of title/s of the land. In the event of the Purchaser so doing, the Purchaser hereby irrevocably appoints the Vendor or its nominee to be the Purchaser's true and lawful attorney to make execute and register in the name of the Purchaser and on the Purchaser's behalf all consents, notices, withdrawals, documents and papers and to do any other act or thing which the Vendor deems necessary or expedient to have such caveat removed from the record of title/s. The Purchaser hereby agrees that the production of this agreement to Land Information New Zealand shall be sufficient evidence of the appointment of the Vendor or its nominee as the attorney of the Purchaser for any such purpose. The costs of removal of any caveat shall be payable by the Purchaser to the Vendor immediately the Vendor advises the Purchaser of the amount of those costs.

24. **Lowest Price**

- 24.1 The purchase price does not include capitalised interest and the parties agree that the purchase price is the "lowest price" under the rules relating to the accrual treatment of income and expenditure in the Income Tax Act 2007.

25. **Land Covenants**

- 25.1 The Vendor and Purchaser acknowledge and agree that the Property forms part of a modern and well-designed residential subdivision. In recognition of this objective, the Vendor and Purchaser agree that the land covenants contained in Schedule 1 shall run with the land and

be registered against the record of title to the land so as to bind the Purchaser, their successors and assigns. The Vendor expressly reserves the right to modify, add to or remove any land covenants if the Vendor considers it necessary or desirable for the purposes of its development. The Purchaser will comply with the land covenants from the date of possession notwithstanding that they may not have been registered against the record of title for the Property.

25.2 The Purchaser further acknowledges that they will not commence construction on the Property without first obtaining written approval from the developer for the plans.

**26. Rates**

26.1 The Purchaser shall from the settlement date pay all rates, taxes and other outgoings assessed, levied or payable in respect of the Property. Until the property is separately rated, the Purchaser will pay on demand to the Vendors or their solicitors a levy in lieu of rates on the basis of \$1,000.00 plus GST per lot per annum. Should the Purchaser default under this clause then the Vendor may at its discretion charge interest from the possession date until payment is made to the Vendor and or their solicitors at the rate of 16% per annum.

**27. No Objection**

27.1 The Purchaser covenants with the Vendor not to either personally or by directly or indirectly cooperating with or assisting others, lodge or submit any objection to any application for any statutory, regulatory or other consent and approval made by the Vendor for any use or activity affecting any land within the Vendor's development and/or the adjacent property. The Purchaser shall promptly at the cost of the Vendor support any application made by the Vendor to any authority for the purposes of obtaining any statutory, regulatory or other consents considered necessary or desirable by the Vendor for its development. The Vendor may include this clause as one of the land covenants to be registered against the title to the Property.

**28. Indemnity**

28.1 In the event that the Purchaser is granted access to or otherwise obtains possession of the Property prior to the settlement date the Purchaser shall from the date of such access or possession to the settlement date indemnify the Vendor against all actions, losses and expenses for which the Vendor is or becomes liable arising out of:

- (a) negligent use, waste or abuse by the Purchaser and/or persons under the control of the Purchaser of any consumables, services or facilities in or about the Property;
- (b) loss or damage to Property from any cause whatsoever in or about the Property caused or contributed to by the condition of the Property (such as may be attributable to the Purchaser) or by the use of the Property or by any act, omission, neglect, breach or default by the Purchaser and persons under the control of the Purchaser; and

- (c) failure by the Purchaser to comply with the provisions of any Acts, ordinances, regulations, bylaws or other enactments related to the use, occupation or operation of the Property (including the Resource Management Act 1991, the Building Act 2004 and the Health and Safety in Employment Act 1992).

## 29. Force Majeure

29.1 In this clause "Force Majeure Event" means an event or circumstances beyond the reasonable control of a party that makes it impossible or illegal to perform, or prevents compliance with or the performance of, such party's obligations under this agreement, including:

- (a) Acts of God;
- (b) Earthquake, landslide, flood, fire, drought or other natural events for which provision could not reasonably have been made;
- (c) Public enemy, sabotage, riot, civil disturbance, insurrection, national emergency (whether in fact or law), act of war (whether declared or not) or the order of any court or governmental authority;
- (d) Strike, lockout, work stoppage or other labour hindrance;
- (e) The requirement of any governmental or regulatory authority other than as a result of any act or omission or event under that party's control;
- (f) Epidemic, pandemic or the effect of any infectious disease,

But does not include an event to the extent that:

- (g) The effect of that event could have been substantially prevented, avoided or overcome by exercising a reasonable standard of care;
- (h) Such event was caused by an act or omission of the party affected; or
- (i) That event is constituted or caused by lack of finance or the insolvency of either party or a subcontractor or supplier of the party.

29.2 No party will be liable for any act, omission, or failure to fulfil its obligations under this agreement if such act, omission or failure arises from a Force Majeure Event. In the event a Force Majeure Event arises, the affected party shall:

- (a) Immediately notify the other parties in writing, and provide full information concerning the Force Majeure Event, including an estimate of the time likely to be required to overcome the event;
- (b) use its commercially reasonable endeavours to avoid or remove such cause or non-performance or delay and resume performance whenever such cause is avoided or removed; and

- (c) continue to perform its obligations as far as practicable

**30. Reports and Qualifications**

- 30.1 The Vendor will use all reasonable endeavours to ensure that all building sites will be either existing cut ground or engineered fill suitable for raft type foundation works however the Vendor provides no warranty regarding the soil stability to the Property and accordingly it is the sole responsibility of the Purchaser to satisfy themselves:
- (a) that the Property will be suitable for the Purchaser's purposes.
  - (b) as to the accuracy of any information given to the Purchaser.
- 30.2 The Vendor is not liable to contribute towards the cost of any foundation work for the construction of a dwelling by the Purchaser.
- 30.3 Any warranties set out or implied within this Agreement do not apply to the extent they relate to matters which are or could be disclosed through a search of the record of title to the land, the relevant resource consents, a LIM prepared by the relevant territorial authority or a search of any information contained in any public register.
- 30.4 The Purchaser has entered into this Agreement solely in reliance of the Purchaser's own judgement and has not relied on any representation or statement whether verbal or otherwise by or on behalf of the Vendor. The Purchaser has made its own independent and comprehensive enquiry and investigation of all publicly available information concerning the Property, the subdivision and the adjacent area and enters this agreement relying solely upon their own skill, judgement and due diligence. The Purchaser expressly acknowledges neither the Vendor nor its agents have made any representations or warranties that have been relied upon by the Purchaser or have induced it to enter into this Agreement.
- 30.5 The Vendor may assign its rights (including its rights to receive payment of the purchase price) under this Agreement to any person at any time. If so:
- (a) Any rights the Purchaser may have to exercise the remedies of damages in respect of this Agreement shall be enforceable only against the Vendor and not against the assignee; and
  - (b) The assignee shall not be liable in damages, whether by way of set-off, counterclaim or otherwise to the Purchaser in respect of this Agreement.
- 30.6 Any assignment by the Vendor of its rights under this Agreement will not affect any rights the Purchaser may have against the Vendor in respect of this Agreement.

30.7 All measurements and areas are subject to any variation which may be found necessary upon checking by the local authority, the Vendor's surveyor and Land Information New Zealand and the Purchaser shall not be entitled to bring any claim whatsoever against the Vendor based on any such variation of measurements, nor other than as provided in clause 21.3 be entitled to claim any compensation, damages, right of set-off or to make any objection or requisition based on such variation.

**31. Attorney**

31.1 In consideration of the Vendor entering into this Agreement the Purchaser irrevocably nominates, constitutes and appoints the Vendor or any nominee of the Vendor to be the true and lawful attorney of the Purchaser for the purposes of signing all documents, plans and consents and to perform all acts, matters and things as may be necessary to:-

- (a) Complete the subdivision and development contemplated by this Agreement and the consent;
- (a) Approve and deposit any plan or variation to any proposed plan or any substitutes for the subdivision plan in relation to the development until final completion of it.

31.2 The Purchaser will not sell, transfer, assign or mortgage the Property or nominate another party as Purchaser except where such Purchaser, transferee, assignee, mortgagee or nominee first executes a power of attorney on the same terms in favour of the Vendor.

**32. OIA Warranty**

32.1 The Purchaser warrants that OIA consent is not required in respect of the sale and purchase of the Property. If OIA consent is required then this agreement shall, at the option of the Vendor, be void. Without prejudice to any other right or remedy available to the Vendor, the Vendor may forfeit and retain the deposit for its own benefit.

**33. Guarantee**

33.1 Where the Purchaser is a company, any person signing this agreement as an agent, attorney, authorised signatory or director of that company agrees and acknowledges that they personally guarantee the performance by the Purchaser of the covenants in this agreement and indemnifies the Vendor against any cost, loss or expense the Vendor may incur as a result of any default by the Purchaser.

**34. Consent Notice**

34.1 The Purchaser acknowledges that a consent notice will be registered on the record of title(s) for the development and will include the following condition:

- (a) Any vehicle crossing shall be designed to minimise the loss of on-street parking where a parking bay has been constructed on the roadway adjacent to the Lot. The crossing shall be located to ensure that a minimum parking space length of 5.5 metres remains between the crossing and the end of the parking bay. The maximum width of the crossing shall be limited to 5.5 metres including the splays

(unless a wider crossing is approved by WDC through the vehicle crossing permit process). The details of the crossing shall be submitted as part of the vehicle crossing permit application. The application shall be made prior to or in conjunction with the Building Consent application.

**35. Site Coverage**

- 35.1 The Purchaser acknowledges that the Resource Consent provides for a maximum building coverage of 40% on Lots 1 – 66 in the Vendor's development.

**SCHEDULE 1- LAND COVENANTS**

1. The Covenantor as registered owner of the land identified in Schedule A as the Burdened Land has agreed to create land covenants in favour of the Covenantee who is the registered owner of the land identified in Schedule A as the Benefited Land to the intent the Burdened Land will be bound by the conditions described below in perpetuity (or such earlier time as may be specified) and the owners and occupiers for the time being of the Benefited Land may enforce such conditions against the owners for the time being of the Burdened Land and such conditions will run with the Burdened Land for the benefit of the Benefited Land to that intent. Accordingly the Covenantor covenants with the Covenantee and such other person or persons as are nominated by the Covenantee as provided below.
2. Developer shall mean TMB Limited and its successors and assigns or any person or entity appointed as a representative or in the place of TMB Limited.
3. The Covenantor will not erect or place (or permit to be erected or placed) on the land any dwelling house or building without first obtaining the written approval of the Developer or any agent appointed by it to the plans of such dwelling house or building, and the materials, finish and exterior colours to be used in the construction of the dwelling house or building. Any variation to or deviation from the approved plans not approved by the Developer will be a breach of this clause.

Clauses 3, 5(d), 5(g) and 5(i) shall cease to have effect 15 years after the first dwelling house on the land is completed.

4. As a guide to construction and design the Covenantor shall not erect or place on the land or allow to be erected, constructed or placed on the land any dwelling house which is not a new residential dwelling house. Two storied dwelling houses are not permitted unless the Covenantor has obtained the prior written consent of the Covenantee and/or Developer. The dwelling house shall have a minimum ground floor area of 165 square metres (including garages). When the plans are submitted to the Developer for approval under clause 3 the Developer may (at the Developer's sole discretion) vary the minimum ground floor area to ensure the building is congruent with the Developer's modern and well-designed residential subdivision. The exterior cladding shall consist entirely of any of the following materials:
  - (a) Kiln fired concrete brick or stone approved by the Developer;
  - (b) Texture finishes of a good quality plaster system;
  - (c) Timber weatherboard, Linea weatherboard, Pallside weatherboard, aluminium pre finished weatherboard and modern exterior finishes;
  - (d) The colour of any paint finish of the exterior of the dwelling must be approved by the Developer.

PROVIDED THAT

- (i) Alternative upper floor exterior cladding may be used if first approved by the Developer;
- (ii) The Developer may waive the minimum floor area if it is satisfied that in all other respects the building complies with all other requirements of the covenants contained in these clauses;
- (iii) In addition the Covenantor shall not allow any form of metal roofing on the land unless the same is Colour Steel "Endura" roofing;

Notwithstanding anything in the preceding clauses, the Developer in its absolute discretion may approve of an alternative exterior cladding not specified in this instrument if in its opinion any variation does not detract from the value of the adjacent properties.

5. The Covenantor further covenants:

- (a) That construction of the building shall commence no later than twelve months after the settlement date or as agreed with the Covenantee.
- (b) Not to permit the construction of the exterior of any dwelling house on the land to take more than a period of nine months from the commencement of construction of that dwelling house.
- (c) Not to permit the driveway on the land to remain uncompleted without a solid running course for more than two months after completion of the dwelling house. The driveway is required to be finished with an exposed aggregate finish or tinted concrete to be approved by the Developer. Untinted concrete will not be approved. The landscaping is to be completed within two months after the completion of the dwelling to the satisfaction of the Developer.
- (d) That no work for the erection of improvements whether the same be for buildings, accessory buildings, fences, exterior finishings and excavation of foundations upon the land shall be commenced unless plans and specifications and all other details of construction and finishings as the Developer at its absolute discretion may require have been first submitted to it or its agents and have received its written approval, which approval shall not be unreasonably withheld where the Developer is satisfied that the dwelling house will comply with the terms of this instrument and the Covenantor shall not erect or permit to be erected any improvement upon the land not first approved by the Developer in terms of this clause.
- (e) Not to permit or carry out the erection of any temporary building or structure upon the land except such as may be used in conjunction with the construction of

permanent buildings and which will be removed from the land upon completion of the work.

- (f) Not to permit or carry out the placing or erection upon the land or any building previously erected on other land excepting new transportable homes approved by the Developer and temporary structures placed there in conjunction with the construction of a permanent dwelling house.
  - (g) Not to subdivide or cross lease the land and not to erect or allow to be erected on the land any buildings other than one family dwelling house with garaging.
  - (h) Not to permit or cause the land to be occupied or used unless:
    - (i) A building has been substantially completed in accordance with the terms of these covenants, and
    - (ii) The building meets the requirements of the appropriate Local Authority.
  - (i) That no dwelling house shall be constructed to a single rectangle or square and it must contain more than two hips or two gables in the roofline. Flat or raked roofed dwellings are acceptable provided they meet all the covenants and have more than one level of roofing. This covenant may be waived at the sole discretion of the Developer.
6. Unless approved by the Developer, not to erect a fence constructed of materials other than brick, plastered concrete block, wrought iron, air stone or timber and:
- (a) No fence shall exceed 1.83 metres in height above natural ground level.
  - (b) No fence shall exceed 1.2 metres above natural ground level on any road front or side boundary closer than 5 metres from the street boundary or closer than the house to the street boundary, whichever is the greater. The top of the fence will in all cases be level.
  - (c) All retaining walls on road frontages to be approved by the Developer. No timber paling fences are to be erected on road front boundaries. Any timber paling fences visible from the front are to be painted or stained.
  - (d) No fence bordering the existing retaining wall to be more than 1.4 metres high, within 3 metres of the boundary.
7. Not to permit or cause the removal of soil from the land except as shall be necessary for the construction of the building thereon.

8. Not to permit or cause any rubbish to accumulate or be placed upon the land and not to permit any excessive growth of grass so that the same becomes long or unsightly.
9. Not to permit or cause any advertisement sign or hoarding of a commercial nature to be erected on any part of the land without the prior consent in writing of the Developer ("for sale" signs are excluded).
10. Not to allow any animals on the land other than quiet domesticated pets which definition shall without restricting the generality of such term exclude goats, sheep, horses, pigs, poultry, beehives and any dangerous or aggressive dogs.
11. That all clotheslines and garden sheds are to be away from the road or right of way access and obscured from sight of the road or right of way access. Metal garden sheds are not permitted unless they are Colour Steel "Endura" range or timber.
12. Not to permanently park any vehicle, caravan or boat on or within five metres of any street or right of way unless situated within enclosed garages constructed on the land, provided that this prohibition shall not apply to any invitee of the Covenantor where such invitees are not residing with the Covenantor and the vehicles are parked temporarily only.
13. Not without the consent of the Developer erect or permit to be erected any building, structure or other improvement of any kind upon the land, the height of which exceeds 6.0 metres above the finished ground level of the land (that measurement to be taken at the middle point of the land) provided that aerials, satellite dishes, chimneys and other similar appurtenances of a domestic nature will not be a breach of this clause.
14. In the event that the Covenantor or any contractor, employee or invitee of the Covenantor causes any damage to the roading, footpath, kerb or other structure in the subdivision or to any Property including the Property of the Covenantor within the lands described in the plan, the Covenantor covenants to forthwith make good the damage at their own expense or to pay the cost of the repair of the damage in the event that such repair is effected by the developer Council or other like body. To provide support of this clause the Covenantor will pay an additional \$1,500.00 by way of bond on settlement and such money will be held in trust by the Developer's solicitors to be refunded once the Covenantor has completed construction of the dwelling and driveway, or 24 months after the date of deposit of the plan, whichever is the earlier. If any damage has been caused under the first part of this clause the \$1,500.00 or such part of it as is necessary will be used to make good such damage.
15. The Developer will mow the land for a period of four (4) months after the issue of title free of charge to the Covenantor. After the four month period has expired the Covenantor will from that day keep the land in a neat and tidy condition and will prevent long grass and weeds growing thereon. The Developer may after the four month period has expired in order to preserve the overall appearance of the subdivision continue to mow the land on behalf of the Covenantor. The cost of so doing shall be paid by the Covenantor at a rate of

\$80.00 plus GST for each mow of the land. The Developer shall not be responsible for any damage to any structure or object, or deterioration occasioned to the land as a result of the reasonable exercise by the Developer or its powers under this clause. The Covenantor grants the Developer a licence to enter for the purposes of this clause. This clause will continue until the Covenantor commences construction of a house on the land.

16. The Developer may at any time by written notice waive any condition, either temporarily or permanently, and such waiver may be registered against the record of title(s) to the property.
17. Acknowledging that the value of the Benefited Land will be affected by the standard of buildings erected on the land and by failure to comply with the covenants contained in the preceding clauses and sub clauses, the Covenantor covenants for the Grantor personally and their executors, administrators and assigns that should the Covenantor fail to comply with, observe, perform, or complete any of the covenants and restrictions contained in clauses 1-13 and without prejudice to any other liability the Covenantor may have to the Developer or any other person the Covenantor will:
  - (a) Immediately upon receipt of a written demand for payment from the Grantee/ Developer or the Covenantor/Developer's solicitors pay to the Covenantor/Developer as liquidated damages the sum of ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the default continues unremedied, such liquidated damages to be limited to a maximum value of \$150,000.00; and
  - (b) Shall immediately undertake such remedial action as may be required by the Covenantor/Developer including but not limited to permanently removing or causing to be permanently removed from the Property any improvement or structure so erected or repaired or other cause of any breach or non-observance of the foregoing covenants;
  - (c) Pay on demand the Covenantor/Developer's costs incurred in respect of the default and any enforcement or attempted enforcement of the Covenantor/Developer's rights, such costs to include but not be limited to legal costs on a solicitor client basis;
  - (d) Pay interest at the rate of 15% on any money which may be demanded and not paid, such interest to accrue from the date of the demand until the date it is finally received by the Developer,

PROVIDED THAT:

- (i) Except for those defaults notified to the Covenantor when it is a registered owner the Covenantor shall only be liable while the Covenantor is a registered owner of the land.

- (ii) If a default is completely and finally remedied within one month of notice in writing requiring the removal or remedy of such cause of default and the payment by the defaulting party of all reasonable legal costs and other expenses incurred by the party enforcing the said covenants, the sum payable under clause 14 shall abate to \$1.00 per day provided that this abatement shall not apply in respect of any subsequent default of a similar nature.

The right of the Developer to enforce the terms of the rights and benefits conferred by the foregoing covenants and by this clause shall continue for 12 calendar months from the date on which it ceases to be a Registered Owner of any of the land comprised in [DP XXXX] provided however that the Developer is under no liability whatsoever to enforce these covenants.

## SCHEDULE 2 - SCHEME PLAN



