

Our Ref: 201310006

17 May 2013

Chris Green  
Chapman Tripp  
PO Box 2206  
AUCKLAND 1140



Dear Chris

**APPLICANTS – Michael Martin Crandall and Michele Ann Esposito**

We refer to the application letter dated 2 January 2013.

We attach:

- (a) Notice of decision; and
- (b) Proposed decision summary; and
- (c) GST invoice for the application fee that was paid by the Applicants.

The notice of decision describes the decision made by Hon Jonathan Coleman and Hon Maurice Williamson and includes the conditions that apply to the consent.

The proposed decision summary contains the information the Overseas Investment Office proposes to release to the public.

If you wish to make any changes to the decision summary to withhold information, you must make direct reference to the provisions of the Official Information Act 1982 that you consider justify the withholding of the information and you should write to Peter Hill ([prhill@linz.govt.nz](mailto:prhill@linz.govt.nz)) by **12pm on 31 May 2013**, detailing the suggested changes.

Please consult the practice guidelines issued by the Office of the Ombudsmen before writing to us.

If we have not heard from you by **12pm on 31 May 2013**, we will publicly release the decision summary without further reference to you.

Yours sincerely



Oliver Turton - Senior Solicitor  
Overseas Investment Office

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**Decision Date**

15 May 2013

**Decision**

Consent has been granted to **Michael Martin Crandall and Michele Ann Esposito**, or a 100% subsidiary of **Michael Martin Crandall and Michele Ann Esposito** (the Applicants), giving effect to a transaction which will result in:

- An overseas investment in sensitive land, being the Applicants' acquisition of a freehold interest in approximately 20.2450 hectares of land at Lot 16, Mataka Station, Rangihoua Road, Kerikeri.

(the Investment)

Consent is granted subject to the following conditions:

**Statutory Conditions of Consent**

Section 28 of the Overseas Investment Act 2005 (the Act) provides that it is a condition of every consent, whether or not it is stated in the consent, that

- (a) The information provided by each applicant to the regulator or the relevant Minister or Ministers in connection with the application is true and correct at the time it was provided; and
- (b) Each consent holder must comply with the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent is granted, unless compliance should reasonably be excused.

For the purposes of section 28, the Overseas Investment Office has taken into account the following information:

- (a) The Applicants' letters dated 2 January 2013, 12 March 2013 and 25 March 2013 and all attachments annexed to those letters (where applicable) which were submitted to the Overseas Investment Office in support of the application by the Applicants to acquire the investment and related assets.

**Special Conditions**

1. The consent will lapse if the Investment has not been acquired by and transferred to the Applicants within twelve months of the date of consent.
2. The Applicants must notify the Overseas Investment Office in writing as soon as practicable, and no later than twelve months from the date of consent, whether settlement of the acquisition of the Investment took place. If settlement of the acquisition of the Investment did take place, the notice must include:
  - (a) the date of settlement;
  - (b) final consideration paid (plus GST, if any);
  - (c) the structure by which the acquisition was made, and who acquired the Investment;

- (d) where applicable, copies of transfer documents and settlement statements; and
  - (e) any other information that would aid the Overseas Investment Office in its function to monitor conditions of consent.
3. The Applicants must:
- (a) continue to be of good character; and
  - (b) not become individuals of the kind referred to in section 15 or 16 of the Immigration Act 2009.
4. The Applicants must notify the Overseas Investment Office in writing within 20 working days if:
- (a) the Applicants:
    - (i) cease to be of good character; or
    - (ii) commit an offence or contravene the law (whether convicted or not); or
    - (iii) become aware of any other matter that reflects adversely on the Applicants' fitness to have the Investment; or
    - (iv) become an individuals of the kind referred to in section 15 or 16 of the Immigration Act 2009;
  - (b) any person in which the Applicants have, or had at the time of the offence or contravention, a 25% or more ownership or control interest, commits an offence or contravenes the law (whether convicted or not); or
  - (c) the Applicants:
    - (i) cease to be overseas persons; or
    - (ii) dispose of the Investment.
5. The Applicants must implement the native plant restoration programme outlined in appendix G to the application and the Applicants' letter of 25 March 2013, the initial planting phase to be completed within two years of the date of consent.
6. The Applicants must make a \$75,000.00 contribution to the Marsden Cross Bicentennial Project within 12 months of the date of consent.
7. The Applicants must report in writing to the Overseas Investment Office for six years, or until advised by the Overseas Investment Office that the condition has been met (on an annual basis on the anniversary of the date of consent) as to the progress of the investment plan, including details of:
- (a) any job opportunities created in New Zealand;
  - (b) the Applicants' progress in implementing the native bush planting programme;
  - (c) the Applicants' progress in creating an esplanade strip on the land; and
  - (d) the Applicants' progress in making their contribution to the Marsden Cross Bicentennial Project.
8. The Applicants must:
- (a) if required, offer any special land to the Crown for nil consideration;
  - (b) if accepted by the Crown, the Applicants must transfer any rights they hold (subject to any reserved rights agreed with the Crown) in respect of the special land to the Crown as soon as practicable after acceptance of the offer;
  - (c) if accepted by the Crown, and pending transfer, the Applicants shall permit the registration of an appropriate instrument against the

computer registers containing any special land if so required by the Crown to protect its interest in the special land. All costs of preparation and registration of any such instrument shall be paid by the Crown;

- (d) if any survey is required to accurately identify the special land for the purposes of the Crown acquiring it, the Crown will undertake such survey at its own cost;
  - (e) the Crown agrees and warrants that the Applicants (including their successors and assigns) and all persons authorised by the Applicants (and their successors and assigns) including without limitation employees, contractors, licensees and invitees may at all times after the date of acquisition of any part of the special land by the Crown, cross, occupy and use any part of the special land to facilitate it carrying out activities for farming purposes provided that each such person does so in accordance with all necessary laws, regulations and consents;
  - (f) in accordance with Regulation 25, the special land offer is conditional upon the overseas investment transaction being given effect to (and shall otherwise be of no effect).
9. If in the opinion of the Overseas Investment Office condition 3, 5, 6, 7 or 8 is not complied with ("Non-Compliance"), the Applicants must dispose of the Investment as follows:
- (a) The Applicants must, within six weeks of receiving notice from the Overseas Investment Office that in its opinion there has been Non-Compliance (the "Notice Date"):
    - (i) procure from an independent registered valuer, and provide to the Overseas Investment Office, a written market valuation of the Investment; and
    - (ii) appoint licensed real estate agents to actively market and appropriately advertise the Investment for sale on the open market; and
  - (b) The Applicants must dispose of the Investment within eighteen months of the Notice Date to a third party who must not be an associate of the Applicants. If the Applicants have not disposed of the Investment at the expiry of the eighteen month period, the Applicants must offer the Investment for sale by auction or tender within a further three months (with no reserve price or minimum bid set for the auction or tender) and dispose of the Investment.
  - (c) The Applicants must provide a written report to the Overseas Investment Office quarterly (by the last day of March, June, September and December) about the marketing activities undertaken and offers received for the Investment. The Applicants must also report at any other time if required by the Overseas Investment Office.
  - (d) The Applicants must provide a written report to the Overseas Investment Office within two months of the Investment being disposed of, providing evidence that:
    - (i) the Applicants have disposed of the Investment (including copies of any sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor); and
    - (ii) the purchaser is not an associate of the Applicants.

10. If requested in writing by the Overseas Investment Office, the Applicants must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent was granted; or
- (b) the conditions of this consent.

### **Monitoring Conditions of Consent**

For the purpose of monitoring conditions of consent, the Overseas Investment Office may, under section 38 of the Act, require the Applicants to provide information or documents, or both, that are specified in the notice. Under section 40 of the Act, the Overseas Investment Office may also require the Applicants to provide a statutory declaration verifying the extent to which the Applicants have complied with the conditions of consent, and, if the Applicants are in breach of a condition or conditions, the reasons for the breach and the steps the Applicants intend to take to remedy the breach.

### **Sanctions**

The Act provides for civil and criminal sanctions for breaching the Act, failing to comply with conditions of consent and failing to provide information required by the Overseas Investment Office. The Overseas Investment Office has an obligation to investigate and act upon alleged and suspected breaches of the Act.

### **General**

A reference to the "Overseas Investment Office" in this Notice includes a reference to the regulator (as defined by the Act).



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Oliver Turton - Senior Solicitor  
Overseas Investment Office