

Our Ref: 201810232

17 April 2019

TO: CDL Land New Zealand Limited

BY EMAIL

CC BY EMAIL: Andrew Petersen

Overseas Investment Office

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CONSENT FOR YOU TO ACQUIRE LAND AT ARATAKI ROAD, HAVELOCK NORTH, HASTINGS

1. We¹ have now considered, and approved, your application for consent to acquire approximately 8.4299 hectares of land at Arataki Road, Havelock North, Hastings.
2. We enclose a copy of the decision. You will see it contains some important details of the consent you have been given, and of the conditions you must meet.
3. These include standard conditions that apply to all overseas people who are given consent to acquire sensitive New Zealand land. They also include special conditions that apply only to you and were important considerations that particularly influenced our decision to give consent.
4. The conditions are about the things you must do in order to be allowed to acquire, and keep, the land. They also require you to provide information to us either regularly or when particular events occur.
5. **Please read the conditions carefully and make sure you put processes in place so you can meet them. This is important because if you do not meet the conditions, you may be required to dispose of the land and/or be subject to fines or other penalties.**
6. You can find information about these penalties and how we monitor and enforce them on our website at: <http://www.linz.govt.nz/regulatory/overseas-investment/enforcement>.
7. Your legal advisers can advise you about the conditions and about the consequences of failing to comply with them, but only you are responsible for complying with them.
8. We look forward to hearing about the progress of your investment.

Yours sincerely

[s 9(2)(b)(ii)]

LI nos Morgan
Senior Solicitor
Overseas Investment Office

DDI: +64 4 460 2720
Email: lmorgan@linz.govt.nz

¹ Your consent has been granted either by the Associate Minister of Finance and the Minister of Land Information, or by a manager at the Overseas Investment Office, acting under delegated authority from the Chief Executive of Land Information New Zealand.

Consent for Overseas Person to Acquire Sensitive New Zealand Land

Read this consent carefully - you must comply with all the conditions. If you do not, you may be required to dispose of the land and/or be subject to fines or other penalties.

Consent

Decision date: 17 April 2019

The following people have been given the following **consent**:

Case	201810232
Consent	CDL Land New Zealand Limited may acquire the Land subject to the Conditions set out below.
Consent holder	CDL Land New Zealand Limited We will also refer to each Consent holder as you .
Land	Approximately 8.4299 hectares of freehold land at 108, 122 and 160 Arataki Road, Havelock North (contained in records of title HBM2/265, 677140 and 677141)
Timeframe	You have 12 months from the date of consent to acquire the Land.

Conditions

Your Consent is subject to the Special conditions, Standard Conditions and Reporting conditions (**Conditions**) set out below. You must comply with them all. Be aware that if you do not comply with the Conditions you may be subject to fines or other penalties, and you may also be required to dispose of the Land.

In the Consent and the conditions, we refer to the Overseas Investment Office as **OIO, us or we**.

Special conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and were considerations that particularly influenced us to give consent:

Details	Required date
Special condition 1: Rezoning and Resource Consent	
<p>You must work with the relevant authorities to ensure that:</p> <p>(a) An application to rezone the Land to an appropriate Urban Residential Zone for residential use is lodged with the relevant local authority;</p> <p>(b) An application for the necessary resource, subdivision and any other consents required to allow the Land to be developed for residential purposes is lodged with the relevant local authority; and</p> <p>(c) You obtain the necessary resource, subdivision and any other consents required to allow the Land to be developed for residential purposes.</p> <p>If you do not, Standard condition 6 will apply and we may require you to dispose of the Land.</p>	<p>[s 9(2)(b)(ii)]</p> <p>[s 9(2)(b)(ii)]</p> <p>[s 9(2)(b)(ii)]</p>
Special condition 2: Development of the Land	
<p>You must</p> <p>(a) start stage 1 construction within [s 9(2)(b)(ii)] of receiving all of the approvals set out in special condition 1 above; and</p> <p>(b) complete 5 stages of construction [s 9(2)(b)(ii)] of starting stage 1 construction (these stages being set out in Appendix 12 of your application).</p>	<p>[s 9(2)(b)(ii)]</p> <p>Stage 1 [s 9(2)(b)(ii)]</p> <p>Stage 2 [s 9(2)(b)(ii)]</p> <p>Stage 3 [s 9(2)(b)(ii)]</p> <p>Stage 4 [s 9(2)(b)(ii)]</p> <p>Stage 5 [s 9(2)(b)(ii)]</p>

<p>You must:</p> <p>(a) ensure at least [s 9(2)] residential sections are made available for sale to the New Zealand public per annum for [s 9(2)] years with at least [s 9(2)] residential sections being made available in the [s 9(2)] year. One year after construction as outlined in 2(a) has begun.</p> <p>If you do not, Standard condition 6 will apply and we may require you to dispose of the Land.</p>	<p>[s 9(2)(b)(ii)]</p> <p>Stage 1 [s 9(2) (b)(ii)]</p> <p>Stage 2 [s 9(2) (b)(ii)]</p> <p>Stage 3 [s 9(2) (b)(ii)]</p> <p>Stage 4 [s 9(2) (b)(ii)]</p> <p>Stage 5 [s 9(2) (b)(ii)]</p>
<p>Special condition 3: Ownership</p>	
<p>You must not retain an ownership interest in any part of the Land including any subsequent subdivided records of title</p> <p>If you do not, Standard condition 6 will apply and we may require you to dispose of the Land.</p>	<p>As soon as practicable and no later than [s 9(2)(b)]</p>

Standard conditions

You must also comply with the **standard conditions** set out below. These apply to all overseas people who are given consent to acquire sensitive New Zealand land, including you:

Details	Required date
Standard condition 1: acquire the Land	
<p>You must acquire the Land:</p> <ol style="list-style-type: none">by the date stated in the Consent. <p>If you do not, your Consent will lapse or become invalid and you must not acquire the Land, and</p> <ol style="list-style-type: none">using the acquisition, ownership and control structure you described in your application. <p>Note, only you – the named Consent holder – may acquire the Land, not your subsidiary, trust or other entity.</p>	As stated in the Consent
Standard condition 2: tell us when you acquire the Land	
<p>You must tell us in writing when you have acquired the Land</p> <p>Include details of:</p> <ol style="list-style-type: none">the date you acquired the Land (Settlement),consideration paid (plus GST if any),the structure by which the acquisition was made and who acquired the Land, andcopies of any transfer documents and Settlement statements.	As soon as you can, and no later than two months after Settlement
Standard condition 3: allow us to inspect the Land	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions.</p> <p>We will give you at least two weeks' written notice if</p>	At all times

we want to do this.

You must then:

1. Allow a person we appoint (**Inspector**) to:
 - (a) enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (**Inspection**),
 - (b) remain there as long as is reasonably required to conduct the inspection,
 - (c) gather information,
 - (d) conduct surveys, inquiries, tests and measurements,
 - (e) take photographs and video records, and
 - (f) do all other things reasonably necessary to carry out the Inspection.
2. Take all reasonable steps to facilitate an Inspection including:
 - (a) directing your employees, agents tenants or other occupiers to permit an Inspector to conduct an Inspection,
 - (b) being available, or requiring your employees, agents, tenants or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required.

During an Inspection:

- (a) we will not compel you and your employees, agents, tenants or other occupiers to answer our questions or to let us look at, copy or take away documents,
- (b) our Inspector will comply with any reasonable instruction and co-operate with any reasonable health and safety policy or procedure you notify to us before the Inspection.

Standard condition 4: remain of good character

You and the Individuals Who Control You:

1. must continue to be of good character, and

At all times

<p>2. must not become an individual of the kind referred to in section 15 or section 16 of the Immigration Act 2009.</p> <p>In summary, these sections describe convicted or deported people who are not eligible for visa or entry permission to enter or be in New Zealand and people who are considered likely to commit an offence or to be a threat or risk to security, public order or the public interest.</p> <p>The Individuals Who Control You are individuals who:</p> <ul style="list-style-type: none"> (a) are members of your governing body, (b) directly or indirectly, own or control 25% or more of you or of a person who itself owns or controls 25% or more of you, and (c) are members of the governing body of the people referred to in paragraph (b) above. 	
<p>Standard condition 5: tell us about changes that affect you, the people who control you, or people you control</p>	
<p>You must tell us in writing if any of the following events happens to any of the Consent holders:</p> <ol style="list-style-type: none"> 1. You, any Individual Who Controls You, or any person in which you or any individual who controls you hold (or at the time of the offence held) a 25% or more ownership or control interest commits an offence or contravenes the law anywhere in the world. This applies whether or not you or they were convicted of the offence. In particular, please tell us about any offences or contraventions that you are charged with or sued over and any investigation by enforcement or regulatory agencies or professional standard bodies. 2. An Individual Who Controls You ceases to be of good character; commits an offence or contravenes the law (whether they were convicted or not); becomes aware of any other matter that reflects adversely on their fitness to have the Land; or becomes an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009 (see standard condition 4). 	<p>Within 20 working days after the change</p>

<ol style="list-style-type: none"> 3. You cease to be an overseas person or dispose of all or any part of the Land. 4. You, any Individual Who Controls You, or any person in which you or any Individual Who Controls You hold (or at the time of the event held) a 25% or more ownership or control interest: <ol style="list-style-type: none"> (d) becomes bankrupt or insolvent (e) has an administrator, receiver, liquidator, statutory manager, mortgagee's or chargee's agent appointed, or (f) becomes subject to any form of external administration. 	
Standard condition 6: dispose of the Land if you do not comply with key Special conditions	
<p>Some of the special conditions were key to the decision to give consent. If we consider you have failed to comply with one of those Special conditions in a material way we may require you to dispose of the Land.</p> <p>We may also require you to execute a security deed before you may acquire the Land. The security deed:</p> <ol style="list-style-type: none"> 1. must be in the form we require, 2. must be executed and delivered to us before you acquire the Land, 3. gives us power to appoint a receiver to dispose of the Land if you do not do that as required by this Standard condition 6, 4. will provide, among other things, that if we appoint a receiver, the receiver may dispose of the Land, deduct his or her costs from the proceeds of sale, and pay the remainder to you. <p>If all or part of this Standard condition 6 applies to a Special condition, we have said so in that condition.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>	
<p>Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.</p>	<p>Within six weeks of the date of our notice.</p>

<p>Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market.</p>	<p>Within six weeks of the date of our notice.</p>
<p>Dispose of the Land: dispose of the Land to a third party who is not your associate.</p>	<p>Within six months of our notice.</p>
<p>Offer without reserve: offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.</p>	<p>Within nine months of our notice</p>
<p>Report to us about marketing: tell us in writing about marketing activities undertaken and offers received for the Land.</p>	<p>By the last day of every March, June, September and December after our notice or at any other time we require.</p>
<p>Report disposal to us: send us, in writing, evidence:</p> <ul style="list-style-type: none"> (a) that you have disposed of the Land, (b) of disposal (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), (c) the purchaser is not your associate. 	<p>Within one month after the Land has been disposed of.</p>

Reporting conditions

We need information from you about how your Investment Plan is tracking so we can monitor your progress against the Conditions and so we can measure the benefits you have brought to New Zealand through your investment. Every year, you must lodge an **annual report**. It must:

2. be sent to **oiomonitoring@linz.govt.nz** by 31 December every year starting 2020 until 2030 or such other date as agreed with the Overseas Investment Office in writing.
3. contain information about:
 - (a) your progress in implementing the special conditions;
 - (b) the rezoning application;
 - (c) the necessary resource, subdivision and any other consents required to allow the Land to be developed for residential purposes;
 - (d) The number of full time equivalent jobs created as a result of the investment; and
 - (e) the Applicant's progress towards completing the stage 1 to 5 construction (as outlined in Appendix 12 of the Application) and progress in leasing sections to market, as set out in the Investment Plan with such construction being adjusted to start within 6 months of receiving the consents set out in the special conditions.
4. follow the format of the template annual report published on our website.