

## 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: 6 December 2019**

**Varied on: 12 April 2021**

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

<b>Case</b>	201900225
<b>Consent type</b>	One-off Consent (increased housing) for an overseas investment in sensitive land.
<b>Consent holder/s</b>	Since20181 Development Limited (company number 6963113) ( <b>You</b> or the <b>Consent Holder</b> )
<b>Consent</b>	The Consent Holder may acquire the Land subject to the Conditions set out below.
<b>Land</b>	The following residential (but not otherwise sensitive) land: Approximately 0.0759 hectares of freehold land at 20 Browns Bay Road, Rothesay Bay, Auckland, being the land currently contained in record of title NA1925/3.
<b>Relevant business</b>	Property investment and development.
<b>Use-by Date</b>	30 November 2020

### 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**.

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## Special conditions

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You must comply with the following special conditions. These apply specifically to this Consent and include conditions that we must impose under the Act.

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## Definitions

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**Act** means Overseas Investment Act 2005

**Development** means the terraced housing development you will construct on the Land and Neighbouring Land that will contain at least 20 new residential dwellings.

**Neighbouring Land** means the land owned by the Consent Holder at 18 and 16 Browns Bay Road, Rothesay Bay, Auckland comprised in titles NA322/102 and 574969 which, together with the Land, will form the Development.

**Regulations** means Overseas Investment Regulations 2005

Any term or expression that is defined in the Act or Regulations and used, but not defined, in this consent has the same meaning as in the Act or Regulations.

Details	Required date
<b>Special Condition 1: Increased Housing Outcome</b>	
You must use the Land to increase the number of residential dwellings constructed on the Land and Neighbouring Land by at least 20 residential dwellings.  If you do not comply with this Special Condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	At all times
<b>Special Condition 2: Milestones</b>	

You must complete the following milestones with regard to the development of the Land:

Milestone condition	Date for completion
<i>Milestone 1</i> Submission of all required resource consents and building consents for starting the Development	By 31 December 2021
<i>Milestone 2</i> Confirm to us whether the resource consent process requires a limited notification or is subject to a hearing process.	As soon as you become aware
<i>Milestone 3</i> Obtain all required resource consents and building consents for starting the Development.	By 31 December 2022
If you do not obtain all relevant resource consents and building consents required to construct the Development, then Standard Condition 6 will apply and we may require you to dispose of the Land.	
<i>Milestone 4</i> Commencement of construction of the Development	By 31 December 2022
<i>Milestone 5</i> Confirm to us that you are on schedule to meet Milestone 6	By 31 January 2023
<i>Milestone 6</i> Completion of construction of the Development	By 31 December 2024

If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.

### Special Condition 3: Non-occupation outcome

None of the following people may occupy the Land for residential purposes:

- (a) You
- (b) Any overseas person with a 25% or more ownership or control interest in any of the people in (a).
- (c) Any overseas person who occupies the Land other than on arm's length terms.<sup>1</sup>

At all times

<sup>1</sup> 'At arms length terms' has the meaning in clause 17, Part 5, Schedule 2 of the Overseas Act 2005. In summary it means terms, for example under a lease (or other contract), that are on a reasonable commercial basis.

<p>(d) Any overseas person who has a beneficial interest in, or beneficial entitlement to, the relevant interest in the Land.</p> <p>(e) If (a) is a trust, any beneficiary (direct or indirect) who may benefit under the trust at the trustees' discretion.</p> <p>If you do not comply with this Special Condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<p>For the avoidance of doubt, you may continue to have tenants occupy the dwelling that is currently located on the Land.</p> <p>Nothing in this condition should be read to conflict with the Consent Holder's requirements under the Residential Tenancies Act 1986.</p>	<p>Until 31 December 2022</p>
<p><b>Special Condition 5: On sale outcome</b></p>	
<p>You must dispose of all interests in all the residential dwellings on the Land.</p> <p>If you do not comply with this Special Condition, 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 31 December 2025</p>

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## 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
<b>Standard Condition 1: acquire the Land</b>	
<p>You must acquire the Land:</p> <ol style="list-style-type: none"> <li>by the date stated in the Consent. If you do not, your Consent will lapse or become invalid and you must not acquire the Land, and</li> <li>using the acquisition, ownership and control structure you described in your application.  Note, only you – the named Consent Holder - may acquire the Land, not your subsidiary, trust or other entity.</li> </ol>	As stated in the Consent
<b>Standard Condition 2: tell us when you acquire the Land</b>	
<p>You must tell us in writing when you have acquired the Land. Include details of:</p> <ol style="list-style-type: none"> <li>the date you acquired the Land (<b>Settlement</b>),</li> <li>consideration paid (plus GST if any),</li> <li>the structure by which the acquisition was made and who acquired the Land, and</li> <li>copies of any transfer documents and Settlement statements.</li> </ol>	As soon as you can, and no later than two months after Settlement
<b>Standard Condition 3: allow us to inspect the Land</b>	
<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 we want to do this.</p> <p>You must then:</p> <ol style="list-style-type: none"> <li>Allow a person we appoint (<b>Inspector</b>) to: <ol style="list-style-type: none"> <li>enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (<b>Inspection</b>),</li> </ol> </li> </ol>	At all times

<ul style="list-style-type: none"> <li>(b) remain there as long as is reasonably required to conduct the inspection,</li> <li>(c) gather information,</li> <li>(d) conduct surveys, inquiries, tests and measurements,</li> <li>(e) take photographs and video records, and</li> <li>(f) do all other things reasonably necessary to carry out the Inspection.</li> </ul> <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <ul style="list-style-type: none"> <li>(a) directing your employees, agents, tenants or other occupiers to permit an Inspector to conduct an Inspection,</li> <li>(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.</li> </ul> <p>During an Inspection:</p> <ul style="list-style-type: none"> <li>(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,</li> <li>(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.</li> </ul>	
<p><b>Standard Condition 4: remain of good character</b></p>	
<p>You and the Individuals Who Control You:</p> <ol style="list-style-type: none"> <li>1. must continue to be of good character, and</li> <li>2. must not become an individual of the kind referred to in section 15 or section 16 of the Immigration Act 2009.</li> </ol> <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 <b>Individuals Who Control You</b> are individuals who:</p> <ul style="list-style-type: none"> <li>(a) are members of your governing body,</li> </ul>	<p>At all times</p>

<ul style="list-style-type: none"> <li>(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</li> <li>(c) are members of the governing body of the people referred to in paragraph (b) above.</li> </ul>	
<p><b>Standard Condition 5: tell us about changes that affect you, the people who control you, or people you control</b></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"> <li>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.</li> <li>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).</li> <li>3. You cease to be an overseas person or dispose of all or any part of the Land.</li> <li>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: <ul style="list-style-type: none"> <li>(a) becomes bankrupt or insolvent</li> <li>(b) has an administrator, receiver, liquidator, statutory manager, mortgagee's or chargee's agent appointed, or</li> <li>(c) becomes subject to any form of external administration.</li> </ul> </li> </ol>	<p>Within 20 working days after the change</p>

**Standard Condition 6: dispose of the Land if you do not comply with key special conditions**

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.

We may also require you to execute a security deed before you may acquire the Land. The security deed:

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.

If all or part of this Standard Condition 6 applies to a special condition, we have said so in that condition.

We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:

**Value the Land:** obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.

Within six weeks of the date of our notice.

**Market the Land:** instruct a licensed real estate agent to actively market the Land for sale on the open market.

Within six weeks of the date of our notice.

**Dispose of the Land:** dispose of the Land to a third party who is not your associate.

Within six months of our notice.

**Offer without reserve:** if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.

Within nine months of our notice.

**Report to us about marketing:** tell us in writing about marketing activities undertaken and offers received for the Land.

By the last day of every March, June, September and December after our notice or at any other time we require.



**Report disposal to us:** send us, in writing, evidence:

- (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.

Within one month after the Land has been disposed of.

Released under the Official Information Act 1982

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## Reporting conditions

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We may need information from you about how your investment plan is tracking so we can monitor your progress against the Conditions.

In addition to Standard Condition 2, every year, you must lodge an annual report. It must:

1. be sent to **oiomonitoring@linz.govt.nz** by 31 January every year starting 2020 until 2026 or such other date as advised by the Overseas Investment Office in writing.
2. contain information about:
  - (a) your progress in implementing and complying with the special conditions;
  - (b) your progress in obtaining the necessary resource, subdivision and any other consents required to allow the Land to be developed for residential purposes;
  - (c) the Consent Holder's progress starting, carrying out, and completing construction (including photographic evidence); and
  - (d) the Consent Holder's progress with selling the completed residential dwellings, including evidence of the sales.
3. follow the format of the template annual report published on our website.

If requested in writing by the OIO, the Consent Holder(s) 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.