

NGAATI WHANAUNGA
and
THE TRUSTEES OF THE NGAATI WHANAUNGA RUUNANGA TRUST
and
THE CROWN

DEED OF SETTLEMENT SCHEDULE:
PROPERTY REDRESS

Handwritten initials/signature

PROPERTY REDRESS

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1 DISCLOSURE INFORMATION AND WARRANTY

DISCLOSURE INFORMATION

1.1 The Crown –

1.1.1 has provided information to the governance entity or Ngaati Whanaunga about the cultural redress properties, except for the council-administered cultural redress properties (as defined by paragraph 1.2.2), by –

- (a) Department of Conservation to the mandated negotiators in relation to the cultural redress properties where Department of Conservation is the land holding agency, between 15 May 2014 and 9 May 2017; and
- (b) Office of Treaty Settlements to the mandated negotiators on 26 June 2014; and

1.1.2 must under paragraph 5.3.1 provide information to the governance entity about a deferred selection property if the governance entity has, in accordance with part 5, given the Crown notice of interest in purchasing the property; and

1.1.3 must under paragraph 6.5.1, 6.8.2 or 6.13.2 provide information to the governance entity about the second right of purchase property if –

- (a) the governance entity has, in accordance with part 6, given the Crown notice of interest in purchasing the property; or
- (b) paragraph 6.8 applies.

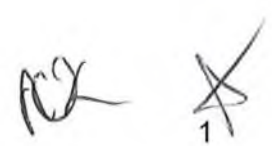
WARRANTY IN RELATION TO ACQUIRED CROWN PROPERTIES

1.2 In this deed, unless the context otherwise requires, –

1.2.1 **acquired Crown property** means –

- (a) each cultural redress property, except for the council-administered cultural redress properties; and
- (b) each purchased deferred selection property; and
- (c) the purchased second right of purchase property; and

1.2.2 **council-administered cultural redress property** means each of the following properties:



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1: DISCLOSURE INFORMATION AND WARRANTY

- (a) Piopiotahi:
- (b) Hūnua Falls property; and

1.2.3 **disclosure information**, in relation to an acquired Crown property, means the information given by the Crown about the property referred to in paragraph 1.1.

1.3 The Crown warrants to the governance entity that the Crown has given to the governance entity or Ngaati Whanaunga in its disclosure information about an acquired Crown 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, –

- 1.3.1 having inspected the agency's records; but
- 1.3.2 not having made enquiries beyond the agency's records; and
- 1.3.3 in particular, not having undertaken a physical inspection of the property.

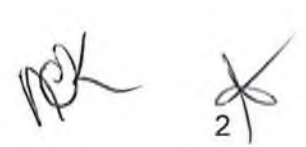
WARRANTY LIMITS

1.4 Other than under paragraph 1.3, the Crown does not give any representation or warranty, whether express or implied, and does not accept any responsibility, with respect to –

- 1.4.1 an acquired Crown 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

1.4.2 the disclosure information about an acquired Crown property, including in relation to its completeness or accuracy.

1.5 The Crown has no liability in relation to the state or condition of an acquired Crown property, except for any liability arising as a result of a breach of paragraph 1.3.


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1: DISCLOSURE INFORMATION AND WARRANTY

NO WARRANTY IN RELATION TO COUNCIL-ADMINISTERED CULTURAL REDRESS PROPERTIES

1.6 The Crown –

1.6.1 does not give any representation or warranty, whether express or implied, and does not accept any responsibility, with respect to a council-administered cultural redress 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; and

1.6.2 has given no disclosure information, and has no liability, in relation to any information received by the governance entity or Ngaati Whanaunga, in relation to a council-administered cultural redress property; and

1.6.3 has no liability in relation to the state or condition of a council-administered cultural redress property.

INSPECTION

1.7 In paragraph 1.8, **relevant date** means, in relation to –

1.7.1 an acquired Crown property that is –

(a) a cultural redress property, the date of this deed;

(b) a purchased deferred selection property, the day on which the governance entity gives an election notice electing to purchase the property; and

(c) the purchased second right of purchase property, the day on which the governance entity gives an election notice electing to purchase the property; and

1.7.2 a council-administered cultural redress property, the date of this deed.

1.8 Although the Crown is not giving any representation or warranty in relation to an acquired Crown property, other than under paragraph 1.3, or any representation or warranty in relation to a council-administered cultural redress property, the governance entity acknowledges that it could, before the relevant date, –

1.8.1 inspect an acquired Crown property, or a council-administered cultural redress property, and determine its state and condition; and

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- 1.8.2 in the case of an acquired Crown property, consider the disclosure information in relation to it.

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2 VESTING OF CULTURAL REDRESS PROPERTIES

SAME MANAGEMENT REGIME AND CONDITION

- 2.1 Until the date the fee simple estate is vested in the governance entity, the Crown must –
- 2.1.1 continue to manage and administer each cultural redress property in accordance with its existing practices for the property; and
 - 2.1.2 maintain each cultural redress property in substantially the same condition that it is in at the date of this deed.
- 2.2 Paragraph 2.1 does not –
- 2.2.1 apply to a cultural redress property that is not managed and administered by the Crown, including any council-administered cultural redress property; or
 - 2.2.2 require the Crown to restore or repair a cultural redress property damaged by an event beyond the Crown's control.

ACCESS

- 2.3 The Crown is not required to enable access to a cultural redress property for the governance entity or members of Ngaati Whanaunga.

COMPLETION OF REQUIRED DOCUMENTATION

- 2.4 Any documentation, required by the settlement documentation 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 –
- 2.4.1 provided by the Crown to the governance entity; and
 - 2.4.2 duly signed and returned by the governance entity.

SURVEY AND REGISTRATION

- 2.5 The Crown must arrange, and pay for, –
- 2.5.1 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

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1: DISCLOSURE INFORMATION AND WARRANTY

- 2.5.2 the registration of any document required in relation to the vesting under the settlement legislation of a cultural redress property in the governance entity.

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3 DEFERRED SELECTION PROPERTIES

Subpart A

Description of deferred selection properties

Name/Address	Description	Valuation Process (Separately/ Jointly)	Land holding agency	Deferred selection period	Leaseback?
Turua Primary School site (land only)	<i>South Auckland Land District</i> 1.6241 hectares, more or less, being Part Section 13 Block III Waihou Survey District and Part Lot 247 DP 11534. Balance computer freehold register SA32D/719.	to be separately valued	Ministry of Education	Two years	Yes
27 Otanerua Road, Hatfields Beach	<i>North Auckland Land District</i> 0.0885 hectares, more or less, being Lot 3 DP 41598. All computer freehold register NA121C/550.	to be separately valued	LINZ Treaty Settlements Landbank	Two years	No
29 Otanerua Road, Hatfields Beach	<i>North Auckland Land District</i> 0.0961 hectares, more or less, being Lot 2 DP 41598. All computer freehold register NA121C/549.	to be separately valued	LINZ Treaty Settlements Landbank	Two years	No

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3: DEFERRED SELECTION PROPERTIES

Subpart B

Description of joint deferred selection property

Name/Address	Description (all South Auckland Land District)	Valuation Process (Separately/ Jointly)	Land holding agency	Deferred selection period	Leaseback?
Te Wharekura o Manaia site (land only)	1.6 hectares, approximately, being Part Makomako Block. Part Gazette notice S466207. Subject to survey. Description for Te Wharekura o Manaia site (land only) subject to clauses 6.10 and 6.11.	to be separately valued	Ministry of Education	Two years	Yes

Subpart C

Description of School House site

Name/Address	Description (all South Auckland Land District)
Te Wharekura o Manaia House site (land only)	0.06 hectares, approximately – subject to ground verification, being part Makomako Block. Part Gazette notice S466207. As shown bordered yellow on the Te Wharekura o Manaia House site (land only) diagram in part 3 of the attachments. Related school: the property described as Te Wharekura o Manaia site (land only) above.

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4 SECOND RIGHT OF PURCHASE PROPERTY

Address	Description (all South Auckland Land District)	Land holding agency
510 Preeces Point Road, Coromandel	37.6200 hectares, more or less, being Section 1 SO 60821. Part Proclamation S159607.	LINZ

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5 DEFERRED PURCHASE

A RIGHT OF PURCHASE

NOTICE OF INTEREST

- 5.1 The governance entity may, during the deferred selection period for each deferred selection property, give the Crown a written notice of interest in purchasing that deferred selection property.
- 5.2 For a notice of interest in respect of Te Wharekura o Manaia site (land only) to be effective, it must –
- 5.2.1 be in the form set out in appendix 1 to this subpart A;
 - 5.2.2 be signed by the governance entity, the trustees of the Ngāti Maru Rūnanga Trust and the trustees of Te Tāwharau o Ngāti Pūkenga Trust; and
 - 5.2.3 specify a person or entity, including relevant details for the purposes of paragraph 4.6 of the general matters schedule, who will be the single point of contact for the purposes of this part.

EFFECT OF NOTICE OF INTEREST

- 5.3 If the governance entity gives, in accordance with this part, a notice of interest in a deferred selection property –
- 5.3.1 the Crown must, not later than 10 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; and
 - 5.3.2 the property's transfer value must be determined or agreed in accordance with Subpart B.

ELECTION TO PURCHASE

- 5.4 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 elects to purchase the property, by not later than 15 business days after its transfer value being determined or agreed in accordance with this part, if –
- 5.4.1 it is not a leaseback property; or
 - 5.4.2 it is a leaseback property that is a school site.

The governance entity must include the tax information required pursuant to paragraph 7.50 in its election notice.

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5: DEFERRED PURCHASE

- 5.5 For an election notice in respect of Te Wharekura o Manaia site (land only) to be effective, it must –
- 5.5.1 be in the form set out in appendix 2 to this subpart A;
 - 5.5.2 be signed by the governance entity, the trustees of the Ngāti Maru Rūnanga Trust and the trustees of Te Tāwharau o Ngāti Pūkenga Trust;
 - 5.5.3 specify each entity that elects to purchase the property; and
 - 5.5.4 specify –
 - (a) a person or entity including relevant details for the purposes of paragraph 4.6 of the general matters schedule, who will be the single point of contact for the purposes of part 7; and
 - (b) a bank account for the purposes of part 7.

EFFECT OF ELECTION TO PURCHASE

- 5.6 If the governance entity gives an election notice electing to purchase a deferred selection property in accordance with this part, the Crown and the governance entity (or the purchasing entity or entities (as the case may be) in the case of Te Wharekura o Manaia site (land only)), are to be treated as having entered into an agreement for the sale and purchase of the property at the transfer value determined or agreed in accordance with this part, plus GST if any, on the terms in part 7 and under which –
- 5.6.1 on the DSP settlement date –
 - (a) the Crown must transfer the property to the governance entity (or the purchasing entity or entities (as the case may be) in the case of Te Wharekura o Manaia (land only)), subject to the provisions of this schedule; and
 - (b) the governance entity (or the purchasing entity or entities (as the case may be) in the case of Te Wharekura o Manaia site (land only)) must pay to the Crown an amount equal to the transfer value of the property determined or agreed in accordance with this part, plus GST if any, by –
 - (i) the SCP system, as defined in Guideline 6.2 of the New Zealand Law Society's Property Law Section's Property Transactions and E-Dealing Practice Guidelines (April 2015); or
 - (ii) another payment method agreed by the parties; and
 - 5.6.2 if the property is a leaseback property, its transfer is subject to the Crown and the governance entity (or the purchasing entity or entities (as the case may be) in the case of Te Wharekura o Manaia site (land only)) signing, by or on


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the DSP settlement date, a Crown leaseback (being a registrable lease of the property) –

- (a) commencing on the actual DSP settlement date; and
- (b) in the case of a Crown leaseback of a school site at an initial annual rent determined by multiplying the transfer value of the property by the percentage specified in clause 2.2 of the Crown leaseback to the Ministry of Education (plus GST, if any, on the amount so determined); and
- (c) on the terms provided in part 6 of the documents schedule for the leaseback.

5.7 In relation to Te Wharekura o Manaia site (land only), if an election notice is given under paragraph 5.6 and specifies –

5.7.1 more than one purchasing entity, –

- (a) the transfer of Te Wharekura o Manaia site (land only) will be to each purchasing entity as tenants in common in the shares specified in the notice; and
- (b) references to the governance entity in part 7 are to be read as references to each purchasing entity as tenants in common in the shares specified in the notice; and

5.7.2 the trustees of the Ngāti Maru Rūnanga Trust, or the trustees of Te Tāwharau o Ngāti Pūkenga Trust, are the sole purchasing entity, or one of those purchasing entities, that entity will be deemed to have been a party to this deed for the purposes of the provisions in this deed relating to the transfer of Te Wharekura o Manaia site (land only).

5.8 Notices and other communications in relation to Te Wharekura o Manaia site (land only) are to be given to and by –

5.8.1 the single point of contact specified in paragraph 5.2.3 for the purposes of this part; and

5.8.2 the single point of contact specified in paragraph 5.5.4 for the purposes of part 7.

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5: DEFERRED PURCHASE

Appendix 1

Form of notice of interest

In accordance with the deed of settlement between the Crown and Ngāti Maru and the deed of settlement between the Crown and Ngāti Pūkenga and the deed of settlement between the Crown and Ngaati Whanaunga, the trustees of the Ngāti Maru Rūnanga Trust and the trustees of the Te Tāwharau o Ngāti Pūkenga Trust and the trustees of the Ngaati Whanaunga Ruunanga Trust give notice of interest in purchasing Te Wharekura o Manaia site (land only).

The following entities (**purchasing entities**) are interested in purchasing (as tenants in common in shares to be determined if more than one entity or solely if one entity) Te Wharekura o Manaia site (land only):

- The trustees of the Ngāti Maru Rūnanga Trust *[delete if not interested]*
- The trustees of the Te Tāwharau o Ngāti Pūkenga Trust *[delete if not interested]*
- The trustees of the Ngaati Whanaunga Ruunanga Trust *[delete if not interested]*

The point of contact for the purposes of the deferred purchase process for Te Wharekura o Manaia site (land only) is:

[Name]
 [Address]
 [Phone number]
 [Email]

[The point of contact is the entity to receive disclosure information. The point of contact has authority to bind the purchasing entity or entities under paragraphs [xx] of the deed of settlement property redress schedule.]

Signed for and on behalf of the trustees of the Ngāti Maru Rūnanga Trust:

_____	_____	_____
[Name]	[Name]	[Name]
[Date]	[Date]	[Date]

Signed for and on behalf of the trustees of the Te Tāwharau o Ngāti Pūkenga Trust:

_____	_____	_____
[Name]	[Name]	[Name]
[Date]	[Date]	[Date]

Signed for and on behalf of the trustees of the Ngaati Whanaunga Ruunanga Trust:

_____	_____	_____
[Name]	[Name]	[Name]
[Date]	[Date]	[Date]

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5: DEFERRED PURCHASE

Appendix 2

Form of election notice

In accordance with the deed of settlement between the Crown and Ngāti Maru and the deed of settlement between the Crown and Ngāti Pūkenga and the deed of settlement between the Crown and Ngaati Whanaunga, the trustees of the Ngāti Maru Rūnanga Trust and the trustees of the Te Tāwharau o Ngāti Pūkenga Trust and the trustees of the Ngaati Whanaunga Ruunanga Trust give notice of election to purchase Te Wharekura o Manaia site (land only).

Te Wharekura o Manaia site (land only) will be purchased by the following [entity/entities] (**purchasing [entity/entities]**) [delete references to entity/entities as applicable] in the specified shares¹:

The trustees of the Ngāti Maru Rūnanga Trust – [specify share or delete if not purchasing]
The Ngāti Maru Rūnanga Trust [is/is not] a registered person for GST purposes [and its registration number is]

The trustees of the Te Tāwharau o Ngāti Pūkenga Trust – [specify share or delete if not purchasing]
Te Tāwharau o Ngāti Pūkenga Trust [is/is not] a registered person for GST purposes [and its registration number is]

The trustees of the Ngaati Whanaunga Ruunanga Trust – [specify share or delete if not purchasing]
The Ngaati Whanaunga Ruunanga Trust [is/is not] a registered person for GST purposes [and its registration number is]

The purchasing [entity/entities]: [delete as applicable]

- (a) intend[s] to use the property for the purposes of making taxable supplies; and
- (b) intend[s] to use the property as a principal place of residence of either of the purchasing [entity/entities] or a person associated with the purchasing [entity/entities] under section 2A(1)(c) of the Goods and Services Tax Act 1985.

The purchasing [entity/entities] undertake[s] to notify the Crown if any of the above information relating to GST alters before settlement date.

The point of contact for the purposes of the purchase of Te Wharekura o Manaia site (land only) in accordance with [please provide relevant cross-reference to transfer provisions with respect to notice and contacts]:

[Name]
[Address]
[Phone number]
[Email]

¹ An individual entity's share may be within the range of 0 to 100%. A notice is only valid if the total number of shares specified equals no more and no less than 100%.

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The bank account number for the rental payments for Te Wharekura o Manaia site (land only) is:

[specify bank account number]

Signed for and on behalf of the trustees of the Ngāti Maru Rūnanga Trust:

_____	_____	_____
[Name]	[Name]	[Name]
[Date]	[Date]	[Date]

Signed for and on behalf of the trustees of the Te Tāwharau o Ngāti Pūkenga Trust:

_____	_____	_____
[Name]	[Name]	[Name]
[Date]	[Date]	[Date]

Signed for and on behalf of the trustees of the Ngaati Whanaunga Ruunanga Trust:

_____	_____	_____
[Name]	[Name]	[Name]
[Date]	[Date]	[Date]

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B DETERMINING THE TRANSFER VALUE OF A DEFERRED SELECTION PROPERTY

APPLICATION OF THIS SUBPART

- 5.9 This subpart provides how the transfer value is to be determined after the governance entity has given, in accordance with this part, a notice of interest in a deferred selection property.
- 5.10 The transfer value is to be determined as at the notification date.

APPOINTMENT OF VALUERS AND VALUATION ARBITRATOR

- 5.11 The parties, in relation to a deferred selection property, not later than 10 business days after the notification date –
- 5.11.1 must each –
- (a) instruct a valuer using the form of instructions in appendix 1 to this subpart B; and
 - (b) give written notice to the other of the valuer instructed; and
- 5.11.2 may agree and jointly appoint the person to act as the valuation arbitrator in respect of the property.
- 5.12 If the parties do not agree and do not jointly appoint a person to act as a valuation arbitrator within 15 business days after the notification date, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuation arbitrator as soon as is reasonably practicable.
- 5.13 The parties must ensure the terms of appointment of their respective registered valuers require the valuers to participate in the valuation process.

QUALIFICATION OF VALUERS AND VALUATION ARBITRATOR

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

VALUATION REPORTS FOR A PROPERTY

- 5.16 Each party must, in relation to a deferred selection property, not later than –

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- 5.16.1 50 business days after the notification date, provide a copy of its final valuation report to the other party; and
- 5.16.2 60 business days after the notification date, provide its valuer's written analysis report to the other party.
- 5.17 Valuation reports must comply with the International Valuation Standards 2017, or explain where they are at variance with those standards.

EFFECT OF DELIVERY OF ONE VALUATION REPORT FOR A PROPERTY

- 5.18 If only one valuation report for a deferred selection property that is not a school site is delivered by the required date, the transfer value of the property is the market value as assessed in the report.
- 5.19 If only one valuation report for a deferred selection property that is a school site is delivered by the required date, the transfer value of the property is the market value as assessed in the report (based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%).

NEGOTIATIONS TO AGREE A TRANSFER VALUE FOR A DEFERRED SELECTION PROPERTY

- 5.20 If both valuation reports for a deferred selection property are delivered by the required date –
 - 5.20.1 the parties must endeavour to agree in writing –
 - (a) the transfer value of the property that is not a school site; and
 - (b) if the property is a school site, the transfer value (being the agreed market value based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%); and
 - 5.20.2 either party may, if the transfer value of the property is not agreed in writing within 70 business days after the notification date and if a valuation arbitrator has been appointed under paragraph 5.11.2 or paragraph 5.12, refer that matter to the determination of the valuation arbitrator; or
 - 5.20.3 if that agreement has not been reached within the 70 business day period but the valuation arbitrator has not been appointed under paragraph 5.11.2 or paragraph 5.12, the parties must attempt to agree and appoint a person to act as the valuation arbitrator within a further 5 business days; and
 - 5.20.4 if paragraph 5.20.3 applies, but the parties do not jointly appoint a person to act as a valuation arbitrator within the further 5 business days, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuation arbitrator as soon as is reasonably practicable; and

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5: DEFERRED PURCHASE

5.20.5 the valuation arbitrator, must promptly on his or her appointment, specify to the parties the arbitration commencement date.

VALUATION ARBITRATION

5.21 The valuation arbitrator must, not later than 10 business days after the arbitration commencement date, –

5.21.1 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

5.21.2 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.

5.22 Each party must –

5.22.1 not later than 5pm on the day that is 5 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

5.22.2 attend the arbitration meeting with its valuer.

5.23 The valuation arbitrator must –

5.23.1 have regard to the requirements of natural justice at the arbitration meeting; and

5.23.2 no later than 50 business days after the arbitration commencement date, give his or her determination –

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- (a) of the market value of the deferred selection property (which in respect of a school site is to be the market value based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%); and
- (b) being no higher than the higher, and no lower than the lower, assessment of market value contained in the parties' valuation reports.

5.24 An arbitration under this subpart is an arbitration for the purposes of the Arbitration Act 1996.

TRANSFER VALUE FOR ALL PROPERTIES


5.25 The transfer value of the deferred selection property for the purposes of paragraph 5.6.1(b) is –

5.25.1 determined under paragraph 5.18 or 5.19 (as the case may be); or

5.25.2 agreed under paragraph 5.20.1; or

5.25.3 the market value determined by the valuation arbitrator under paragraph 5.23.2, if the determination is in respect of a property that is not a school site; or

5.25.4 if the property is a school site, the market value determined by the valuation arbitrator under paragraph 5.23.2, (based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%).



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C GENERAL PROVISIONS

TIME LIMITS

- 5.26 Time is of the essence for the time limits in paragraphs 5.1 and 5.4.
- 5.27 In relation to the time limits in this part, other than those referred to in paragraph 5.26, each party must use reasonable endeavours to ensure –
- 5.27.1 those time limits are met and delays are minimised; and
- 5.27.2 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

- 5.28 The valuation arbitrator's determination under subpart B is final and binding.

COSTS

- 5.29 In relation to the determination of the transfer value of a deferred selection property, each party must pay –
- 5.29.1 its costs; and
- 5.29.2 half the costs of a valuation arbitration; or
- 5.29.3 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

- 5.30 The Crown's obligations under this deed in relation to a deferred selection property immediately cease if –
- 5.30.1 the governance entity –
- (a) does not give notice of interest in relation to the property in accordance with paragraph 5.1; or
- (b) gives notice of interest in relation to the property in accordance with paragraph 5.1 but the governance entity –
- (i) gives an election notice under which it elects not to purchase the property; or



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- (ii) does not give an election notice in accordance with paragraph 5.4 electing to purchase the property; or
 - (c) 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 5.6; or
- 5.30.2 an agreement for the sale and purchase of the property is constituted under paragraph 5.6 and the agreement is cancelled in accordance with the terms of transfer in part 7.

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APPENDIX 1 TO SUBPART B

[Note: If these instructions apply to –

- a non-leaseback property, references connected with a leaseback must be deleted.
 - Te Wharekura o Manaia site (land only), they are to be adapted (if appropriate and to the extent necessary) to refer to the single point of contact specified in paragraph 5.2.3.

These instructions may be modified to apply to more than one deferred selection 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:

- clauses 6.3 or 6.7 of the deed of settlement; and
- part 5 of the property redress schedule to the deed of settlement (**part 5**).

PROPERTY TO BE VALUED

The governance entity has given the land holding agency a notice of interest in purchasing -

[describe the property including its legal description]

[PROPERTY TO BE LEASED BACK

If the governance entity purchases the property from the Crown, the governance entity will lease the property back to the Crown on the terms provided by the lease in part 6 of the documents schedule to the deed of settlement (the **agreed lease**).

As the agreed lease is a ground lease, the ownership of the improvements on the property (the **Lessee's improvements**), remains unaffected by the transfer.].

DEED OF SETTLEMENT

A copy of the deed of settlement is enclosed.

Your attention is drawn to –

- part 5; and



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(b) the agreed lease of the property in part 6 of the documents schedule to the deed].

All references in this letter to subparts or paragraphs are to subparts or paragraphs of part 5.

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

The property is a deferred selection property for the purposes of part 5. Subpart B of part 5 applies to the valuation of deferred selection properties.

ASSESSMENT OF MARKET VALUE REQUIRED

You are required to undertake a valuation to assess the market value of the property [that is a school site in accordance with the methodology below] as at [**date**] (the **valuation date**), being the date the land holding agency received the notice of interest in the property from the governance entity.

[As the Lessee's improvements will not transfer, the market value of the property is to be the market value of its land (ie not including any Lessee's improvements).]

The [land holding agency][governance entity][~~delete one~~] will require another registered valuer to assess the market value of the property as 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 will be the basis of establishing the "transfer value" at which the governance entity may elect to purchase the property under part 5, plus GST (if any).

[MARKET VALUE OF A SCHOOL SITE

For the purposes of these instructions the intention of the parties in respect of a school site is to determine a transfer value to reflect the designation and use of the land for education purposes.

The market value of a school site is to be calculated as the market value of the property, exclusive of improvements, based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%.

A two step process is required:

- 1) firstly, the assessment of the unencumbered market value (based on highest and best use) by:
 - (a) disregarding the designation and the Crown leaseback; and
 - (b) considering the zoning in force at the valuation date; and
 - (c) excluding any improvements on the land; and

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- 2) secondly, the application of a 20% discount to the unencumbered market value to determine the market value as a school site (transfer value).

The transfer value is used to determine the initial annual rent based on an agreed rental percentage of the agreed transfer value, determined in accordance with the Crown leaseback (plus GST, if any, on the amount so determined).]

VALUATION OF PROPERTY

You must, in relation to a property:

- (a) before inspecting the property, determine with the other valuer:
 - (i) the valuation method or methods applicable to the property; and
 - (ii) the comparable sales to be used in determining the market value of the property; and
- (b) inspect the property, where practical, together with the valuer appointed by the other party; and
- (c) attempt to resolve any matters or issues arising from your inspections and input assumptions; 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 [45] 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 us; and
- (f) by not later than [55] business days after the valuation date, prepare and deliver to us a written analysis of both valuation reports to assist in the determination of the market value of the property; and
- (g) by not later than [65] business days after the valuation date, meet with the other valuer and discuss your respective valuation reports and written analysis reports with a view to reaching consensus on the market value; and
- (h) if a consensus on market value is reached, record it in writing signed by you and the other valuer and deliver it to both parties; and
- (i) participate in any meetings, including any peer review process, as required by us and the other party to agree the market value of the property; and
- (j) if a review valuer has been appointed by parties, you must within 5 business days of receipt of the review valuer's report, review your market valuation report, taking into account the findings of the review valuer, and provide us with a written report of your assessment of the market value of the property; and

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- (k) participate in any arbitration process required under subpart B to determine the market value of the property.

REQUIREMENTS OF 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 current edition of the Australia and New Zealand Valuation and Property Standards [2012] and International Valuation Standards [2017]; and
- (b) 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 terms of the agreed lease; and
- (iii) 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
- (iv) the terms of transfer in part 7 of the property redress schedule to the deed of settlement (that will apply to a purchase of the property by the governance entity); but
- (c) not to take into account a claim in relation to the property by or on behalf of Ngaati Whanaunga.

REQUIREMENTS FOR YOUR VALUATION REPORT

We require a full valuation report in accordance with the current edition of the Australia and New Zealand Valuation and Property Standards [2012] and International Valuation Standards [2017], 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

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- (b) a detailed description, and a clear statement, of the land value; and
- (c) a clear statement as to any impact of –
 - (i) the disclosed encumbrances[; and
 - (ii) the agreed lease]; and
- (d) details of your assessment of the highest and best use of the property; and
- (e) comment on the rationale of likely purchasers [,and tenants,] of the property; and
- (f) a clear identification of the key variables which have a material impact on the valuation; and
- (g) full details of the valuation method or methods; and
- (h) appendices setting out –
 - (i) a statement of the valuation methodology and policies; and
 - (ii) relevant market and sales information.

Your report must comply with the minimum requirements 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.

You may, with our prior consent, obtain specialist advice, such as engineering or planning advice.

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, to prepare and deliver to us a draft valuation report; and
- (b) [45] 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 us; and
- (c) [55] business days after the valuation date, to prepare and deliver to us a written analysis of both valuation reports; and
- (d) [65] business days after the valuation date, to meet with the other valuer to discuss your respective valuation reports and written analysis reports.

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[ACCESS

[You should not enter on to the property without first arranging access through the **[land holding agency]** **[give contact details].**]

[Where the property is a school site, you should not enter on to **[insert name(s) of school site(s)]** without first arranging access through the Ministry of Education **[give contact details]** and should not contact the school(s) directly.]

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:

- (a) copy any questions you have or receive with regard to the valuation, together with the responses, to the governance entity, the land holding agency, and the other valuer; and
- (b) make all reasonable attempts throughout this valuation process to resolve differences between you and the other valuer before delivering a copy of your final report to us.

Yours faithfully

[Name of signatory]

[Position]

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

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6 SECOND RIGHT TO PURCHASE

PURPOSE

- 6.1 The purpose of this part is to give the governance entity a right to purchase the second right of purchase property –
- 6.1.1 immediately the second right of purchase property is no longer capable of being acquired under the Te Patukirikiri deed of settlement; and
 - 6.1.2 subject to, and on the warranties, terms and conditions, including the valuation and election mechanisms, as set out in this schedule.

SECOND RIGHT OF PURCHASE PROPERTY BECOMES AVAILABLE BEFORE VALUATION PROCESS COMMENCES

- 6.2 Paragraph 6.3 applies to the second right of purchase property if either –
- 6.2.1 the trustees of the Te Patukirikiri Iwi Trust gave notice that they are not interested in acquiring the property before the valuation process commenced under the Te Patukirikiri deed of settlement; or
 - 6.2.2 the period during which the trustees of the Te Patukirikiri Iwi Trust could have given a notice which would have commenced the valuation process under the Te Patukirikiri deed of settlement has expired and the trustees of the Te Patukirikiri Iwi Trust did not give the notice.
- 6.3 The Crown must, within 30 business days of this paragraph applying to the second right of purchase property, give a notice to the governance entity –
- 6.3.1 describing the property in the same manner it is described in part 4; and
 - 6.3.2 informing the governance entity that the property is now available for purchase under this part.
- 6.4 The governance entity may, for a period of 20 business days commencing on the date of receipt of the trigger notice, give the Crown a written notice of interest in purchasing the second right of purchase property.
- 6.5 If the governance entity gives, in accordance with paragraph 6.4, a notice of interest in the second right of purchase property –
- 6.5.1 the Crown must, not later than 20 business days after the date of receipt of notice, give the governance entity all material information that, to the best of its knowledge, is in its records about the property, including its encumbrances; and
 - 6.5.2 the terms and conditions of the valuation, election and purchase mechanisms in part 5, apply to the second right of purchase property –

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6: SECOND RIGHT TO PURCHASE

- (a) as if the date on which the Crown received the notice of interest from the governance entity were the date on which the Crown received a notice of interest from the governance entity in relation to a deferred selection property; and
- (b) as if the notice were given in time under part 5; and
- (c) on the basis that the property is not a school site, or a leaseback property.

SECOND RIGHT OF PURCHASE PROPERTY BECOMES AVAILABLE AFTER VALUATION

- 6.6 Paragraph 6.8 applies to the second right of purchase property if either –
- 6.6.1 the trustees of the Te Patukirikiri Iwi Trust gave notice that they do not elect to purchase the property and the notice was given after the property's transfer value had been agreed or determined under the Te Patukirikiri deed of settlement; or
 - 6.6.2 the period during which the trustees of the Te Patukirikiri Iwi Trust could have given a notice electing to purchase the second right of purchase property under the Te Patukirikiri deed of settlement has expired and the trustees of the Te Patukirikiri Iwi Trust did not give the notice; or
 - 6.6.3 an agreement for sale and purchase was treated as being constituted under the Te Patukirikiri deed of settlement, but was validly cancelled in accordance with its terms.
- 6.7 But paragraph 6.8 does not apply where the trustees of the Te Patukirikiri Iwi Trust lose their right to acquire the second right of purchase property because the trustees of the Te Patukirikiri Iwi Trust did not deliver their valuation report within the period specified in the Te Patukirikiri deed of settlement.
- 6.8 The Crown must within 30 business days of this paragraph applying to the second right of purchase property, give a notice to the governance entity –
- 6.8.1 describing the property in the same manner it is described in part 4; and
 - 6.8.2 enclosing all the information about the property the Crown gave to the trustees of the Te Patukirikiri Iwi Trust in respect of the property as disclosure; and
 - 6.8.3 enclosing all correspondence, valuation reports and other documents the Crown gave to, or received from, the trustees of the Te Patukirikiri Iwi Trust in respect of the property under the valuation and election mechanisms in the Te Patukirikiri deed of settlement; and
 - 6.8.4 specifying the transfer value agreed or determined under the Te Patukirikiri deed of settlement for the property; and

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- 6.8.5 informing the governance entity that the property is now available for purchase under this part.
- 6.9 Where paragraph 6.8 applies after the second right of purchase property's transfer value was determined by arbitration, the Crown may comply with paragraph 6.8.3 by enclosing only the arbitration award.
- 6.10 The governance entity must give the Crown written notice of whether or not it elects to purchase the second right of purchase property by no later than 20 business days after receipt of the trigger notice.
- 6.11 If the governance entity gives a notice under paragraph 6.10 electing to purchase the second right of purchase property in accordance with this part, the Crown and the governance entity are to be treated as having entered into an agreement for sale and purchase of the property at the transfer value for the property agreed or determined under the Te Patukirikiri deed of settlement, plus GST if any, on the same terms and conditions as the election and purchase mechanisms in part 5 –
- 6.11.1 as if the governance entity had given notice to elect to purchase the property under part 5 on the day that the governance entity gave notice under paragraph 6.10 electing to purchase the second right of purchase property; and
- 6.11.2 as if the notice were given in time under part 5.

SECOND RIGHT OF PURCHASE PROPERTY BECOMES AVAILABLE BEFORE VALUATION COMPLETED

- 6.12 Paragraph 6.13 applies to the second right of purchase property if paragraph 6.7 applies.
- 6.13 The Crown must, within 30 business days of this paragraph applying to the second right of purchase property, give a notice to the governance entity –
- 6.13.1 describing the property in the same manner it is described in part 4; and
- 6.13.2 enclosing all the information about the property the Crown gave to the trustees of the Te Patukirikiri Iwi Trust in respect of the property as disclosure; and
- 6.13.3 enclosing all correspondence, valuation reports and other documents the Crown gave to, or received from, the trustees of the Te Patukirikiri Iwi Trust in respect of the property under the valuation and election mechanism in the Te Patukirikiri deed of settlement; and
- 6.13.4 informing the governance entity that the property is now available for purchase under this part; and
- 6.13.5 specifying that the valuation, election and purchase mechanisms in part 5 will apply to this property.

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6: SECOND RIGHT TO PURCHASE

- 6.14 For the avoidance of doubt, the Crown is not bound by any valuation report obtained under the Te Patukirikiri deed of settlement in respect of the second right of purchase property, and the mechanism specified under paragraph 6.13.5 may include a step of obtaining one or more valuation reports even where a report was obtained for the property under the Te Patukirikiri deed of settlement.
- 6.15 The governance entity may, for a period of 20 business days commencing on the date of receipt of the trigger notice, give the Crown a written notice of interest in purchasing the second right of purchase property.
- 6.16 If the governance entity gives a notice, in accordance with paragraph 6.15, the mechanism specified under paragraph 6.13.5 applies to the valuation, election to purchase, and purchase of the second right of purchase property.
- 6.17 Despite any other provision in this part or part 5, if the governance entity gives a notice electing to purchase the second right of purchase property in accordance with the relevant provisions of part 5 as applied by this part or under paragraph 6.10, as the case may be, the governance entity may, in that notice, nominate the Pare Hauraki collective commercial entity (as defined in the Pare Hauraki Collective Redress Deed) to purchase the property and that entity –
- 6.17.1 for the purposes of paragraph 6.11, or part 5, as the case may be, will be treated as having entered into an agreement for sale and purchase for the property as if it were the governance entity; and
- 6.17.2 will be deemed to have been a party to this deed for the purposes of the provisions in this deed relating to the transfer of the property.

ENDING OF OBLIGATIONS

- 6.18 The Crown's obligations under this part in relation to a second right of purchase property immediately cease if –
- 6.18.1 the governance entity –
- (a) does not give notice of interest in relation to the property in accordance with paragraph 6.4 or 6.15 (whichever applies); or
 - (b) gives notice of interest in relation to the property in accordance with paragraph 6.4 or 6.15, but the governance entity –
 - (i) gives a notice under which it elects not to purchase the property; or
 - (ii) does not give a notice electing to purchase the property in accordance with the relevant provisions of part 5 as applied by this part or under paragraph 6.10, as the case may be; or
 - (c) 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 this part or part 5, as the case may be; or

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- (d) gives the Crown written notice under which it elects not to purchase the property, or the period during which the governance entity could have given a notice has expired and the governance entity did not give the notice; or
 - (e) does not comply with any obligation in relation to the property under the relevant provisions of part 5 as applied by this part; or
- 6.18.2 an agreement for the sale and purchase of the property is constituted under this part or part 5, as the case may be, and the agreement is cancelled in accordance with the terms of transfer in part 7.

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7 TERMS OF TRANSFER FOR PURCHASED DEFERRED SELECTION PROPERTIES AND PURCHASED SECOND RIGHT OF PURCHASE PROPERTY

APPLICATION OF THIS PART

- 7.1 This part applies to the transfer by the Crown to the governance entity of each of the following properties (a **transfer property**):
- 7.1.1 each purchased deferred selection property, under paragraph 5.6.1; and
 - 7.1.2 the purchased second right of purchase property, under paragraph 5.6.1, or under paragraphs 6.11 and 5.6.1, as the case may be.

TRANSFER

- 7.2 The Crown must transfer the fee simple estate in a transfer property to the governance entity –
- 7.2.1 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 7.18.4(a)); and
 - (b) any additional encumbrances affecting or benefiting the property entered into by the Crown under paragraph 7.18.4(b); and
 - (c) any additional encumbrances entered into by the Crown under clause 6.13.2; and
 - 7.2.2 if the property is a leaseback property, subject to the Crown leaseback in relation to the property.
- 7.3 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

- 7.4 Possession of a transfer property must, on the DSP settlement date for the property, –
- 7.4.1 be given by the Crown; and
 - 7.4.2 taken by the governance entity; and
 - 7.4.3 be vacant possession subject only to –

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- (a) any encumbrances referred to in paragraph 7.2.1 that prevent vacant possession being given and taken; and
- (b) if the property is a leaseback property, the Crown leaseback.

SETTLEMENT

7.5 Subject to paragraphs 7.7 and 7.38.2, the Crown must provide the governance entity with the following in relation to a transfer property on the DSP settlement date for that property:

7.5.1 evidence of –

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

7.5.2 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 DSP settlement date.


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

7.6.1 paragraph 7.5.1 does not apply; and

7.6.2 the Crown must ensure its solicitor, –

- (a) a reasonable time before the DSP 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 for any other registrable instruments required by the deed in relation to the property (the **electronic transfer instruments**); and
 - (ii) prepares, certifies, signs, and pre-validates in the Landonline workspace the electronic transfer instruments; and
- (b) on the DSP settlement date, releases the electronic transfer instruments so that the governance entity's solicitor may submit them for registration under the relevant legislation; and

7.6.3 the governance entity must ensure its solicitor, a reasonable time before the DSP settlement date, certifies and signs the electronic transfer instruments for the property prepared in the Landonline workspace under paragraph 7.6.2(a)(ii); and

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- 7.6.4 paragraphs 7.6.2 and 7.6.3 are subject to paragraph 7.38.2.
- 7.7 The **relevant legislation** for the purposes of paragraph 7.6 is –
- 7.7.1 the Land Transfer Act 1952; and
- 7.7.2 the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.
- 7.8 The Crown must, on the actual DSP 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 –
- 7.8.1 the property is a leaseback property; and
- 7.8.2 to provide it would be inconsistent with the Crown leaseback.
- 7.9 The transfer value of, or the amount payable by the governance entity for, a transfer property is not affected by –
- 7.9.1 a non-material variation, or a material variation entered into under paragraph 7.18.4(a), of a disclosed encumbrance affecting or benefiting the property; or
- 7.9.2 an additional encumbrance affecting or benefiting the property entered into by the Crown under paragraph 7.18.4(b).

APPORTIONMENT OF OUTGOINGS AND INCOMINGS

- 7.10 If, as at the actual DSP settlement date for a transfer property, –
- 7.10.1 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
- 7.10.2 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.
- 7.11 The outgoings for a transfer property for the purposes of paragraph 7.10 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.
- 7.12 An amount payable under paragraph 7.10 in relation to a transfer property must be paid on the actual DSP settlement date for the property.

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- 7.13 The Crown must, before the actual DSP 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 7.10.

FIXTURES, FITTINGS, AND CHATTELS

- 7.14 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.
- 7.15 Paragraph 7.14 does not apply to the Lessee's improvements located on a leaseback property.
- 7.16 Fixtures and fittings transferred under paragraph 7.14 must not be mortgaged or charged.
- 7.17 The transfer of a transfer property does not include chattels.

OBLIGATIONS AND RIGHTS DURING THE TRANSFER PERIOD

- 7.18 The Crown must, during the transfer period for a transfer property, –
- 7.18.1 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
- 7.18.2 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
- 7.18.3 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
- 7.18.4 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
- 7.18.5 use reasonable endeavours to obtain permission for the governance entity to enter and inspect the property under paragraph 7.19.2 if the governance

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7: TERMS OF TRANSFER

entity is prevented from doing so by the terms of an encumbrance referred to in paragraph 7.2, but

in the case of a leaseback property these obligations are modified to the extent necessary to ensure they do not add to, or vary, the obligations of the Crown under the Crown leaseback as if it applied during the transfer period.

7.19 The governance entity, during the transfer period in relation to a transfer property, –

7.19.1 must not unreasonably withhold or delay any consent sought under paragraph 7.18.4 in relation to the property; and

7.19.2 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 7.2; and

7.19.3 must comply with all reasonable conditions imposed by the Crown in relation to entering and inspecting the property.

OBLIGATIONS AFTER SETTLEMENT

7.20 The Crown must –

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

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

(a) comply with it; or

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

7.20.3 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 7.20.2.

RISK AND INSURANCE

7.21 A transfer property is at the sole risk of –

7.21.1 the Crown, until the actual DSP settlement date for the property; and

7.21.2 the governance entity, from the actual DSP settlement date for the property.

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DAMAGE AND DESTRUCTION

- 7.22 Paragraphs 7.23 to 7.31 apply if, before the actual DSP settlement date for a transfer property, –
- 7.22.1 the property is destroyed or damaged; and
 - 7.22.2 the destruction or damage has not been made good.
- 7.23 Paragraph 7.24 applies if the transfer property is –
- 7.23.1 a deferred selection property or the second right of purchase property; and
 - 7.23.2 as a result of the destruction or damage, the property is not tenable.
- 7.24 Where this paragraph applies, –
- 7.24.1 the governance entity may cancel its transfer by written notice to the Crown; or
 - 7.24.2 the Crown may cancel its transfer by written notice to the governance entity if the property is a leaseback property.
- 7.25 Notice under paragraph 7.24 must be given before the actual DSP settlement date.
- 7.26 Paragraph 7.27 applies if the property is a deferred selection property or the second right of purchase property, that –
- 7.26.1 despite the destruction or damage, is tenable; or
 - 7.26.2 as a result of the damage or destruction, is not tenable, but its transfer is not cancelled under paragraph 7.24 before the actual DSP settlement date.
- 7.27 Where this paragraph applies –
- 7.27.1 the governance entity must complete the transfer of the property in accordance with this deed; and
 - 7.27.2 the Crown must pay the governance entity –
 - (a) the amount by which the value of the property has diminished, as at the actual DSP settlement date for the property, as a result of the destruction or damage;
 - (b) plus GST if any.
- 7.28 The value of the property for the purposes of paragraph 7.27.2 is to be –

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- 7.28.1 in the case of a deferred selection property, its transfer value as determined or agreed in accordance with part 5; or
- 7.28.2 in the case of the second right of purchase property, its transfer value as determined or agreed in accordance with part 5 or specified in the trigger notice given under paragraph 6.8, as the case may be.
- 7.29 An amount paid by the Crown under paragraph 7.27.2 is a partial refund of the purchase price if it relates to the destruction or damage of a deferred selection property or the second right of purchase property.
- 7.30 Each party may give the other notice –
- 7.30.1 requiring a dispute as to the application of paragraphs 7.24 to 7.29 be determined by an arbitrator appointed by the Arbitrators' and Mediators' Institute of New Zealand; and
- 7.30.2 referring the dispute to the arbitrator so appointed for determination under the Arbitration Act 1996.
- 7.31 If a dispute as to the application of paragraphs 7.24 to 7.29 is not determined by the DSP settlement date, the date the parties must comply with their obligations on transfer of the property is to be –
- 7.31.1 the fifth business day following the determination of the dispute; or
- 7.31.2 if an arbitrator appointed under paragraph 7.30 so determines, another date including the original DSP settlement date.

BOUNDARIES AND TITLE

- 7.32 The Crown is not required to point out the boundaries of a transfer property.
- 7.33 If a transfer property is subject only to the encumbrances referred to in paragraph 7.2 and, if the property is a leaseback property, the Crown leaseback, the governance entity –
- 7.33.1 is to be treated as having accepted the Crown's title to the property as at the actual DSP settlement date; and
- 7.33.2 may not make any objections to, or requisitions on, it.
- 7.34 An error or omission in the description of a transfer property or its title does not annul its transfer.

FENCING

- 7.35 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

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the Crown requires the fence, in which case the provisions of the Fencing Act 1978 will prevail.

- 7.36 Paragraph 7.35 does not continue for the benefit of a purchaser from the Crown of land contiguous to a transfer property.
- 7.37 The Crown may require a fencing covenant to the effect of paragraphs 7.35 and 7.36 to be registered against the title to a transfer property.

DELAYED TRANSFER OF TITLE

- 7.38 The Crown covenants for the benefit of the governance entity that it will –
- 7.38.1 arrange for the creation of a computer freehold register for the land of a transfer property for land that –
- (a) is not contained in a computer freehold register; or
 - (b) is contained in a computer freehold register or registers but together with other land; and
- 7.38.2 transfer (in accordance with paragraph 7.5 or 7.6, whichever is applicable) the fee simple estate in a transfer property to which paragraph 7.38.1 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.
- 7.39 If paragraph 7.38.2 applies to a transfer property, and paragraph 7.6 is applicable, the governance entity must comply with its obligations under paragraph 7.6.3 by a date specified by written notice by the Crown.
- 7.40 The covenant given by the Crown under paragraph 7.38 has effect and is enforceable, despite:
- 7.40.1 being positive in effect; and
- 7.40.2 there being no dominant tenement.
- 7.41 If paragraph 7.38 applies then, for the period from the actual DSP settlement date until the date that the Crown transfers the fee simple estate in the transfer property to the governance entity –
- 7.41.1 the governance entity will be the beneficial owner of the property; and
- 7.41.2 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 DSP settlement date; and
- 7.41.3 the governance entity may not serve a settlement notice under paragraph 7.44.


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INTEREST

- 7.42 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 purchased deferred selection property or the purchased second right of purchase property is not paid on the DSP settlement date –
- 7.42.1 the Crown is not required to give possession of the property to the governance entity; and
- 7.42.2 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 DSP settlement date to the actual DSP settlement date.
- 7.43 Paragraph 7.42 is without prejudice to any of the Crown's other rights or remedies available to the Crown at law or in equity.

SETTLEMENT NOTICE

- 7.44 If, without the written agreement of the parties, settlement of a purchased deferred selection property or the purchased second right of purchase property is not effected on the DSP settlement date –
- 7.44.1 either party may at any time after the DSP settlement date serve notice on the other (a **settlement notice**) requiring the other to effect settlement; but
- 7.44.2 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
- 7.44.3 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
- 7.44.4 time is of the essence under paragraph 7.44.3; and
- 7.44.5 if the party in default does not comply with the terms of a settlement notice, the other party may cancel, by notice to the party in default, the agreement constituted by paragraph 5.6 or paragraph 6.11, as the case may be.
- 7.45 If the party serving the settlement notice is the Crown and the other party is two or more tenants in common:
- 7.45.1 the qualifying tenants in common acting together may, at any time before the expiry of the period in paragraph 7.44.3, serve notice on the Crown that it or they will be ready, willing and able to settle within a further 10 business days; and

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7.45.2 that entity or those entities will be the relevant entity for this part; and

7.45.3 if that entity does not, or those entities do not, comply with the terms of the settlement notice within a further 10 business days after service of the notice under paragraph 7.45.1 (time being of the essence), the Crown may cancel the agreement constituted by this deed in relation to the property.

7.46 Paragraphs 7.44 and 7.45, and the exercise of rights under them, are without prejudice to any other rights or remedies, at law, in equity, or otherwise, that the party not in default may have.

7.47 An entity is a qualifying tenant in common for the purposes of paragraph 7.45 if, had its obligation been several in relation to its tenancy in common only under this part, it would have been ready, willing and able to effect settlement in relation to its obligations on settlement.

FURTHER ASSURANCES

7.48 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

7.49 On transfer of a transfer property to the governance entity –

7.49.1 the provisions of this part will not merge; and

7.49.2 to the extent any provision of this part has not been fulfilled, it will remain in force.

GST


7.50 When the governance entity gives a written notice of election to purchase under part 5 or under part 6, as the case may be, it must include in that notice the following information in relation to the factual situation that will exist at the DSP settlement date and warrants the correctness of that information –

7.50.1 whether or not the governance entity is a registered person for GST purposes; and

7.50.2 the governance entity's registration number (if any); and

7.50.3 whether or not the governance entity intends to use the property for the purposes of making taxable supplies; and

7.50.4 whether or not the governance entity intends to use the property as a principal place of residence of the governance entity or a person associated with the governance entity under section 2A(1)(c) of the Goods and Services Tax Act 1985.

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- 7.51 If any of that information provided in the election to purchase notice alters before the DSP settlement date, the governance entity must forthwith notify the Crown and warrants the correctness of that altered information.
- 7.52 If the information provided (subject to alteration, if any) indicates that, at the DSP settlement date, each of the following statements is correct and the supply of the property is a taxable supply by the Crown, the parties agree that GST will apply to the supply at the rate of zero percent:
- 7.52.1 the governance entity is a registered person for GST purposes; and
 - 7.52.2 the governance entity intends to use the property for the purposes of making taxable supplies; and
 - 7.52.3 the governance entity does not intend to use the property as a principal place of residence of the governance entity or a person associated with the governance entity under section 2A(1)(c) of the Goods and Services Tax Act 1985.

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8 NOTICE IN RELATION TO CULTURAL REDRESS AND DEFERRED SELECTION PROPERTIES AND SECOND RIGHT OF PURCHASE PROPERTY

8.1 If this schedule requires the governance entity to give notice to the Crown in relation to or in connection with a cultural redress property, or a deferred selection property, or the second right of purchase property, the governance entity must give the notice in accordance with part 4 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 –

8.1.1 in paragraph 8.2; or

8.1.2 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.

8.2 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
Department of Conservation	Conservation House – Whare Kaupapa Atawhai 18-32 Manners Street PO Box 10420 Wellington 6011 Fax: +64 4 381 3057
Ministry of Education	45-47 Pipitea Street PO Box 1666 Thorndon Wellington 6011 Fax: +64 4 463 8001
LINZ	Level 7, Radio New Zealand House 155 The Terrace PO Box 5501 Wellington 6145 Fax: +64 4 472 2244
LINZ Treaty Settlements Landbank	Level 7, Radio New Zealand House 155 The Terrace PO Box 5501 Wellington 6145 Fax: +64 4 472 2244

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9 DEFINITIONS

9.1 In this schedule, unless the context otherwise requires, **party** means each of the governance entity and the Crown.

9.2 In this deed, unless the context otherwise requires, –

acquired Crown property has the meaning given to it by paragraph 1.2.1; and

actual DSP 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 deferred selection property means:

- (a) in relation to a referral under paragraph 5.20.2 the date of that referral; and,
- (b) in relation to an appointment under paragraph 5.20.3 or 5.20.4, a date specified by the valuation arbitrator:

arbitration meeting, in relation to the determination of the market value of a deferred selection property, means the meeting notified by the valuation arbitrator under paragraph 5.21.1; and

council-administered cultural redress property has the meaning given to it by paragraph 1.2.2; and

Crown leaseback means, in relation to a leaseback property, the lease to be entered into by the governance entity and the Crown under paragraph 5.6.2; 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 1.2.3; and

DSP settlement date, in relation to a purchased deferred selection property, or the purchased second right of purchase property, means the date that is 40 business days after the Crown receives an election notice from the governance entity electing to purchase the property; and

election notice, in relation to, –

- (a) a deferred selection property, means a written notice given by the governance entity in accordance with paragraph 5.4 electing whether or not to purchase a deferred selection property; and
- (b) the second right of purchase property, means a written notice given by the governance entity in accordance with paragraph 5.4 or 6.10, as the case may be, electing whether or not to purchase the second right of purchase property; and

initial annual rent in relation to a leaseback property, means the rent payable under the Crown leaseback from its commencement determined in accordance with part 5; and

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leaseback property means each deferred selection property referred to in clause 6.5 and clause 6.9; and

Lessee's improvements, in relation to a leaseback property has the meaning given to it in the Crown leaseback for the property; and

market value, in relation to a deferred selection property, has the meaning provided in the valuation instructions in appendix 1 to subpart B of part 5; and

notice of interest, in relation to –

- (a) a deferred selection property, means a notice given by the governance entity under paragraph 5.1 in relation to the property; and
- (b) the second right of purchase property, means a notice given by the governance entity under paragraph 6.4 or 6.15 in relation to the property; and

notification date, in relation to a deferred selection property, or the second right of purchase property, means the date that the Crown receives a notice of interest in the property from the governance entity; 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 Act 1948; and

school site, means a leaseback property in respect of which the land holding agency is the Ministry of Education; and

second right of purchase property means the property described in part 4; and

settlement notice has the meaning given to it by paragraph 7.44.1; and

terms of transfer means the terms of transfer set out in part 7; and

transfer property has the meaning given to it by paragraph 7.1; and

transfer period means, in relation to –

- (a) a deferred selection property, the period from the notification date for that property to its actual DSP settlement date; and
- (b) the second right of purchase property, the period from the notification date for that property to its actual DSP settlement date; and

transfer value, means, in relation to –

- (a) a deferred selection property, the amount payable by the governance entity for the transfer of the property determined or agreed in accordance with part 5; and
- (b) the second right of purchase property, the amount payable by the governance entity for the transfer of the property determined or agreed in accordance with part 5, or specified in the trigger notice given under paragraph 6.8, as the case may be;

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trigger notice means a notice given under paragraph 6.3, 6.8 or 6.13; and

valuation arbitrator, in relation to a deferred selection property or the second right of purchase property, as the case may be, means the person appointed under paragraph 5.11.2 or 5.12 or 5.20.3 or 5.20.4, in relation to the determination of its market value; and

valuation date, in relation to a deferred selection property, or the second right of purchase property, means the notification date in relation to the property.