

FURTHER TERMS OF SALE – STAGE 1 18 SPRING PLACE

21. Definitions

21.1 In these Further Terms of Sale, unless the context otherwise permits or requires:

“Development” means the Vendor’s staged subdivision of the Underlying Land;

“Property” means the property described on the front page of this Agreement and as more or less shown on the Scheme Plan;

“Protective Covenants” means covenants more or less in the form attached to this Agreement as a Schedule;

“Scheme Plan” means the plan attached to this Agreement as a Schedule, showing the proposed subdivision of the Underlying Land;

“Settlement Date” means the later of:

- (a) the date ten (10) working days following the satisfaction of the condition in clause 22.1 (Issue of Title); or
- (b) the date ten (10) working days following the satisfaction of the condition in clause 30.1 (Due Diligence); and

“Underlying Land” means the property at 18 Spring Place, more particularly described as Lot 1 Deposited Plan 533466 and comprised in record of title 876645, of which the Property forms part.

22. Conditional on issue of title

22.1 This Agreement is conditional upon the issue of a separate record of title to the Property by [insert date]. The Vendor may, at its sole discretion, by written notice to the Purchaser, extend such time by up to three (3) months.

22.2 In the event that a separate record of title to the Property has not issued by due date (including any extended date), either party may cancel this Agreement in which case the Vendor will refund any deposit together with net interest earned to the Purchaser and neither party shall have any claim against the other.

23. Development and issue of title

23.1 The Vendor warrants that it has an unconditional agreement in place to purchase the Underlying Land with such purchase to settle prior to the Settlement Date under this Agreement.

23.2 The Purchaser acknowledges that a separate record of title has not issued for the Property. The Purchaser is deemed to have accepted the Vendor’s title and General Term of Sale 6.2 shall not apply.

- 23.3 The Purchaser acknowledges that the date on which record of title will issue and a transfer can be registered are not essential terms of this Agreement.
- 23.4 The Vendor shall, with all due diligence, application and speed (subject to delay beyond the control of the Vendor and the requirements of any relevant authority), proceed with and complete the construction of the Development and issue of the record of title for the Property.
- 23.5 The Vendor reserves the right to grant, create or receive any easements, restrictions or other encumbrances, rights or obligations (together "memorials") which the Vendor deems desirable or which may be required in order to satisfy any conditions of approval of the subdivision provided that such memorials do not materially adversely affect the value of the Property and will not materially adversely affect the Purchaser's proposed use and future enjoyment of the Property. The Purchaser shall take title to the Property subject to such memorials.
- 23.6 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 (except as provided in this clause) neither party shall be entitled to cancel this Agreement nor bring any claim whatsoever against the other based on any such variation of measurements. If the total area of the Property is reduced or increased by more than [3%], the purchase price for the property will be adjusted by the same proportion as the change in total area.
- 23.7 The Vendor may, on or before settlement register the Protective Covenants against the record of title to the Property and the Purchaser will take title subject to and with the benefit of such Protective Covenants.
- 23.8 The Purchaser shall not lodge a caveat against the record of title for the Underlying Land prior to the issue of a new record of title for the Property.

24. Deposit

- 24.1 The Purchaser will pay a deposit totalling [10%] of the Purchase Price to Rhodes & Co, Solicitors, Christchurch immediately upon confirmation of any conditions inserted for the sole benefit of the Purchaser.
- 24.2 Rhodes & Co will hold the deposit until this Agreement becomes unconditional in an interest bearing account with a registered bank or building society but will not be liable to any person by reason of any delay in investing or accounting for the deposit or any failure on the part of the registered bank or building society.

25. Tax matters

- 25.1 The Purchaser will not request a tax invoice (within the meaning of section 2 of the GST Act) from the Vendor prior to the issue of a new record of title for the Property or 5 days prior to Settlement Date, whichever is the later.
- 25.2 The Purchase Price for the Property is the lowest price that the parties would have agreed upon for the Property under the rules relating to the accrual treatment of

income and expenditure and, on that basis, no income or expenditure arises under those rules.

26. Non-objection

- 26.1 The Purchaser acknowledges that the Vendor will continue to develop the Underlying Land in such a manner as the Vendor requires ("Future Development") and has free and unrestricted right to complete such Future Development.
- 26.2 The Purchaser will not oppose, object to, frustrate or take any action or encourage or cause others to oppose, object to, frustrate or take any action that might in any way prevent or hinder the Vendor from progressing and completing the Future Development and/or effecting any zone change, subdivision or land use consents needed to give effect to the Future Development.
- 26.3 The Purchaser acknowledges that the construction and completion of the Future Development may involve noise, vibration and some nuisance to the occupiers of the Property and the Purchaser covenants not to object, complain or do any act or thing to prohibit the Future Development and the construction of any structures on the Future Development site providing such noise or nuisance is reasonably necessary for the Future Development.
- 26.4 The Vendor agrees to use reasonable endeavours to minimise disruption to the Purchaser during the Future Development and agrees to remedy any defects caused to the Purchaser's property during the Future Development.
- 26.5 The Purchaser agrees that the Purchaser will not sell the Property without obtaining a deed of covenant whereby the transferee covenants with the Vendor to be bound by the obligations of the Purchaser under this Future Development clause.

27. Assignment

- 27.1 The Purchaser shall not transfer, assign or otherwise dispose of its interest in the Property or this Agreement prior to settlement without:
- (a) giving written notice to the Vendor; and
 - (b) requiring the Transferee or Assignee to enter into a deed of covenant with the Vendor (to be prepared by the Vendor's solicitor at the Purchaser's cost) whereby such Transferee or Assignee covenants directly with the Vendor in terms of this Agreement.

No transfer, assignment or other disposition will release the Purchaser from its obligations under this Agreement.

28. Guarantee

- 28.1 Where the Purchaser is a company, in consideration of the Vendor entering into this Agreement at the request of the directors of the Purchaser, each of those directors jointly and severally guarantees to the Vendor the performance of all the

Purchaser's obligations under this Agreement and acknowledges that they have executed this Agreement in such personal capacity notwithstanding any words to the contrary.

29. Bond

- 29.1 Prior to possession being given and taken the Purchaser shall pay the Vendor a bond to secure compliance by the Purchaser and their contractor(s) under this Agreement and the Protective Covenants. The bond shall be \$3,000.00.
- 29.2 During the term the bond is held by the Vendor, if the Vendor becomes aware of any breach of the Protective Covenants, including but not limited to damage to landscaping, roading, footpaths, kerbs, concrete or other structures in the subdivision, or failure to follow an approved plan the Vendor shall notify the Purchaser in writing of such non-compliance. If the Purchaser does not comply with such notice within a reasonable time the Vendor shall have the right to remedy the breach with reasonable costs to be deducted out of the bond held.
- 29.3 Prior to the occupation of the dwelling the Purchaser shall make a written request for the repayment of the bond by the Vendor and shall supply the Vendor with a copy of the Code Compliance Certificate. As soon as practicable after receipt of the Purchaser's request, the Vendor will inspect the Property. If the Vendor is satisfied the Purchaser has complied with the Protective Covenants in all respects, the bond shall be repaid to the Purchaser.
- 29.4 The Vendor is not obliged to hold the bond in a separate account nor to account to the Purchaser for any interest earned on the bond.

In the event that the Purchaser sells the Property without building on it, the Vendor shall continue to hold the bond on the terms set out above and will make any refund of the bond to the owner of the Property at the time the dwelling is built. It is recommended that the Purchaser make provision in any agreement to sell the Property for the party purchasing to refund the bond to the Purchaser direct.

30. Purchaser condition

- 30.1 This Agreement is subject to and conditional upon the Purchaser's solicitor's approval of the form of this Agreement and the underlying record of title within 10 working days from the date of this Agreement. This condition is inserted for the Purchaser's sole benefit.

31. Purchaser acknowledgments

- 31.1 The Purchaser acknowledges that:
- (a) as part of the Development the Vendor will at its cost install water, electricity and telecommunications infrastructure to the boundary of the Property; and
 - (b) the Vendor gives no warranty as to the accuracy of the information supplied to the Purchaser and the Purchaser acknowledges that the Purchaser relies on the Purchaser's own advice and expertise in exercising its judgment on

the suitability of the Property for the Purchaser's intended purposes and does not rely on any information or representations made by the Vendor.

32. Fencing

- 32.1 The Purchaser acknowledges that cost of any fencing erected prior to the settlement date is included in the purchase price and that the Vendor will register a fencing covenant upon transfer of the Property.

Signed by the Guarantor(s)

Guarantor Signature

Guarantor Signature

Guarantor Name

Guarantor Name

Schedules

Scheme Plan

Protective Covenant