

NGATI POROU

and

TE RUNANGANUI O NGATI POROU TRUSTEE LIMITED
as trustee of TE RUNANGANUI O NGATI POROU

and

THE CROWN

DEED OF SETTLEMENT SCHEDULE:
PROPERTY REDRESS

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PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

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PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

COMMERCIAL REDRESS PROPERTIES

Name of site/Address	Description	Encumbrances	Transfer value	Land holding agency
<i>Licensed land</i>				
Ruatoria Forest	13,540.6421 hectares, more or less, being Lot 1 DP 6482, Lots 1 and 2 DP 7861, Lot 1 DP 7862, Lots 1, 2 and 3 DP 7913, Lots 1, 2, 3 and 4 DP 7916, Lots 1, 2, 3, 4, 5, 6 and 7 DP 7960, Lots 1, 3 and 4 DP 8030, Lots 1, 2, 3 and 4 DP 8200, Lots 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 DP 8347 and Lots 1, 2, 3, 4, 5 and 6 DP 9084. All Computer Freehold Registers GS2A/15, GS2B/1025, GS3C/1349, GS4A/1035, GS4C/751, GS4C/909, GS5B/475 and GS5B/1024, Part Computer Freehold Registers GS100/86, GS104/205, GS114/190, GS117/23, GS117/76, GS128/28, GS128/29, GS135/90, GS1D/241, GS2A/14, GS2B/1438, GS2B/1439, GS2C/445, GS2C/1036, GS2C/1264, GS4C/776, GS4C/777 and GS5C/637, All Transfer 116315.2, All Gazette Notices 189881.2	Subject to a: - Crown Forestry Licence held in Computer Interest Register GS6A/17. - Protective Covenant Certificate held in Computer Interest Register GS6A/18. - Public Access easement shown A, D and F on DP 8200 held in Computer Interest Register GS6A/19. - Right of Way over part marked A on DP 7763 specified in Easement Certificate 177931.3. - Right of Way over part marked E on DP 7960 created by Transfer 231630.1. - Right of Way over part marked K on DP 8347 created by Transfer 233746.2. - Water Conveyance Right over part marked A and B on DP 348015 created by Transfer 6793630.4. Subject to and together with Rights of Way created by Transfer 216321.1. Together with a:	Together with the Tokomaru Forest being \$10,750,000	LINZ

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1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

	<p>and 189881.3, Part Gazette Notices 189881.1 and 212482.1, Balance Gazette Notices 140245.1 and 193663.1 and Part Document W2460.</p>	<p>- Right of Way created by Court Order 232272.1.</p> <p>- Right of Way over parts marked A, B, C and D on ML 8951 created by Court Order 233746.5.</p> <p>Subject to a Right of Way in gross to be created over land shown A on DP 9569 in favour of the Minister of Conservation. (clause 6.6.2(a))</p> <p>Together with a:</p> <p>- Right of Way to be created over land shown L on DP 8347. (clause 6.6.2(b))</p> <p>- Right of Way to be created over land shown G on DP 8200. (clause 6.6.2(b))</p> <p>- Right of Way to be created over marginal strips shown B and E on DP 8347. (clause 6.6.2(b))</p>		
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PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

<p>Tokomaru Forest</p>	<p>11,098.3984 hectares, more or less, being Lot 1 DP 6823, Lot 2 DP 6824, Lots 1, 2, 3, 4, 7 and 8 DP 7690, Lot 1 DP 7746, Lots 1, 2 and 4 DP 7856, Lots 1 and 2 DP 7908, Lots 1, 2 and 3 DP 7914, Lots 1 and 2 DP 7925, Lot 1 DP 7273, Lots 2, 3 and 5 DP 8100, Lot 2 DP 6820, Lot 1 DP 8190 and Lot 1 DP 8217. All Computer Freehold Registers GS106/201, GS1D/1155, GS2C/605, GS4D/909, GS4D/910, GS5B/854 and GS5B/1344, Part Computer Freehold Registers GS111/71, GS1A/169, GS2A/1183, GS2D/148, GS4B/444, GS5B/843 and GS5B/859, Part Transfers 84903 and 160851.7, All Proclamation 100342 and Part Gazette 1977 page 454.</p>	<p>Subject to a:</p> <ul style="list-style-type: none"> - Crown Forestry Licence held in Computer Interest Register GS6A/12. - Protective Covenant Certificate held in Computer Interest Register GS6A/13. - Public Access easement held in Computer Interest Register GS6A/14. - Variation of Crown Forestry Licence specified in document 234027.2. - Fencing Covenant held in Computer Interest Register GS6A/12. - Land Covenant affecting Lot 2 DP 6820 held in Computer Interest Register GS6A/12. - Rights of Way, a right to take and convey water specified in Easement Certificate 174545.6. - Right of Way over parts marked B on DP 7275 and C on DP 7274 created by Transfer 179151.1. - Right of Way over parts marked B on DP 7275 and C on DP 7274 created by Transfer 179151.3. - Drainage Right created by Computer Interest Register GS1B/676. <p>Subject to a Right of Way in gross to be created over land shown A on DP 8100</p>	<p>Together with the Ruatoria Forest being \$10,750,000</p>	<p>LINZ</p>
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PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

		<p>in favour of the Minister of Conservation. (clause 6.6.2(a))</p> <p>Together with a:</p> <ul style="list-style-type: none">- Right of Way over parts marked A and B on SO 6869 and marked C on SO 6868 created by Transfer 134950.5- Right of Way over parts marked A on DP 7275 created by Transfer 179151.1- Right of Way over parts marked A on DP 6979 created by Transfer 179151.3		
			Total transfer values	
			\$10,750,000	

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1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

Name of site/Address	Description	Encumbrances	Land holding agency
<i>Commercial redress properties for no consideration</i>			
Residential House 58 Wainui Road Gisborne	0.0932 hectares, more or less, being Lot 1 DP 3391. All Computer Freehold Register GS2A/1449.	Nil	Office of Treaty Settlements
Ex Te Araroa Post Office Corner Rata Street / Moana Parade Te Araroa	0.0392 hectares, more or less, being Lot 1 DP 3645. All Computer Freehold Register GS6D/15.	Nil	Office of Treaty Settlements
Vacant Residential land Whakarua Park Road Ruatoria	0.9023 hectares, more or less, being Lot 2 DP 9267. All Computer Freehold Register GS6C/265.	Nil	Office of Treaty Settlements
Former Whakangi School and School House	2.2258 hectares, more or less, being Lot 1 DP 2841. All Computer Freehold Register GS2D/205.	Nil	Office of Treaty Settlements
Hoia Station 35 State Highway Hicks Bay	2117.7765 hectares, more or less, being Parts Wharekahika B10, Section 1 SO 8666, Sections 1 and 2 SO 8667 and Sections 1 and 2 SO 8668. All Computer Freehold Register GS6A/239.	Nil	Office of Treaty Settlements
Manutahi Forest College Road North Ruatoria	225.7000 hectares, more or less, being Lot 1 DP 8230. All Computer Freehold Register 287632.	Nil	Ministry of Agriculture and Forestry

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PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

DEFERRED SELECTION PROPERTIES

Property name	Legal description	Address	Valuation Method	Land holding agency
Police House	0.1128 hectares, more or less, being Part Lot 1 of Section 6, Block XVI, Mangaoparo Survey District*. All Computer Freehold Register GS2A/1150.	27 Tuparoa Road Ruatoria	to be jointly valued	Police
Ruatoria Police Station	0.3640 hectares, more or less, being Lot 1 DP 9267. All Computer Freehold Register GS6C/264.	191-193 Mangakino-Waiomatatini Road Ruatoria	to be jointly valued	Police
Police House	0.0908 hectares, more or less, being Lot 1 DP 6084. All Computer Freehold Register GS4A/1085.	205 Mangakino-Waiomatatini Road Ruatoria	to be jointly valued	Police
Police House	0.1803 hectares, more or less, being Section 12, Town of Ruatoria Extension No. 3. All Gazette 1988 page 1029.	111 Mangakino-Waiomatatini Road Ruatoria	to be jointly valued	Police
Police House	0.0809 hectares, more or less, being Lot 15 DP 4308. All Gazette Notice 104015.	19 Marian Drive Kaiti	to be jointly valued	Police

* The spelling of this survey district as "Mangaoparo Survey District" was confirmed in Gazette 1948 p949. Ngati Porou consider that the correct spelling is "Mangaoporo".

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1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

<p>Ngata Memorial College</p>	<p>1.2122 hectares, more or less, being Part Section 8, Block XVI, Mangaoparo Survey District. All Proclamation 1113.</p> <p>1.3496 hectares, more or less, being Part Section 9, Block XVI, Mangaoparo Survey District. All Proclamation 50042.</p> <p>0.1011 hectares, more or less, being Lot 1 DP 3075. All Gazette Notice 138134.2.</p> <p>0.6290 hectares, more or less, being Part Section 9, Block XVI, Mangaoparo Survey District. Balance Proclamation 59154.</p> <p>0.0283 hectares, more or less, being Part Lot 1 of Section 6, Block XVI, Mangaoparo Survey District. All Gazette Notice 89131.</p> <p>1.5505 hectares, more or less, being Lot 2 DP 3075. All Computer Freehold Register GS2C/383.</p> <p>0.9775 hectares, more or less, being Part Lot 1 of Section 6 and Part Section 8, Block XVI, Mangaoparo Survey District. All Gazette Notice 78002.</p>	<p>1 College Road North Ruatoria</p>	<p>to be separately valued</p>	<p>Ministry of Education</p>
<p>Tolaga Bay Area School</p>	<p>3.3732 hectares, more or less, being Sections 8, 9, 10, 11, 12, 13, 14, 15 and 16, Block XV, Section 14 and Part Sections 10, 12 and 15, Block XVI, Town of Tolaga Bay and Wairoro 3, 4A, 4B,</p>	<p>Resolution Street Tolaga Bay</p>	<p>to be separately valued</p>	<p>Ministry of Education</p>

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PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

	<p>4C1, 4C2, 4C3, 4D and 4E. Balance Proclamation 938.</p> <p>0.2023 hectares, more or less, being Sections 17 and 18, Block XV, Town of Tolaga Bay. All Computer Freehold Register GS3A/606.</p> <p>1.0017 hectares, more or less, being Section 22, Block XV, and Sections 8, 11, 13, 16, 17, 18, 19 and 20, Block XVI, Town of Tolaga Bay. All Gazette 1981 page 1915.</p> <p>0.3380 hectares, more or less, being Section 21, Block XVI, Town of Tolaga Bay. All Gazette Notice 117872.1.</p> <p>1.0235 hectares, more or less, being Section 7, Block XVII, Town of Tolaga Bay. All Gazette Notice 132864.1.</p> <p>0.3006 hectares, more or less, being Section 9, Block XVII, Town of Tolaga Bay. All Gazette Notice 137136.2.</p>			
	<p>0.0802 hectares, more or less, being Lot 1 DP 4322. All Computer Freehold Register GS110/163.</p> <p>0.6978 hectares, more or less, being Section 21, Block XV, Town of Tolaga Bay. All Computer Freehold Register GS2A/714.</p>			
<p>Hiruharama School</p>	<p>3.7636 hectares, more or less, being Ahiateatua A. All Computer Freehold Register GS3B/1070.</p>	<p>45 Hiruharama Road Ruatoria</p>	<p>to be separately valued</p>	<p>Ministry of Education</p>

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1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

Potaka School	1.5952 hectares, more or less, being Part Wharekahika 1B2. All Proclamation 1239.	State Highway 35 Hicks Bay	to be separately valued	Ministry of Education
Kaiti School	0.4507 hectares, more or less, being Lot 9 DP 5097. All Proclamation 77899. 0.8093 hectares, more or less, being Lot 1 DP 1391. All Computer Freehold Register GS3B/676. 0.0220 hectares, more or less, being Lot 1 DP 2508. All Computer Freehold Register GS2D/1374. 0.8094 hectares, more or less, being Lot 2 DP 2842. All Computer Freehold Register GS2D/221. 0.1618 hectares, more or less, being Stopped Street on DP 2948. All Computer Freehold Register GS2C/1417.	517 Wainui Road Kaiti Gisborne	to be separately valued	Ministry of Education
Makarika School	0.8094 hectares, more or less, being Lot 1 DP 3261. All Computer Freehold Register GS2C/239. 0.5751 hectares, more or less, being Sections 15 and 17, Block VI, Mata Survey District. All Computer Freehold Register GS6C/1307. 0.1298 hectares, more or less, being Lot 2 DP 3419. All Computer Freehold Register GS2A/1456.	17 School Road Ruatoria	to be separately valued	Ministry of Education

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1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

Te Puia Springs School	2.0229 hectares, more or less, being Lot 1 DP 4149. All Computer Freehold Register GS107/126.	Mckenzie Street Te Puia Springs	to be separately valued	Ministry of Education
Hatea-a-Rangi School	<p>1.0082 hectares, more or less, being Part Sections 1 and 2, Block X, Tuatini Maori Township. Balance Gazette Notice 140454.1.</p> <p>0.7994 hectares, more or less, being Part Mangahauini 9 and Part Section 4, Block X, Tuatini Maori Township. Balance Proclamation 60455.</p> <p>0.0716 hectares, more or less, being Section 4 SO 8577. All Gazette Notice 188215.2.</p> <p>0.0602 hectares, more or less, being Section 1 SO 8577. All Gazette 1992 page 1574.</p>	School Road Tokomaru Bay	to be separately valued	Ministry of Education
Waikirikiri School	<p>1.2444 hectares, more or less, being Part Lot 1 DP 4168 and Part Kaiti 290B2. Balance Proclamation 70847.</p> <p>0.3617 hectares, more or less, being Lots 79 and 81 DP 5310. All Gazette Notice 88796.</p> <p>0.1692 hectares, more or less, being Part Kaiti 290B2. All Gazette Notice 134462.1.</p> <p>0.0151 hectares, more or less, being Lot 68 DP 5375. All Gazette Notice 92560.</p>	Pickering Street Kaiti Gisborne	to be separately valued	Ministry of Education

PROPERTY REDRESS

1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

Wainui Beach School	1.6994 hectares, more or less, being Section 1 SO 5164. All Computer Freehold Register GS5B/1076.	56 Wairere Road Wainui Gisborne	to be separately valued	Ministry of Education
Te Kura Kaupapa Maori o Waipiro	1.0293 hectares, more or less, being Sections 5 and 6, Block V, Waipiro Maori Township. All Gazette 1906 page 292.	554 Waipiro Bay Road Waipiro Bay	to be separately valued	Ministry of Education
Whangara School	2.1499 hectares, more or less, being Section 2 SO 4248. All Proclamation 984.	44 Pa Road Whangara	to be separately valued	Ministry of Education
Te Kura Kaupapa Maori o Te Waiu o Ngati Porou	2.0534 hectares, more or less, being Part Lot 2 of Section 6, Part Section 34, Block XVI, Mangaoparo Survey District and Part Manutahi 1B4. Balance Proclamation 78002. 0.6631 hectares, more or less, being Section 4, Block XVI, Mangaoparo Survey District. All Transfer 35516. 0.3565 hectares, more or less, being Section 1 SO 337624. All Computer Freehold Register 173397.	13 Tuparoa Road Ruatoria	to be separately valued	Ministry of Education
Ilinster Intermediate	0.1384 hectares, more or less, being Lots 23 and 25 DP 2742. All Gazette 1969 page 275. 0.7350 hectares, more or less, being Part Kaiti 253, 254 and 255 (Stopped Street). All Computer Freehold Register GS104/220. 2.5494 hectares, more or less, being Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, 18, 19, 20, 21, 22, 24, 26, 27,	De Lautour Road Gisborne	to be separately valued	Ministry of Education

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1 DESCRIPTIONS OF COMMERCIAL REDRESS PROPERTIES AND DEFERRED SELECTION PROPERTIES

	<p>28, 29, 30, 31, 32 and 33 DP 2742. All Computer Freehold Register GS102/18.</p> <p>3.0478 hectares, more or less, being Lot 1 DP 4069. All Computer Freehold Register GS103/129.</p> <p>1.2846 hectares, more or less, being Lots 1, 2, and 3 DP 3949. All Computer Freehold Register GS3B/1013.</p>			
<p>Te Wharau School (Gisborne)</p>	<p>Description forms part of the Ilminster Intermediate (see above).</p>	<p>Graham Road Kaiti Gisborne</p>	<p>to be separately valued</p>	<p>Ministry of Education</p>
<p>Te Kura Kaupapa Maori o Mangatuna</p>	<p>3.1160 hectares, more or less, being Part Kopuatarakihi 2A. Balance Gazette 1917 page 4282.</p> <p>0.2544 hectares, more or less, being Part Kopuatarakihi 2A. All Proclamation 70270.</p>	<p>1175 Waiapu Road State Highway 35 Tolaga Bay</p>	<p>to be separately valued</p>	<p>Ministry of Education</p>

2 DISCLOSURE INFORMATION AND WARRANTY

DISCLOSURE INFORMATION

2.1 The Crown –

2.1.1 has provided information to the mandated negotiators about –

- (a) the cultural redress properties, by –
 - (i) Office of Treaty Settlements (P Wiley) to Rainey Collins (J Sarich) on 11 March 2010;
 - (ii) Office of Treaty Settlements (P Wiley) to Rainey Collins (R Druskovich) on 12 March 2010;
 - (iii) Office of Treaty Settlements (K Haliburton) to Rainey Collins (J Sarich) on 4 May 2010;
 - (iv) Office of Treaty Settlements (K Haliburton) to Rainey Collins (J Sarich) on 11 June 2010;
 - (v) Office of Treaty Settlements (K Haliburton) to Rainey Collins (J Sarich) on 12 July 2010;
- (b) the commercial redress properties, by –
 - (i) LINZ (J Taulealea) to Te Haeata (Teepa Wawatai) on 21 July 2009;
 - (ii) Office of Treaty Settlements (P Wiley) to Rainey Collins (R Druskovich) on 11 March 2010;
 - (iii) Office of Treaty Settlements (P Wiley) to Rainey Collins (R Druskovich) on 19 March 2010;

2.1.2 must under paragraph 4.2 provide information to the governance entity about a deferred selection property if the governance entity has, in accordance with part 4, given the Crown notice of interest in purchasing the property.

WARRANTY

2.2 In this deed, unless the context requires, –

2.2.1 **acquired property** means –

- (a) each redress property; and
- (b) each purchased deferred selection property; and

PROPERTY REDRESS

2 DISCLOSURE INFORMATION AND WARRANTY

- 2.2.2 **disclosure information**, in relation to an acquired property, means the information given by the Crown about the property referred to in paragraph 2.1.
- 2.3 The Crown warrants to the governance entity that the Crown has given to Ngati Porou or the governance entity in its disclosure information about an acquired property all material information that, to the best of the land holding agency's knowledge, is in the agency's records about the property, including its encumbrances, at the date of providing that information, –
- 2.3.1 having inspected the agency's records; but
- 2.3.2 not having made enquiries beyond the agency's records; and
- 2.3.3 in particular, not having undertaken a physical inspection of the property.

WARRANTY LIMITS

- 2.4 Other than under paragraph 2.3, the Crown does not give any representation or warranty, whether express or implied, and does not accept any responsibility, with respect to –
- 2.4.1 an acquired property, including in relation to –
- (a) its state, condition, fitness for use, occupation, or management; or
- (b) its compliance with –
- (i) legislation, including bylaws; or
- (ii) any enforcement or other notice, requisition, or proceedings; or
- 2.4.2 the disclosure information about an acquired property, including in relation to its completeness or accuracy.
- 2.5 The Crown has no liability in relation to the state or condition of an acquired property, except for any liability arising as a result of a breach of paragraph 2.3.

INSPECTION

- 2.6 In paragraph 2.7, **relevant date** means in relation to an acquired property that is –
- 2.6.1 a redress property, the date of this deed; and
- 2.6.2 a purchased deferred selection property, the day on which the governance entity gives an election notice electing to purchase the property.
- 2.7 Although the Crown is not giving any representation or warranty in relation to an acquired property other than under paragraph 2.3, the governance entity acknowledges that it could, before the relevant date, –

PROPERTY REDRESS

2 DISCLOSURE INFORMATION AND WARRANTY

- 2.7.1 inspect the property and determine its state and condition; and
- 2.7.2 consider the disclosure information in relation to it.

PROPERTY REDRESS

3 PROVISIONS IN RELATION TO VESTING OF CULTURAL REDRESS PROPERTIES

3 PROVISIONS IN RELATION TO VESTING OF CULTURAL REDRESS PROPERTIES

SAME MANAGEMENT REGIME AND CONDITION

- 3.1 Until the settlement date, the Crown must –
- 3.1.1 continue to manage and administer each cultural redress property in accordance with its existing practices for the property; and
 - 3.1.2 maintain each cultural redress property in substantially the same condition it is in at the date of this deed.
- 3.2 Paragraph 3.1 does not –
- 3.2.1 apply to a cultural redress property that is not managed and administered by the Crown; or
 - 3.2.2 require the Crown to restore or repair a cultural redress property damaged by an event beyond the Crown's control.

ACCESS

- 3.3 The Crown is not required to enable access to a cultural redress property for the governance entity or members of Ngati Porou.

COMPLETION OF REQUIRED DOCUMENTATION

- 3.4 Any documentation required to be signed by the governance entity in relation to the vesting of a cultural redress property, must, on or before the settlement date, be –
- 3.4.1 provided by the Crown to the governance entity; and
 - 3.4.2 duly signed and returned by the governance entity.

SURVEY

- 3.5 The Crown must arrange, and pay for, –
- 3.5.1 the preparation, approval, and where applicable the deposit, of a cadastral survey dataset of a cultural redress property to the extent it is required to enable the issue, under the settlement legislation, of a computer freehold register for the property; and
 - 3.5.2 the registration on the computer freehold register for each cultural redress property of its vesting in the governance entity under the settlement legislation.

4 DEFERRED SELECTION PROPERTIES

A RIGHT OF PURCHASE

NOTICE OF INTEREST

- 4.1 The governance entity may, for two years after the settlement date, give the Crown a written notice of interest in purchasing a deferred selection property.

EFFECT OF NOTICE OF INTEREST

- 4.2 If the governance entity gives, in accordance with this part, a notice of interest in a deferred selection property the Crown must, not later than 20 business days after the notification date, give the governance entity all material information that, to the best of its knowledge, is in its records about the property, including its encumbrances.

VALUATION NOTICE

- 4.3 If the governance entity gives a notice of interest in a deferred selection property in accordance with this part, it must give the Crown written notice of whether or not it wishes to proceed to have the property valued by not later than 20 business days after receiving from the Crown all material information about the property under paragraph 4.2.

- 4.4 If the governance entity gives, in accordance with this part, a valuation notice electing to proceed to value a deferred selection property, the property's market value, and if it is a joint valuation property, its market rental, must be determined in accordance with –

4.4.1 subpart B if it is a joint valuation property; or

4.4.2 subpart C if it is a separate valuation property.

ELECTION TO PURCHASE

- 4.5 If the governance entity gives a valuation notice electing to proceed to value a deferred selection property in accordance with this part, it must give the Crown written notice of whether or not it elects to purchase the property by not later than 20 business days after –

4.5.1 both its market value and its market rental being determined under this part, if it is a joint valuation property; or

4.5.2 its market value being determined under this part, if it is a separate valuation property.



PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

EFFECT OF ELECTION TO PURCHASE

4.6 If the governance entity gives an election notice electing to purchase a deferred selection property in accordance with this part, the parties are to be treated as having entered into an agreement for the sale and purchase of the property at its market value determined under this part, plus GST if any, on the terms provided in part 5, and under which, –

4.6.1 on the DSP settlement date –

- (a) the Crown must transfer the property to the governance entity; and
- (b) the governance entity must pay to the Crown an amount equal to the market value of the property determined under this part, plus GST if any, by –
 - (i) bank cheque drawn on a registered bank and payable to the Crown; or
 - (ii) another payment method agreed by the parties; and

4.6.2 the parties must, by or on the DSP settlement date, sign the Crown leaseback (being a registrable ground lease for the property, ownership of the Crown's improvements remaining with the Crown) –

- (a) commencing on the actual DSP settlement date; and
- (b) in the case of a separate valuation property, at an initial annual rental determined by multiplying the market value of the property determined under this part by the percentage specified in clause 3.1 of schedule B of the Crown leaseback to the Ministry of Education (exclusive of GST, on the amount so determined); and
- (c) in the case of a joint valuation property, at its market rental for the initial rental period of the lease determined under this part (exclusive of GST, on the amount so determined); and
- (d) on the terms provided in part 4 of the documents schedule.

B DETERMINING THE MARKET VALUE AND MARKET RENTAL OF A JOINT VALUATION PROPERTY

APPLICATION OF THIS SUBPART

4.7 This subpart provides how the following are to be determined after the governance entity has given, in accordance with this part, a valuation notice for a joint valuation property:

4.7.1 its market value; and

4.7.2 its market rental for the initial rental period of the lease.

4.8 The market value and the market rental are to be determined as at the valuation notification date.

APPOINTMENT OF VALUER

4.9 The parties must, not later than 10 business days after the valuation notification date, agree upon and jointly appoint a valuer.

4.10 If the parties do not jointly appoint a valuer in accordance with paragraph 4.9, either party may request the President of the New Zealand Institute of Valuers to appoint a valuer as soon as practicable.

4.11 The parties must, not later than five business days after the valuer's appointment, jointly instruct the valuer using the form of instructions in appendix 1.

VALUER'S QUALIFICATIONS

4.12 The valuer must be –

4.12.1 a registered valuer; and

4.12.2 independent; and

4.12.3 experienced in determining –

(a) the market value of similar properties; and

(b) the market rental of similar properties.

VALUATION REPORT

4.13 The valuer must, not later than 50 business days after the valuation notification date, –



PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

- 4.13.1 prepare a valuation report in accordance with the instructions; and
- 4.13.2 provide each party with a copy of the valuation report.

MARKET VALUE

- 4.14 The market value of the joint valuation property for the purpose of paragraph 4.6.1(b) and its market rental for the initial rental period of the lease for the purposes of paragraph 4.6.2(c) is as provided in the valuation report.

PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

C DETERMINATION OF THE MARKET VALUE OF A SEPARATE VALUATION PROPERTY

APPLICATION OF THIS SUBPART

- 4.15 This subpart provides how the market value of a separate valuation property is to be determined after the governance entity has given, in accordance with this part, a valuation notice for the separate valuation property.
- 4.16 The market value is to be determined as at the valuation notification date.

APPOINTMENT OF VALUERS AND VALUATION ARBITRATOR

- 4.17 The parties must, not later than 10 business days after the valuation notification date –
- 4.17.1 each –
- (a) instruct a valuer using the form of instructions in appendix 2; and
 - (b) give written notice to the other of the valuer instructed; and
- 4.17.2 agree upon, and jointly appoint, one person to act as the valuation arbitrator.
- 4.18 If the parties do not jointly appoint a person under paragraph 4.17.2, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuation arbitrator as soon as is reasonably practicable.

QUALIFICATION OF VALUERS AND VALUATION ARBITRATOR

- 4.19 Each valuer must be a registered valuer.
- 4.20 The valuation arbitrator –
- 4.20.1 must be suitably qualified and experienced in determining disputes about the market value of similar properties; and
- 4.20.2 is appointed when he or she confirms his or her willingness to act.

VALUATION REPORTS

- 4.21 Each valuer must, not later than 50 business days after the valuation notification date, –
- 4.21.1 prepare a draft valuation report in accordance with the valuation instructions; and
- 4.21.2 provide a copy of his or her final valuation report to –



PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

- (a) each party; and
- (b) the other valuer.

MARKET VALUE

- 4.22 If only one valuation report is delivered by the required date, the market value of the separate valuation property, is as assessed in the report.
- 4.23 If both valuation reports are delivered by the required date, –
- 4.23.1 the parties must endeavour to agree in writing, the market value of the separate valuation property; and
 - 4.23.2 either party may, if the market value of the separate valuation property is not agreed in writing within 70 business days after the valuation notification date, refer that matter to the determination of the valuation arbitrator.

VALUATION ARBITRATION

- 4.24 The valuation arbitrator must, not later than 10 business days after the arbitration commencement date, –
- 4.24.1 give notice to the parties of the arbitration meeting, which must be held –
 - (a) at a date, time and venue determined by the valuation arbitrator after consulting with the parties; but
 - (b) not later than 30 business days after the arbitration commencement date; and
 - 4.24.2 establish the procedure for the arbitration meeting, including providing each party with the right to examine and re-examine, or cross-examine, as applicable, –
 - (a) each valuer; and
 - (b) any other person giving evidence.
- 4.25 Each party must –
- 4.25.1 not later than 5 pm on the day that is five business days before the arbitration meeting, give to the valuation arbitrator, the other party, and the other party's valuer –
 - (a) its valuation report; and
 - (b) its submission; and
 - (c) any sales or expert evidence that it will present at the meeting; and

PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

- 4.25.2 attend the arbitration meeting with its valuer.
- 4.26 The valuation arbitrator must –
- 4.26.1 have regard to the requirements of natural justice at the arbitration meeting; and
- 4.26.2 no later than 50 business days after the arbitration commencement date, give his or her determination –
- (a) of the market value of the separate valuation property; and
- (b) being no higher than the higher, and no lower than the lower, assessment of market value contained in the parties' valuation reports.
- 4.27 An arbitration under this subpart is an arbitration for the purposes of the Arbitration Act 1996.

MARKET VALUE

- 4.28 The market value of the separate valuation property for the purposes of paragraph 4.6.1(b), is 80 percent of the market value –
- 4.28.1 determined under paragraph 4.22; or
- 4.28.2 agreed under paragraph 4.23.1; or
- 4.28.3 determined by the valuation arbitrator under paragraph 4.26.2.



D GENERAL PROVISIONS

TIME LIMITS

- 4.29 Time is of the essence for the time limits in paragraphs 4.1, 4.3, 4.5 and 4.11.
- 4.30 In relation to the time limits in this part other than those in paragraph 4.29, each party must use reasonable endeavours to ensure –
- 4.30.1 those time limits are met and delays are minimised; and
- 4.30.2 in particular, if a valuer or a valuation arbitrator appointed under this part is unable to act, a replacement is appointed as soon as is reasonably practicable.

DETERMINATION FINAL AND BINDING

- 4.31 The determination of a deferred selection property's market value, or market rental, under this part is final and binding.

COSTS

- 4.32 In relation to the determination of –
- 4.32.1 the market value, and market rental, of a joint valuation property, the Crown must pay the valuer's costs; and
- 4.32.2 the market value of a separate valuation property, each party must pay –
- (a) its costs; and
- (b) half the costs of a valuation arbitration; or
- (c) such other proportion of the costs of a valuation arbitration awarded by the valuation arbitrator as the result of a party's unreasonable conduct.

ENDING OF OBLIGATIONS

- 4.33 The Crown's obligations under this deed in relation to a deferred selection property immediately cease if –
- 4.33.1 the governance entity –
- (a) does not give notice of interest in relation to the property in accordance with paragraph 4.1; or

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4 DEFERRED SELECTION PROPERTIES

- (b) gives a notice of interest in relation to the property in accordance with paragraph 4.1 but the governance entity –
 - (i) gives a notice under paragraph 4.3 under which it elects not to proceed to value the property; or
 - (ii) does not give a notice in accordance with paragraph 4.3 electing to proceed to value the property; or
 - (c) gives a valuation notice electing to proceed to value the property in accordance with paragraph 4.3 but the governance entity –
 - (i) gives an election notice under which it elects not to purchase the property; or
 - (ii) does not give an election notice in accordance with paragraph 4.5 electing to purchase the property; or
 - (d) gives the Crown written notice that it is not interested in purchasing the property at any time before an agreement for the sale and purchase of the property is constituted under paragraph 4.6; or
 - (e) does not comply with any obligation in relation to the property under subpart B or subpart C; or
- 4.33.2 an agreement for the sale and purchase of the property is constituted under paragraph 4.6 and the agreement is cancelled in accordance with the terms of transfer in part 5.

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APPENDIX 1

[Note: These instructions may be modified to apply to more than one joint valuation property.]

[Valuer's name]

[Address]

Valuation instructions

INTRODUCTION

[Name] (the governance entity) has the right under a deed of settlement to purchase properties from [name] (the land holding agency).

This right is given by part 4 of the property redress schedule to the deed of settlement (part 4).

The governance entity has given the land holding agency a valuation notice for –

[describe the property including its legal description]

DEED OF SETTLEMENT

A copy of the deed of settlement is enclosed and your attention is drawn to part 4. All references in this letter to subparts or paragraphs are to subparts or paragraphs of part 4.

A term defined in the deed of settlement has the same meaning when used in these instructions.

The property is a joint valuation property for the purposes of part 4. Subpart B of part 4 applies to the valuation of joint valuation properties.

VALUATION REQUIRED

You are required to undertake a valuation to assess the market value of the property as at [date] (the valuation date), being the date the land holding agency received the valuation notice from the governance entity.

As the property is subject to a Crown leaseback –

- (a) the market value of the property is to be of its land only [and any improvements that are not the Crown's improvements] (as ownership of the Crown's improvements remains with the Crown); and
- (b) you must also assess the market rental of the property as at the valuation date.

The market value of the property assessed by you (plus GST if any) will be the market value at which the governance entity may elect to purchase the property under part 4.

The market rental of the property as assessed by you (exclusive of GST) will be the rental for the initial rental period at which the governance entity will, if it purchases the property, lease the property back to the Crown.

PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

You may obtain relevant specialist advice such as engineering or planning advice.

REQUIREMENTS FOR YOUR VALUATION

Our requirements for your valuation are as follows:

You are to assume that –

- (a) the property is a current asset and was available for immediate sale as at the valuation date; and
- (b) all legislative processes that the Crown must meet before disposing of the property have been met.

Your valuation is –

- (a) to assess market value on the basis of market value as defined in the International Valuation Standards contained in the current edition of the Property Institute of New Zealand Professional Practice; and
- (b) as the property is subject to a Crown leaseback, and ownership of the Crown's improvements remains with the Crown, to assess –
 - (i) market value of the land only [and any improvements that are not the Crown's improvements (plus GST (if any))], on the basis of that land being subject to a Crown leaseback provided in part 4 of the documents schedule to the deed of settlement for that property; and
 - (ii) market rental of the land only [and any improvements that are not the Crown's improvements], being an annual amount, exclusive of GST, at which the land only would lease back to the Crown on the terms provided in part 4 of the documents schedule to the deed of settlement, on the basis of a willing lessor and a willing lessee, in an arm's length transaction, the parties having each acted knowledgeably, prudently, and without compulsion; and
- (c) to take into account –
 - (i) any encumbrances, interests, or other matters affecting or benefiting the property that were noted on its title on the valuation date; and
 - (ii) the attached disclosure information about the property that has been given by the land holding agency to the governance entity, including the disclosed encumbrances; and
 - (iii) the terms of transfer in part 5 of the property redress schedule to the deed of settlement (that will apply to a purchase of the property by the governance entity); but
- (d) not to take into account a claim in relation to the property by, or on behalf of, Ngati Porou.

PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

REQUIREMENTS FOR YOUR VALUATION REPORT

We require a full valuation report in accordance with the current edition of the Property Institute of New Zealand Professional Practice, including –

- (a) an executive summary containing a summary of –
 - (i) the valuation; and
 - (ii) the key valuation parameters; and
 - (iii) the key variables affecting value; and
- (b) an assessment of the market value (plus GST if any) of the property and its market rental (exclusive of GST) as at the valuation date; and
- (c) compliance with the minimum requirements as set out in section 5 of the International Valuation Standard 1 Market Value Basis of Valuation, and other relevant standards, insofar as they are consistent with subpart B; and
- (d) a clear statement of the land value and of the value of improvements [(excluding the value of the Crown improvements)]; and
- (e) a clear statement as to any impact of the disclosed encumbrances; and
- (f) details of your assessment of the highest and best use of the property; and
- (g) comment on the rationale of likely purchasers and tenants of the property; and
- (h) full details of the valuation method; and
- (i) a clear identification of the key variables which have a material impact on the valuation; and
- (j) a detailed description of improvements[(excluding a description of the Crown's improvements)]; and
- (k) appendices setting out –
 - (i) a statement of the valuation methodology and policies; and
 - (ii) relevant market and sales information.

ACCEPTANCE OF THESE INSTRUCTIONS

By accepting these instructions, you agree to comply with these instructions and, in particular, prepare and provide a valuation report to the governance entity and the land holding agency not later than 50 business days after the valuation date.

OPEN AND TRANSPARENT VALUATION

The parties intend this valuation to be undertaken in an open and transparent manner, and for all dealings and discussions to be undertaken in good faith.

PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

In particular, you must copy any questions you have or receive with regard to the valuation, together with the responses, to the governance entity and the land holding agency.

Yours faithfully

[Name of signatory]
[Position]
[Governance entity]

[Name of signatory]
[Position]
[Land holding agency]

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PROPERTY REDRESS

4 DEFERRED SELECTION PROPERTIES

APPENDIX 2

[Note: These instructions may be modified to apply to more than one separate valuation property.]

Valuation instructions

[Valuer's name]

[Address]

INTRODUCTION

[Name] (the governance entity) has the right under a deed of settlement to purchase properties from [name] (the land holding agency).

This right is given by part 4 of the property redress schedule to the deed of settlement (part 4).

The governance entity has given the land holding agency a valuation notice for –

[describe the property including its legal description]

DEED OF SETTLEMENT

A copy of the deed of settlement is enclosed and your attention is drawn to part 4. All references in this letter to subparts or paragraphs are to subparts or paragraphs of part 4.

A term defined in the deed of settlement has the same meaning when used in these instructions.

The property is a separate valuation property for the purposes of part 4. Subpart C of part 4 applies to the valuation of separate valuation properties.

VALUATION REQUIRED

You are required to undertake a valuation to assess the market value of the property as at [date] (the valuation date), being the date the land holding agency received the valuation notice from the governance entity.

As the property is subject to a Crown leaseback the market value of the property is to be of its land only [and any improvements that are not the Crown's improvements] (as ownership of the Crown's improvements remains with the Crown).

The [land holding agency][governance entity][~~delete one~~] will require another registered valuer to assess the market value of the property at the valuation date.

The two valuations are to enable the market value of the property to be determined either –

- (a) by agreement between the parties; or
- (b) by arbitration.

The market value of the property so determined (plus GST if any) less 20 percent will be the price at which the governance entity may elect to purchase the property under part 4.

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VALUATION PROCESS

You must –

- (a) before inspecting the property, agree with the other valuer –
 - (i) the valuation method applicable to the property; and
 - (ii) the comparable sales to be used in determining the value of the property; and
- (b) inspect the property together with the valuer appointed by the other party; and
- (c) attempt to resolve by the following day any matters or issues arising from your inspections; and
- (d) by not later than 30 business days after the valuation date, prepare and deliver to us a draft valuation report; and
- (e) by not later than 50 business days after the valuation date –
 - (i) review your draft valuation report, after taking into account any comments made by us or a peer review of the report obtained by us; and
 - (ii) deliver a copy of your final valuation report to both parties and the valuer instructed by the other party; and
- (f) participate in any arbitration process required under subpart C to determine the market value of the property.

REQUIREMENTS FOR YOUR VALUATION

Our requirements for your valuation are as follows:

You are to assume that –

- (a) the property is a current asset and was available for immediate sale as at the valuation date; and
- (b) all legislative processes that the Crown must meet before disposing of the property have been met.

Your valuation is –

- (a) to assess market value on the basis of market value as defined in the International Valuation Standards contained in the current edition of the Property Institute of New Zealand Professional Practice; and
- (b) as the property is subject to a Crown leaseback, and ownership of the Crown's improvements remains with the Crown, to assess market value of the land only [and any improvements that are not the Crown's improvements (exclusive of GST)] on the basis of highest and best use of the land; and

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4 DEFERRED SELECTION PROPERTIES

- (c) to take into account –
 - (i) any encumbrances, interests, or other matters affecting or benefiting the property that were noted on its title on the valuation date; and
 - (ii) the attached disclosure information about the property that has been given by the land holding agency to the governance entity, including the disclosed encumbrances; and
 - (iii) the terms of transfer in part 5 of the property redress schedule to the deed of settlement (that will apply to a purchase of the property by the governance entity); but
- (d) not to take into account a claim in relation to the property by or on behalf of Ngati Porou.

REQUIREMENTS FOR YOUR VALUATION REPORT

We require a full valuation report in accordance with the current edition of the Property Institute of New Zealand Professional Practice, including –

- (a) an executive summary containing a summary of –
 - (i) the valuation; and
 - (ii) the key valuation parameters; and
 - (iii) the key variables affecting value; and
- (b) an assessment of the market value of the property as at the valuation date; and
- (c) compliance with the minimum requirements as set out in section 5 of the International Valuation Standard 1 Market Value Basis of Valuation and other relevant standards, insofar as they are consistent with subpart C; and
- (d) a clear statement of the land value [and of the value of improvements] (excluding the value of the Crown's improvements); and
- (e) a clear statement as to any impact of the disclosed encumbrances; and
- (f) details of your assessment of the highest and best use of the property; and
- (g) comment on the rationale of likely purchasers[, and tenants] of the property; and
- (h) full details of the valuation method; and
- (i) a clear identification of the key variables which have a material impact on the valuation; and
- (j) [a detailed description of improvements (excluding a description of the Crown's improvements); and]
- (k) appendices setting out –
 - (i) a statement of the valuation methodology and policies; and
 - (ii) relevant market and sales information.

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4 DEFERRED SELECTION PROPERTIES

ACCEPTANCE OF THESE INSTRUCTIONS

By accepting these instructions, you agree to comply with these instructions and, in particular, not later than –

- (a) 30 business days after the valuation date, prepare and deliver to us a draft valuation report; and
- (b) 50 business days after the valuation date, to –
 - (i) review your draft valuation report after taking into account any comments made by us or a peer review of the report obtained by us; and
 - (ii) deliver a copy of your final valuation report to both parties and the valuer instructed by the other party.

OPEN AND TRANSPARENT VALUATION

The parties intend this valuation to be undertaken in an open and transparent manner, and for all dealings and discussions to be undertaken in good faith.

In particular, you must copy any questions you have or receive with regard to the valuation, together with the responses, to the governance entity and the land holding agency.

Yours faithfully

[Name of signatory]

[Position]

[Governance entity/Land holding agency][delete one]

PROPERTY REDRESS

5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

5 TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

APPLICATION OF THIS SUBPART

- 5.1 This part applies to the transfer by the Crown to the governance entity of each of the following properties (a **transfer property**):
- 5.1.1 each commercial redress property under clause 6.4, except that paragraphs 5.9, 5.19.5, 5.20.2, 5.20.3, 5.26 to 5.35 and 5.46 to 5.49 do not apply to each commercial redress property for no consideration; and
 - 5.1.2 each purchased deferred selection property, under paragraph 4.6.1.

TRANSFER

- 5.2 The Crown must transfer the fee simple estate in a transfer property to the governance entity –
- 5.2.1 subject to, and where applicable with the benefit of, –
 - (a) the disclosed encumbrances affecting or benefiting the property (as they may be varied by a non-material variation, or a material variation entered into under paragraph 5.19.4(a)); and
 - (b) any additional encumbrances affecting or benefiting the property entered into by the Crown under paragraph 5.19.4(b); and
 - (c) if the transfer property is a commercial redress property, any encumbrances in relation to that property that the governance entity is required to provide to the Crown on or by the settlement date under clause 6.6.2(a);
 - 5.2.2 if the property is a deferred selection property, subject to the Crown leaseback in relation to the property.
- 5.3 The Crown must pay any survey and registration costs required to transfer the fee simple estate in a transfer property to the governance entity.

POSSESSION

- 5.4 Possession of a transfer property must, on the TSP settlement date for the property, –
- 5.4.1 be given by the Crown; and
 - 5.4.2 taken by the governance entity; and
 - 5.4.3 be vacant possession subject only to –

PROPERTY REDRESS

5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

- (a) any encumbrances referred to in paragraph 5.2.1 that prevent vacant possession being given and taken; and
- (b) if the property is a deferred selection property, the Crown leaseback.

SETTLEMENT

5.5 Subject to paragraphs 5.6 and 5.42.3, the Crown must provide the governance entity with the following in relation to a transfer property on the TSP settlement date for that property:

5.5.1 evidence of –

- (a) a registrable transfer instrument; and
- (b) any other registrable instrument required by this deed in relation to the property:

5.5.2 all contracts and other documents (but not public notices such as proclamations and *Gazette* notices) that create unregistered rights or obligations affecting the registered proprietor's interest in the property after the TSP settlement date.

5.6 If the fee simple estate in the transfer property may be transferred to the governance entity electronically under the relevant legislation, –

5.6.1 paragraph 5.5.1 does not apply; and

5.6.2 the Crown must ensure its solicitor,

- (a) a reasonable time before the TSP settlement date for the property, –
 - (i) creates a Landonline workspace for the transfer to the governance entity of the fee simple estate in the property; and
 - (ii) prepares, certifies, signs and pre-validates in the Landonline workspace the transfer instrument, and all other instruments, necessary, to lodge and effect the transfer electronically (the **electronic transfer instruments**); and
- (b) on the TSP settlement date, releases the electronic transfer instruments, so that the governance entity's solicitor may submit them for registration under the relevant legislation; and

5.6.3 the governance entity must ensure its solicitor, a reasonable time before the TSP settlement date, certifies and signs the transfer instrument for the property prepared in the Landonline workspace under paragraph 5.6.2(a)(ii); and

PROPERTY REDRESS

5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

- 5.6.4 paragraphs 5.6.2 and 5.6.3 are subject to paragraph 5.42.3.
- 5.7 The **relevant legislation** for the purposes of paragraph 5.6 is –
- 5.7.1 the Land Transfer Act 1952; and
- 5.7.2 the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.
- 5.8 The Crown must, on the actual TSP settlement date for a transfer property, provide the governance entity with any key or electronic opener to a gate or door on, and any security code to an alarm for, the property that are held by the Crown unless –
- 5.8.1 the property is a deferred selection property; and
- 5.8.2 to provide it would be inconsistent with the Crown leaseback.
- 5.9 The transfer value of or the amount payable by the governance entity for a transfer property is not affected by –
- 5.9.1 a non-material variation, or a material variation entered into under paragraph 5.19.4(a), of a disclosed encumbrance affecting or benefiting the property; or
- 5.9.2 an additional encumbrance affecting or benefiting the property entered into by the Crown under paragraph 5.19.4(b).

APPORTIONMENT OF OUTGOINGS AND INCOMINGS

- 5.10 If, as at the actual TSP settlement date for a transfer property, –
- 5.10.1 the outgoings for the property pre-paid by the Crown for any period after that date exceed the incomings received by the Crown for any period after that date, the governance entity must pay the amount of the excess to the Crown; or
- 5.10.2 the incomings for the property received by the Crown for any period after that date exceed the outgoings for the property pre-paid by the Crown for any period after that date, the Crown must pay the amount of the excess to the governance entity.
- 5.11 The outgoings for a transfer property for the purposes of paragraph 5.10 do not include insurance premiums and the governance entity is not required to take over from the Crown any contract of insurance in relation to the property.
- 5.12 The incomings for the licensed land for the purposes of paragraph 5.10 do not include licence fees under the Crown forestry licence.
- 5.13 An amount payable under paragraph 5.10 in relation to a transfer property must be paid on the actual TSP settlement date for the property.

PROPERTY REDRESS

5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

- 5.14 The Crown must, before the actual TSP settlement date for a transfer property, provide the governance entity with a written statement calculating the amount payable by the governance entity or the Crown under paragraph 5.10.

FIXTURES, FITTINGS, AND CHATTELS

- 5.15 The transfer of a transfer property includes all fixtures and fittings that were owned by the Crown, and located on the property, on the first date of the transfer period for that property.
- 5.16 Paragraph 5.15 does not apply to the Crown's improvements located on a deferred selection property.
- 5.17 Fixtures and fittings transfer under paragraph 5.15 must not be mortgaged or charged.
- 5.18 The transfer of a transfer property does not include chattels.

OBLIGATIONS AND RIGHTS DURING THE TRANSFER PERIOD

- 5.19 The Crown must, during the transfer period for a transfer property, –
- 5.19.1 ensure the property is maintained in substantially the same condition, fair wear and tear excepted, as it was in at the first day of the period; and
 - 5.19.2 pay the charges for electricity, gas, water, and other utilities that the Crown owes as owner of the property, except where those charges are payable by a tenant or occupier to the supplier; and
 - 5.19.3 ensure the Crown's obligations under the Building Act 2004 are complied with in respect of any works carried out on the property during the period –
 - (a) by the Crown; or
 - (b) with the Crown's written authority; and
 - 5.19.4 obtain the prior written consent of the governance entity before –
 - (a) materially varying a disclosed encumbrance affecting or benefiting the property; or
 - (b) entering into an encumbrance affecting or benefiting the property; or
 - (c) procuring a consent, providing a waiver, or giving an approval, that materially affects the property, under the Resource Management Act 1991 or any other legislation; and
 - 5.19.5 use reasonable endeavours to obtain permission for the governance entity to enter and inspect the property under paragraph 5.20.2 if governance entity is

PROPERTY REDRESS

5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

prevented from doing so by the terms of an encumbrance referred to in paragraph 5.2; and

- 5.19.6 if it receives a written notice in relation to a transfer property from the Crown, a territorial authority, or a tenant, comply with it or provide it promptly to the governance entity or its solicitor.
- 5.20 The governance entity, during the transfer period in relation to a transfer property, –
- 5.20.1 must not unreasonably withhold or delay any consent sought under paragraph 5.19.4 in relation to the property; and
- 5.20.2 may enter and inspect the property on one occasion –
- (
- (a) after giving reasonable notice; and
- (b) subject to the terms of the encumbrances referred to in paragraph 5.2; and
- 5.20.3 must comply with all reasonable conditions imposed by the Crown in relation to entering and inspecting the property.

PRE-TRANSFER OBLIGATIONS AND RIGHTS IN RELATION TO LICENSED LAND

- 5.21 During the transfer period for the licensed land, the Crown –
- 5.21.1 must prudently manage the licensor's rights under the Crown forestry licence in relation to the licensed land; and
- 5.21.2 in reviewing the licence fee under the Crown forestry licence must ensure that, so far as reasonably practicable, the governance entity's interests as licensor after the settlement date are not prejudiced; and
- 5.21.3 must provide the governance entity with all material information, and must have regard to the governance entity's written submissions, in relation to the performance of the Crown's obligations under paragraphs 5.21.1 and 5.21.2; and
- 5.21.4 must, so far as is reasonably practicable, provide the information to the governance entity under paragraph 5.21.3 in sufficient time to enable it to make effective submissions on the performance of the Crown's obligations under paragraphs 5.21.1 and 5.21.2; but
- 5.21.5 is not required to provide information to the governance entity under paragraph 5.21.3 if that would result in the Crown breaching a confidentiality obligation.

PROPERTY REDRESS

5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

PRE-TRANSFER OBLIGATIONS IN RELATION TO UNLICENSED LAND

- 5.22 The Crown must, during the transfer period for the unlicensed land, prudently manage the forest on the land in accordance with the Crown's existing management practices.

OBLIGATIONS AFTER SETTLEMENT

- 5.23 The Crown must –

5.23.1 give the relevant territorial authority notice of the transfer of a transfer property immediately after the actual TSP settlement date for the property; and

5.23.2 if it receives a written notice in relation to a transfer property from the Crown, a territorial authority, or a tenant after the actual TSP settlement date for the property, –

(a) comply with it; or

(b) provide it promptly to the governance entity or its solicitor; or

5.23.3 pay any penalty incurred by the governance entity to the person providing the written notice as a result of the Crown not complying with paragraph 5.23.2.

- 5.24 The governance entity must, from the settlement date, comply with the licensor's obligations under the Crown forestry licence in relation to the licensed land, including the obligation to –

5.24.1 repay any overpayment of licence fees by the licensee; and

5.24.2 pay interest arising on or after the settlement date on that overpayment.

RISK AND INSURANCE

- 5.25 A transfer property is at the sole risk of –

5.25.1 the Crown, until the actual TSP settlement date for the property; and

5.25.2 the governance entity, from the actual TSP settlement date for the property.

DAMAGE AND DESTRUCTION

- 5.26 Paragraphs 5.27 to 5.35 apply if, before the actual TSP settlement date for a transfer property, –

5.26.1 the property is destroyed or damaged; and

5.26.2 the destruction or damage has not been made good.

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5.27 Paragraph 5.28 applies if the transfer property is –

- 5.27.1 a commercial redress property (other than the licensed land or unlicensed land); or
- 5.27.2 a deferred selection property; and
- 5.27.3 as a result of the destruction or damage, the property is not tenatable.

5.28 Where this paragraph applies –

- 5.28.1 the governance entity may cancel its transfer by written notice to the Crown; or
- 5.28.2 the Crown may cancel its transfer by written notice to the governance entity if the property is a deferred selection property.

5.29 Notice under paragraph 5.28 must be given before the actual TSP settlement date.

5.30 Paragraph 5.31 applies if the property is –

- 5.30.1 licensed land; or
- 5.30.2 unlicensed land; or
- 5.30.3 a commercial redress property (other than licensed land or unlicensed land) or a deferred selection property that –
 - (a) despite the destruction or damage, is tenatable; or
 - (b) as a result of the damage or destruction, is not tenatable but its transfer is not cancelled under paragraph 5.28 before the actual TSP settlement date.

5.31 Where this paragraph applies –

- 5.31.1 the governance entity must complete the transfer of the property in accordance with this deed; and
- 5.31.2 the Crown must pay the governance entity –
 - (a) the amount by which the value of the property has diminished, as at the actual TSP settlement date for the property, as a result of the destruction or damage;
 - (b) plus GST if any.

5.32 The value of the property for the purposes of paragraph 5.31.2 is to be –

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- 5.32.1 in the case of a commercial redress property, its transfer value as provided in part 1; or
- 5.32.2 in the case of a deferred selection property, its market value as determined under part 4.
- 5.33 An amount paid by the Crown under paragraph 5.31.2 –
- 5.33.1 is redress, if it relates to the destruction or damage of a commercial redress property; and
- 5.33.2 is a partial refund of the purchase price if it relates to the destruction or damage of a deferred selection property.
- (5.34 Each party may give the other notice –
- 5.34.1 requiring a dispute as to the application of paragraphs 5.28 to 5.33 be determined by an arbitrator appointed by the Arbitrators' and Mediators' Institute of New Zealand; and
- 5.34.2 referring the dispute to the arbitrator so appointed for determination under the Arbitration Act 1996.
- 5.35 If a dispute as to the application of paragraphs 5.28 to 5.33 is not determined by the TSP settlement date, that date is to be –
- 5.35.1 the fifth business day following the determination of the dispute; or
- 5.35.2 if an arbitrator appointed under paragraph 5.34 so determines, another date including the original TSP settlement date.

BOUNDARIES AND TITLE

- 5.36 The Crown is not required to point out the boundaries of a transfer redress property.
- 5.37 If a transfer property is subject only to the encumbrances referred to in paragraph 5.2 and, if the property is a deferred selection property, the Crown leaseback, the governance entity –
- 5.37.1 is to be treated as having accepted the Crown's title to the property as at the actual TSP settlement date; and
- 5.37.2 may not make any objections to, or requisitions on, it.
- 5.38 An error or omission in the description of a transfer property or its title does not annul its transfer.

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FENCING

- 5.39 The Crown is not liable to pay for, or contribute towards, the erection or maintenance of a fence between a transfer property and any contiguous land of the Crown, unless the Crown requires the fence.
- 5.40 Paragraph 5.39 does not continue for the benefit of a purchaser from the Crown of land contiguous to a transfer property.
- 5.41 The Crown may require a fencing covenant to the effect of paragraphs 5.39 and 5.40 to be registered against the title to a transfer property.

DELAYED TRANSFER OF TITLE

- 5.42 The Crown covenants for the benefit of the governance entity that it will –
- 5.42.1 arrange for the creation of one computer freehold register for licensed land that is subject to a single Crown forestry licence if that land –
- (a) is not contained in one computer freehold register; or
 - (b) is contained in one computer freehold register but together with other land; and
- 5.42.2 arrange for the creation of a computer freehold register for the land of a transfer property for land that –
- (a) is not licensed land; and
 - (b) is not contained in a computer freehold register; or
 - (c) is contained in a computer freehold register or registers but together with other land; and
- 5.42.3 transfer (in accordance with paragraph 5.5 or 5.6, whichever is applicable) the fee simple estate in a transfer property to which paragraph 5.42.1 or 5.42.2 applies as soon as reasonably practicable after complying with that paragraph in relation to the property, but not later than five years after the settlement date.
- 5.43 If paragraph 5.42.3 applies to a transfer property, and paragraph 5.6 is applicable, the governance entity must comply with its obligations under paragraph 5.6.3 by a date specified by written notice to the Crown.
- 5.44 The covenant given by the Crown under paragraph 5.42 has effect and is enforceable, despite:
- 5.44.1 being positive in effect; and

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5.44.2 there being no dominant tenement.

5.45 If paragraph 5.42 applies then, for the period from the actual TSP settlement date until the date that the Crown transfers the fee simple estate in the transfer property to the governance entity –

5.45.1 the governance entity will be the beneficial owner of the property; and

5.45.2 all obligations and rights will be performed and arise as if the fee simple estate had been transferred to the governance entity on the actual TSP settlement date; and

5.45.3 the governance entity may not serve a settlement notice under paragraph 5.48.

INTEREST

5.46 If for any reason (other than the default of the Crown) all or any of the amount payable by the governance entity to the Crown in relation to a deferred selection property is not paid on the TSP settlement date –

5.46.1 the Crown is not required to give possession of the property to the governance entity; and

5.46.2 the governance entity must pay the Crown default interest at the rate of 12% per annum on the unpaid amount (plus GST if any) for the period from the TSP settlement date to the actual TSP settlement date.

5.47 Paragraph 5.46 is without prejudice to any of the Crown's other rights or remedies available to the Crown at law or in equity.

SETTLEMENT NOTICE

5.48 If, without the written agreement of the parties, settlement of a purchased deferred selection property is not effected on the TSP settlement date –

5.48.1 either party may at any time after the TSP settlement date serve notice on the other (a **settlement notice**) requiring the other to effect settlement; but

5.48.2 the settlement notice is effective only if the party serving it is –

(a) ready, able, and willing to effect settlement in accordance with the settlement notice; or

(b) not ready, able, and willing to effect settlement only by reason of the default or omission of the other party; and

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5: TERMS OF TRANSFER FOR COMMERCIAL REDRESS AND PURCHASED DEFERRED SELECTION PROPERTIES

- 5.48.3 upon service of a settlement notice, the party on which it is served must effect settlement within 10 business days after the date of service (excluding the date of service); and
- 5.48.4 time is of the essence under paragraph 5.48.3; and
- 5.48.5 if the party in default does not comply with the terms of a settlement notice, the other party may cancel the agreement constituted by paragraph 4.6.
- 5.49 Paragraph 5.48, and the exercise of rights under it, is without prejudice to any other rights or remedies, at law, in equity, or otherwise, that the party not in default may have.

FURTHER ASSURANCES

- 5.50 Each party must, at the request of the other, sign and deliver any further documents or assurances, and do all acts and things, that the other may reasonably require to give full force and effect to this part.

NON-MERGER

- 5.51 On transfer of a transfer property to the governance entity –
- 5.51.1 the provisions of this part will not merge; and
- 5.51.2 to the extent any provision of this part has not been fulfilled, it will remain in force.

PROPERTY REDRESS

6: NOTICE

6 NOTICE

NOTICE

6.1 If this part requires the governance entity to give notice to the Crown in relation to or in connection with a redress property, or a deferred selection property, the governance entity must give the notice in accordance with part 6 of the general matters schedule except the notice must be addressed to the land holding agency for the property at its address or facsimile number provided –

6.1.1 in paragraph 6.2; or

6.1.2 if the land holding agency has given notice to the governance entity of a new address or facsimile number, in the most recent notice of a change of address or facsimile number.

6.2 Until any other address or facsimile number of a land holding agency is given by notice to the governance entity, the address of each land holding agency is as follows for the purposes of giving notice to that agency in accordance with this part.

Land holding agency	Address and facsimile number
LINZ	Lambton House, 160 Lambton Quay Private Bag 5501 Wellington Fax: +64 4 472 2244
Ministry of Agriculture and Forestry	Pastoral House, 25 The Terrace PO Box 2526 Wellington Fax: +64 4 894 0720
Office of Treaty Settlements	Level 3, The Vogel Centre, 19 Aitken Street PO Box 919 Wellington Fax +64 4 494 9940
New Zealand Police	180 Molesworth Street PO Box 3017 Wellington Fax +64 4 498-7400
Ministry of Education	National Office, 45-47 Pipitea Street PO Box 1666 Wellington Fax: +64 4 463 8001
Department of Conservation	Conservation House – Whare Kaupapa Atawhai, 18-32 Manners Street PO Box 10420 Wellington Fax: +64 4 381 3057

7 DEFINITIONS

- 7.1 In this part, unless the context otherwise requires, **party** means each of the governance entity and the Crown.
- 7.2 In this deed, unless the context otherwise requires, –
- acquired property** has the meaning given to it by paragraph 2.2.1; and
- actual TSP settlement date**, in relation to a transfer property, means the date on which settlement of the property takes place; and
- arbitration commencement date**, in relation to the determination of the market value of a separate valuation property, means the date the determination is referred to a valuation arbitrator under paragraph 4.23.2; and
- arbitration meeting**, in relation to the determination of the market value of a separate valuation property, means the meeting notified by the valuation arbitrator under paragraph 4.24.1; and
- Crown's improvements**, in relation to a deferred selection property, means the improvements on the property that the Crown leaseback provides are owned by the Crown or a subsequent lessee; and
- Crown leaseback** means, in relation to a deferred selection property, the ground lease to be entered into by the governance entity and the Crown under paragraph 4.6.2; and
- deferred selection property** means each property described in part 1 under the heading "deferred selection properties"; and
- disclosed encumbrance**, in relation to a transfer property, means an encumbrance affecting or benefiting the property that is disclosed in the disclosure information about the property; and
- disclosure information** has the meaning given to it by paragraph 2.2.2; and
- DSP settlement date**, in relation to a purchased deferred selection property, means the date that is 20 business days after the Crown receives an election notice from the governance entity electing to purchase the property; and
- election notice** means a written notice given by the governance entity in accordance with paragraph 4.5 electing whether or not to purchase a deferred selection property; and
- joint valuation property** means each deferred selection property that part 1 provides is to be jointly valued; and
- market value**, in relation to –
- (a) a joint valuation property, has the meaning provided in the valuation instructions in appendix 1 to part 4; and
- (b) a separate valuation property, has the meaning provided in the valuation instructions in appendix 2 to part 4; and

PROPERTY REDRESS

7: DEFINITIONS

notice of interest, in relation to a deferred selection property, means a notice given by the governance entity under paragraph 4.1 in relation to the property; and

registered bank has the meaning given to it by section 2(1) of the Reserve Bank of New Zealand Act 1989; and

registered valuer means a person registered as a valuer with the Valuers' Registration Board of New Zealand; and

separate valuation property means each deferred selection property that part 1 provides is to be separately valued; and

settlement notice has the meaning given to it by paragraph 5.48.1; and

terms of transfer means the terms of transfer set out in part 5; and

transfer period means, in relation to –

- (a) a commercial redress property, the period from the date of this deed to its actual TSP settlement date; and
- (b) a deferred selection property, the period from the valuation notification date for that property to its actual TSP settlement date; and

transfer property has the meaning given to it by paragraph 5.1; and

TSP settlement date means, in relation to –

- (a) a commercial redress property the settlement date (as defined in paragraph 8.1 of the general matters schedule); and
- (b) a purchased deferred selection property, the DSP settlement date for the property; and

valuation arbitrator, in relation to a separate valuation property, means the person appointed under paragraphs 4.17.2 or 4.18 in relation to the determination of its market value; and

valuation date, in relation to a deferred selection property, means the valuation notification date in relation to the property; and

valuation notice in relation to a deferred selection property, means a notice given under paragraph 4.3; and

valuation notification date, in relation to a deferred selection property, means the date that the Crown receives a valuation notice for the property from the governance entity.