

DEED OF ASSIGNMENT OF LEASE

PARTIES

1. Alexander Lunn Ave Property Trustees Limited, Hammer Custodians Limited and Lunn Ave Custodians Limited (trading as the Lunn Ave Trust Partnership) ("Landlord")
2. Housing New Zealand Limited ("Assignor")
3. Tāmaki Redevelopment Company Limited ("Assignee")

BACKGROUND

- A By the Lease referred to in clause 1.1 the Premises referred to in clause 1.1 were leased at the rent and on the terms and provisions contained in the Lease.
- B The Landlord and the Assignor are currently respectively the landlord and the tenant under the Lease.
- C The Assignor has agreed to assign the Assignor's interest in the Lease to the Assignee as from the Assignment Date, and the Landlord has agreed to consent to the assignment of the Lease to the Assignee.
- D The parties are completing this Deed to record their agreement.

THIS DEED WITNESSES

1 Interpretation

1.1 In this Deed:

"Assignee" and "the Assignor" include their respective successors, executors, administrators and permitted assigns;

"Assignment Date" means 24 December 2015;

"Landlord" includes its successors, executors, administrators and assigns;

"Licence to Occupy" means the licence to occupy for part of the Premises to be entered into on or about the date of this Deed between the Assignee, as licensor, and the Assignor, as licensee;

"Lease" means the deed of lease dated 11 February 2004 between Queens Investment Limited as original landlord (whose interest is now vested in the Landlord) and the Tenant and includes any variation, assignment extension or renewal of the Lease;

"Premises" means that part of the Landlord's building known as Retail Tenancies 1 and 2 at 141-153 Queens Road, Panmure, Auckland, and includes the carparks leased pursuant to the Lease, as more particularly described in the Lease; and

"Tenant" means the Tenant from time to time under the Lease, and includes:

- (a) the Assignor up to and including the Assignment Date; and
- (b) the Assignee from and following the Assignment Date;

- 1.2 This Deed is supplemental to the Lease and expressions and definitions used in this Deed bear the same meaning given to them in the Lease.

- 1.3 Where obligations bind more than one person those obligations shall bind those persons jointly and severally.

2 Assignment

In consideration of the Assignee's covenants in this Deed, the Assignor assigns to the Assignee all of the Assignor's interest in the Lease as from the close of the Assignment Date.

3 Assignee's covenants with Assignor

The Assignee covenants with the Assignor that the Assignee will:

- 3.1 pay the rent and other money due and payable after the Assignment Date at the times and in the manner provided for in the Lease;
- 3.2 from the Assignment Date, observe and perform those covenants, terms and conditions expressed or implied in the Lease which are to be observed and performed by the Tenant under the Lease;
- 3.3 indemnify the Assignor against all liabilities arising out of any future default by the Assignee under the Lease; and
- 3.4 grant the Assignor the licence under the Licence to Occupy effective from the Assignment Date.

4 Assignee's covenants with Landlord

The Assignee covenants with the Landlord that the Assignee will:

- 4.1 pay the rent and other money due and payable after the Assignment Date at the times and in the manner provided for in the Lease; and
- 4.2 from the Assignment Date, observe and perform those covenants, terms and conditions expressed or implied in the Lease which are to be observed and performed by the Tenant under the Lease.

5 Assignor's covenants with Assignee

The Assignor covenants with the Assignee that:

- 5.1 the Lease is a valid lease, is in full force and effect, and is not liable for forfeiture for any reason;
- 5.2 all rent and other money payable under the Lease has been paid up to and including the Assignment Date; and
- 5.3 to the best of its knowledge, all covenants, terms and conditions expressed or implied in the Lease which are to be observed and performed by the Assignor have been observed and performed up to and including the Assignment Date.

6 Landlord's consent in respect of assignment

The Landlord consents to the assignment set out in this Deed, but without prejudice to the Landlord's rights, powers and remedies under the Lease.

7 Confirmation of other Lease covenants

Except to the extent to which they are varied by this Deed, the covenants, terms and conditions expressed and implied in the Lease will continue in full force.

8 Costs

- 8.1 The Assignor and the Assignee will each meet its own costs of and incidental to the negotiation, preparation and completion of this Deed.
- 8.2 The Assignor will meet the Landlord's reasonable costs of and incidental to the negotiation, preparation and completion of this Deed.

Counterpart Execution


- 9.1 This Deed may be executed in any number of counterparts each of which is to be deemed an original, but all of which together are to constitute a single instrument. A party may enter into this Deed by executing any counterpart.
- 9.2 This Deed may be executed on the basis of an exchange of facsimile or electronic copies and execution of this Deed by such means is to be a valid and sufficient execution.

EXECUTION

This Deed was executed on

day of

2015

A handwritten signature in black ink, consisting of a stylized 'A' followed by a large, looping flourish.

SIGNED by Alexander Lunn Ave Property Trustees Limited)
as Landlord by its directors:

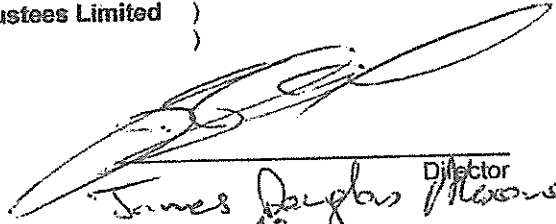
in the presence of:

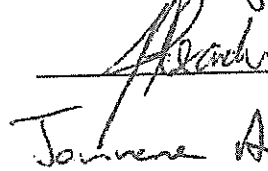
Witness Signature

Witness Name

Witness Occupation

Witness Address


James Douglas Macdonald
Director


Joanne Ann Alexander
Director

SIGNED by Hammer Custodians Limited)
as Landlord by its directors:

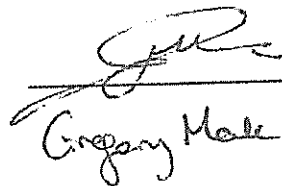
in the presence of:

Witness Signature

Witness Name

Witness Occupation

Witness Address


Gregory Mark Clarke
Director

Director

SIGNED by Lunn Ave Custodians Limited)
as Landlord by its directors:)

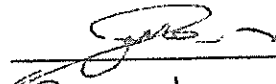
in the presence of:


Witness Signature

Christina Kumar
Witness Name

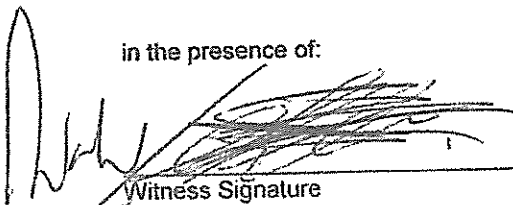
Manager
Witness Occupation

Auckland
Witness Address


Director
Gregory Mark Clark.
Director

SIGNED by Housing New Zealand Limited)
as Assignor by its duly authorised attorney:)

in the presence of:

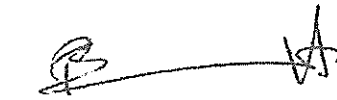

Witness Signature

WAKID AHMED
Witness Name

FACILITIES MANAGER
Witness Occupation

205, GREAT SOUTH ROAD,
Witness Address

GREENLAND, AUCKLAND 2105.


Attorney

Peter Stewart Bennett
Full name (please print)

SIGNED by Tāmaki Redevelopment Company Limited)
as Assignee by its directors:)

in the presence of:



Witness Signature

Neil Parker

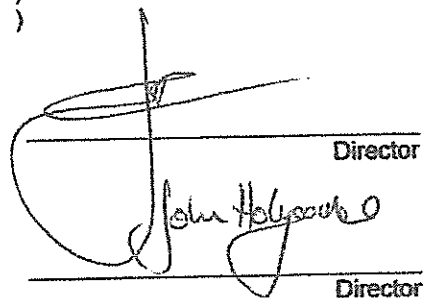
Witness Name

Manager

Witness Occupation

244 Abraham Ave

Witness Address



Director

Director

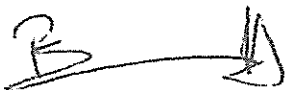
**CERTIFICATE OF NON-REVOCATION
OF POWER OF ATTORNEY**

I, Peter Stewart Bennetts of Auckland holding the office of Manager Business Services (formally Administration Co-ordinator) in Housing New Zealand Corporation:

HEREBY CERTIFY:

1. THAT by Deed dated 30 June 2006 a copy of which is deposited in the Land Registry Office at Wellington under number 6934797.1 each of Housing New Zealand Corporation, Housing New Zealand Limited, Community Housing Limited, Property Lease (No 1) Limited, Property Lease (No 13) Limited, and HNZN Property Developments Limited appointed me as its attorney on the terms and subject to the conditions set out in the said Deed and the attached document is executed by me under the powers thereby conferred.
2. THAT at the date hereof I hold the position of Administration Co-ordinator in Housing New Zealand Corporation.
3. THAT at the date hereof I have not received any notice of the revocation of that appointment.

SIGNED this 22nd day of December 2015



By Peter Stewart Bennetts

Deed of Renewal of Lease

Alexander Lunn Ave Property Trustees Limited, Hammer
Custodians Limited and Lunn Ave Custodians Limited

Housing New Zealand Limited

Roche

PROJECT LAWYERS

LIZ-104648-226-30-V1

Date:

PARTIES

Alexander Lunn Ave Property Trustees Limited, Hammer Custodians Limited and Lunn Ave Custodians Limited (trading as the Lunn Ave Trust Partnership) (*Landlord*)

Housing New Zealand Limited (*Tenant*)

BACKGROUND

- A By the Lease referred to in clause 1 the Premises referred to in clause 1 were leased at the rental and on the terms and provisions contained in the Lease.
- B The Landlord and the Tenant are currently respectively the landlord and the tenant under the Lease.
- C The Tenant has exercised its final right to renew the Lease, for a term of three (3) years from 1 April 2015 and the parties have agreed the annual rent to be paid for the Renewed Term.
- D The parties are completing this Deed to record their arrangements in writing.

OPERATIVE PART

Definitions

- 1 In this Deed, unless the context otherwise requires:

Landlord and Tenant includes their respective successors, personal representatives and assigns;

Lease means the deed of lease dated 11 February 2004 between Queens Investment Limited as original landlord (whose interest as landlord is now vested in the Landlord) and the Tenant and includes any variation, assignment, extension or renewal of the Lease;

Premises means that part of the Landlord's building known as Retail Tenancies 1 and 2 at 141-153 Queens Road, Panmure, Auckland and includes the car parks leased pursuant to the Lease, as more particularly described in the Lease; and

Renewed Term means the renewed term of the Lease evidenced by this Deed.

Renewal of Lease

- 2 In accordance with the right of renewal contained in the Lease, the Landlord grants and the Tenant accepts a renewal of the term of the Lease for a further term of three (3) years commencing on 1 April 2015 and expiring on 31 March 2018.

Annual Rent

- 3 During the Renewed Term, the Tenant will pay an annual rent for the Premises of \$145,000 plus GST, payable in advance by equal monthly payments in the manner fixed in the Lease.

Confirmation of Lease Terms

- 4 Except to the extent to which they are varied by this Deed, the covenants terms and conditions expressed and implied in the Lease will continue in full force.

Costs

- 5 Each party will pay its own costs of and incidental to the negotiation, preparation and completion of this Deed.

Counterpart Execution

- 6 This Deed may be executed in any number of counterparts each of which is to be deemed an original, but all of which together are to constitute a single instrument. A party may enter into this Deed by executing any counterpart.
- 7 This Deed may be executed on the basis of an exchange of facsimile or electronic copies and execution of this Deed by such means is to be a valid and sufficient execution.



EXECUTION

**Signed by Alexander Lunn Ave Property
Trustees Limited as the Landlord in the
presence of:**

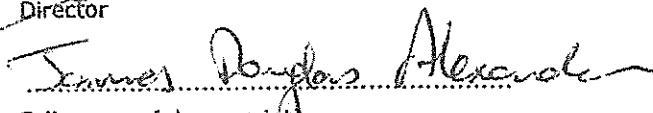
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Witness signature

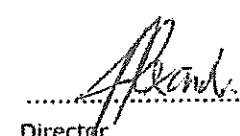
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Full name (please print)

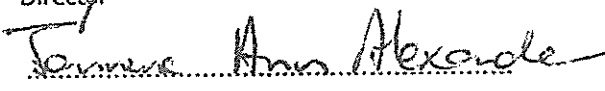
.....
Occupation (please print)

.....
Address (please print)

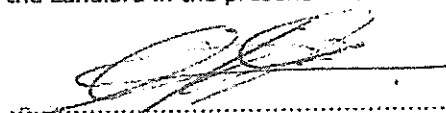

.....
Director

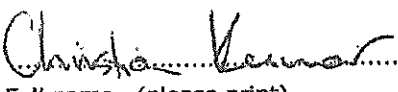

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Full name (please print)

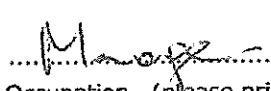

.....
Director


.....
Full name (please print)

**Signed by Hammer Custodians Limited as
the Landlord in the presence of:**

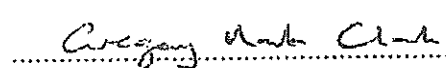

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Witness signature


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Full name (please print)


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Occupation (please print)


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Address (please print)

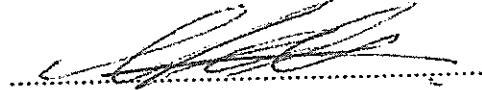

.....
Director


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Full name (please print)

.....
Director

.....
Full name (please print)

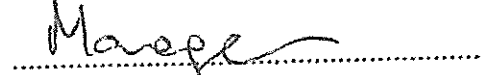
Signed by Lunn Ave Custodians Limited as
the Landlord in the presence of:



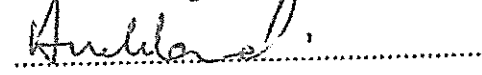
Witness signature



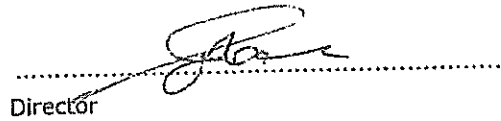
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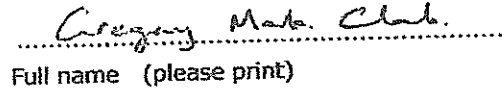


Occupation (please print)



Address (please print)

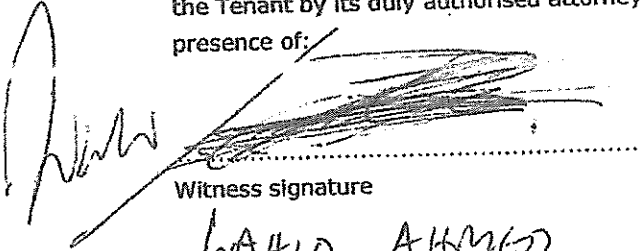

Director


Full name (please print)


Director

Full name (please print)

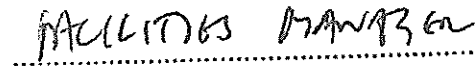
Signed by Housing New Zealand Limited as
the Tenant by its duly authorised attorney in the
presence of:



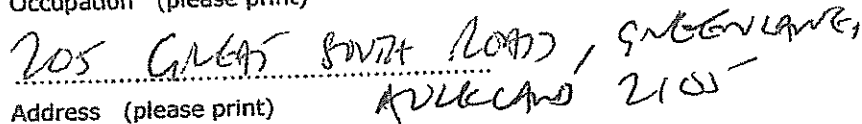
Witness signature

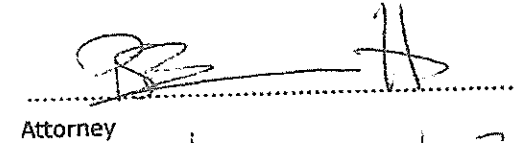


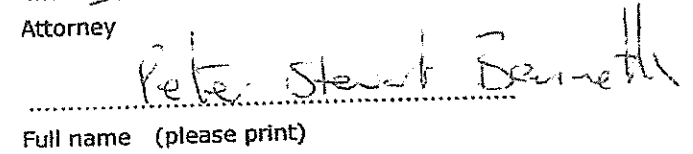
Full name (please print)



Occupation (please print)


Address (please print) AUCKLAND 2105


Attorney


Full name (please print)

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, Peter Stewart Bennetts of Auckland holding the office of Manager Business Services (formally Administration Co-ordinator) in Housing New Zealand Corporation:

HEREBY CERTIFY:

1. THAT by Deed dated 30 June 2006 a copy of which is deposited in the Land Registry Office at Wellington under number 6934797.1 each of Housing New Zealand Corporation, Housing New Zealand Limited, Community Housing Limited, Property Lease (No 1) Limited, Property Lease (No 13) Limited, and HNZN Property Developments Limited appointed me as its attorney on the terms and subject to the conditions set out in the said Deed and the attached document is executed by me under the powers thereby conferred.
2. THAT at the date hereof I hold the position of Administration Co-ordinator in Housing New Zealand Corporation.
3. THAT at the date hereof I have not received any notice of the revocation of that appointment.

SIGNED this 22nd day of December 2015



By Peter Stewart Bennetts

Standard Commercial Office Lease Deed

F-304

DEED made the 11th day of February 2004

LANDLORD **QUEENS INVESTMENT LTD**

TENANT **HOUSING NEW ZEALAND LTD**

THE LANDLORD leases to the Tenant and the Tenant takes on lease from the Landlord the premises described in the Schedule ("the premises") together with:

- (a) The right to use and enjoy as part of the premises the Landlord's fixtures and fittings therein contained as described in Item 2 of the Schedule. Fixtures and fittings not so listed shall be deemed to be the property of the Tenant.
- (b) The right to use in common with the Landlord and such other tenants or occupants of the building as the Landlord may authorise and common areas save and except as restricted or controlled by the provisions of this Lease.
- (c) The right to use the car parks described in the Schedule (if any).

TO BE HELD by the Tenant for the term commencing on the date and at the annual rent (subject to review as herein provided) all as set out in the Schedule and on and subject to the following covenants and deeds.

THE LANDLORD AND THE TENANT COVENANT AND AGREE as follows:

TENANT'S PAYMENTS

1. Payment of Rent

1.1 THE Tenant shall pay the rental for the time being payable by equal calendar monthly payments in advance of the amount specified in the Schedule (or as varied pursuant to any rental review) on the monthly rental payment dates specified in the Schedule. The first monthly payment (together with rent calculated on a daily basis for any period from the Commencement Date of the term to the first rent payment date) shall be payable on the first rent payment date. All rent shall be paid without any deductions by direct payment to the Landlord or as the Landlord may direct.

Rental Review

1.2 THE annual rental shall be reviewed as follows:

- (a) The Landlord shall commence a review not earlier than three (3) months prior to a review date by giving written notice to the Tenant specifying the annual rental considered by the Landlord to be the current market rental as at the review date.
- (b) If the Landlord has not commenced the review by giving notice to the Tenant pursuant to the preceding subclause (a) prior to the review date then the Tenant may at any time thereafter commence the review by giving to the Landlord written notice specifying the annual rental considered by the Tenant to be the current market rental as at that review date.
- (c) If the party receiving a notice from the other party pursuant to either of the preceding subclauses (a) or (b) disputes that the annual rental proposed by that other party is the current market rental then the new rental shall be determined in accordance with clause 1.3.
- (d) The annual rental so determined or accepted shall be the annual rent from the review date or the Landlord's notice if such notice is given later than three (3) months after the review date.
- (e) Pending the determination of the new rental, the Tenant shall pay the rental specified in the Tenant's notice pursuant to subclause (b) or the existing rental, whichever is the greater. Upon determination of the new rental an appropriate adjustment shall be made.
- (f) The rental review at the option of either party may be recorded in a Deed. Each party shall meet payment of its own legal costs in relation to the preparation and completion of such a Deed.
- (g) The parties agree that a "Rent Ratchet" will apply from the first review which is set down for 12 months from commencement of the lease and that from then on the new rent shall not be less than the annual rent payable following this first review.

1.3 IMMEDIATELY following receipt by one party of the other party's notice pursuant to either Clause 1.2(a) or 1.2(b) the parties shall endeavour to agree the new rental, but if deed is not reached within twenty eight (28) days of such receipt then the new rental may be determined either:

- (a) By arbitration if one party gives written notice to the other requiring the current market rental to be determined by arbitration; or
- (b) If both parties so agree by registered valuers acting as experts and not as arbitrators as follows:
 - (1) Each party shall appoint a valuer and give written notice of the appointment to the other party within twenty-one (21) days of the parties agreeing to so determine the new rent.
 - (2) If the party receiving a notice fails to appoint a valuer within the twenty-one (21) day period then the valuer appointed by the other party shall determine the new rent and such determination shall be binding on both parties.
 - (3) The valuers appointed before commencing their determination shall appoint an umpire who need not be a registered valuer.
 - (4) The valuers shall determine the current market rent of the premises and if they fail to agree then the rent shall be determined by the umpire.
 - (5) Each party shall be given the opportunity to make written or verbal representations to the valuers or the umpire subject to such reasonable time and other limits as the valuers or the umpire may prescribe and they shall have regard to any such representation but not be bound thereby.

1.4 In determining the current market rent the arbitrator, valuers or the umpire as the case may be shall:

- (a) Have regard to the actual use(s) the premises are put to by the Tenant only if such use(s) are permitted under the District Plan or any authorised dispensation therefrom.
- (b) Having regard to all relevant comparative rent evidence but new lettings evidence (if any) duly adjusted to allow for inducements shall be deemed to be the best evidence.
- (c) Have regard to any deleterious condition of the land building(s) and premises arising from:
 - (i) The Landlord's failure to perform the Landlord's maintenance, repair, replacement or structural repair and replacement obligations under this Lease.
 - (ii) Inherent defect in the land, building or premises.
 - (iii) Faulty design construction workmanship or repair in the premises or the building including its services which are provided by the Landlord.

- (d) Have regard to the actual area of the premises as specified in the Schedule.
- (e) Deduct from any current market rent determined under this clause any component attributable to a management fee it being the agreed common intention of the Landlord and Tenant that no management fees are to be allowed for during the currency of this Lease or any renewal thereof.
- (f) Disregard any deleterious condition of the premises arising from the Tenant's failure to perform its management obligations under the Lease.
- (g) Disregard the value of any goodwill attributable to the Tenant's business and the value of the Tenant's fixtures, fittings and improvements in the premises.

1.5 When the current market rental has been determined the arbitrator, valuers or the umpire as the case may be, shall give written notice thereof to the parties. Such notice shall provide for the manner in which the costs of the determination shall be borne and such provisions shall be binding on the parties.

2. Utility Charges

2.1 The Tenant shall promptly pay to the proper authorities the GST inclusive amount of all charges for electricity, gas, telephone and all utility and other services (but excluding water not separately metered to the premises) connected to the premises.

3. Goods and Services Tax

3.1 The Tenant shall pay to the Landlord or as the Landlord shall direct the Goods and Services Tax payable by the Landlord in respect of the rental and other payments payable by the Tenant hereunder. The tax in respect of the rental shall be payable on each occasion when any rental payment falls due for payment and in respect of any other payment shall be payable upon demand.

3.2 If the Tenant shall make default in payment of the rental or other moneys payable hereunder and the Landlord becomes liable to pay additional Goods and Services Tax then the Tenant shall on demand pay to the Landlord the additional tax.

4. Interest on Unpaid Moneys

If one party defaults in payment of the rent or other moneys payable hereunder for 14 days then the other party shall pay on demand interest at the default interest rate specified in the Schedule on the moneys unpaid from the due date for payment down to the date of payment.

5. **Costs**

Each party shall bear its own costs in relation to the negotiation preparation and completion of this lease and any renewal or variation hereof. However, the tenant is to pay the landlord's costs in relation to any enforcement or temporary enforcement of the landlord's rights, remedies and powers under this lease.

LANDLORD'S PAYMENTS

6. **Outgoings**

The Landlord shall pay all local authority rates and other outgoings and utilities in respect of the property except for charges for water, gas, electricity telephone and other utilities or services used or consumed on the premises by the tenant.

7. **Insurance**

The Landlord shall at all times during the term keep and maintain any buildings on the property insured on a full replacement and reinstatement basis against loss damage or destruction by fire and such other risks as the Landlord may reasonably determine and such cover may extend to:

- (a) a twelve (12) month indemnity in respect of consequential loss of rent,
- (b) loss damage or destruction of windows and other glass and all the Landlord's fixtures, fittings and chattels, and
- (c) adequate public risk cover.

MAINTENANCE AND CARE OF PREMISES

8. **Tenant's Obligations**

8.1 The Tenant shall (subject to any maintenance covenant by the Landlord) in a proper and workmanlike manner and to the reasonable requirements of the Landlord:

(a) **Maintain the premises**

Keep and maintain the interior of the premises, including the Landlord's fixtures and fittings as listed in the schedule in the same clean order, repair and condition as they were in at the commencement of this lease or completion of the tenants fit out (if not completed by lease commencement date) and will at the end or earlier determination of the term quietly yield up the same in the like clean order, repair and condition. In each case the Tenant shall not be liable for fair wear and tear arising from reasonable use or damage by fire, earthquake, subsidence, flood, storm, act of God, inevitable accident or any risk against which the Landlord is or should be insured unless the insurance moneys are rendered irrecoverable in consequence of any unlawful act or default of the Tenant or the Tenant's agents, employees, contractors or invitees. Nor shall the Tenant be liable for any damage or loss caused, arising or resulting from or attributable to any inherent defect,

faulty design, construction or workmanship in the premises or the property or in the services provided by the Landlord.

(b) Repair minor breakages

Repair all glass breakages and breakage or damage to all doors, windows, light fittings and power points of the premises and shall keep that portion of the electrical system of the premises from the switchboard to all power outlets in good operating condition.

(c) Painting

Paint and decorate those parts of the interior of the premises which have previously been painted and decorated when the same reasonably require repainting and redecoration to a reasonable standard and specification as approved by the Landlord but not to a standard better than that offered to the tenant at the beginning of the lease.

(d) Floor coverings

Keep all floor coverings in the premises clean and replace any floor coverings damaged other than by fair wear and tear with floor coverings of a similar quality when reasonably required by the Landlord.

(e) Make good defects

Make good any damage to the property or loss caused by unlawful or improper use by the Tenant or those for whom the Tenant is responsible.

8.2 Where the Tenant is obligated to make good damage to the property of the Landlord then the Landlord shall reimburse the Tenant for the cost of making good the damage to the extent of any insurance moneys received by the Landlord in respect of such damage.

9. Toilets

The toilets, sinks and drains shall be used for their designed purposes only and no substance or matter shall be deposited in them which could damage or block them.

10. Rubbish Removal

The Tenant shall regularly cause all rubbish and garbage to be removed from the premises and will keep any rubbish bins and containers in a tidy condition. The Tenant will also at the Tenant's own expense cause to be removed all trade waste boxes and other goods or rubbish not removable in the ordinary course by the local authority.

11. Landlord's Maintenance

11.1 The Landlord at its cost in all things shall keep and maintain the building and all building services (including lifts and air conditioning) in good order and repair but the Landlord shall not be liable for any:

(a) Repair or maintenance which the Tenant is responsible to undertake; or

(b) Repair or maintenance which does not reasonably affect the Tenant's use and enjoyment of the premises or;

(c) Want of repair or defect in respect of building services so long as the Landlord is maintaining a service maintenance contract covering the work to be done

(c) Loss suffered by the Tenant arising from any want of repair or defect unless the Landlord shall have received notice in writing thereof from the Tenant and shall not within a reasonable time thereafter have taken appropriate steps to remedy the same.

11.2 The Landlord shall keep and maintain service maintenance contracts for lifts, airconditioning and at the Landlord's option any other building service provided that any such service maintenance contract shall not affect the Landlord's obligations under this clause 11.

11.3 The Landlord shall at its cost in all things keep and maintain all common areas and all yards, car parks and sealed and surfaced areas in good order and repair.

11.4 The Landlord shall be responsible for all structural maintenance, repair and replacement required in respect of the premises or the building of which the premises form part other than work required by reason of the particular nature of the use carried on by the Tenant or the number or sex of persons employed in the premises by the Tenant. If the Landlord would be obliged to expend an unreasonable amount then the Landlord may determine this lease and any dispute as to whether or not the amount is unreasonable shall be determined by arbitration.

11.5 The Landlord shall cause the exterior windows of the building to be cleaned as and when reasonably necessary (but in any event not less than two times a year) and shall clean the exterior of the building including its gutters, downpipes and other like services as and when reasonably necessary.

12. Notification of Defects

The Tenant shall give to the Landlord prompt notice of any accident to or defect in the premises of which the Tenant may be aware, particularly in relation to any pipes or fittings used in connection with the water, electrical, gas or drainage services.

13. Landlord's Right of Inspection

Upon giving the Tenant reasonable notice, the Landlord and the Landlord's employees, contractors and invitees may at all reasonable times enter upon the premises to view their condition. There shall be no requirement for notice in an emergency. If the Landlord shall give the Tenant written notice of any failure on the part of the Tenant to comply with any of the requirements of Clause 8 the Tenant shall with all reasonable speed so comply.

14. Landlord may Repair

If default shall be made by the Tenant in the due and punctual compliance with any repair notice given pursuant to the previous clause or in the event that any repairs for which the Tenant is responsible require to be undertaken as a matter of urgency then without prejudice to the Landlord's other rights and remedies expressed or implied the

Landlord may by the Landlord's employees and contractors with all necessary equipment and material at all reasonable times enter upon the premises to execute such works. Any moneys expended by the Landlord in executing such works shall be payable by the Tenant to the Landlord upon demand together with interest thereon at the default interest rate from the date of expenditure down to the date of payment.

15. Access for Repairs

Upon receipt of reasonable notice, except in cases of emergency the Tenant shall permit the Landlord and the Landlord's employees and contractors at all reasonable times to enter the premises and to install, inspect, repair, renew or replace any services where the same are not the responsibility of the Tenant. All such repairs, inspections and work shall be carried out with the least possible inconvenience to the Tenant.

USE OF PREMISES

16.1 Business Use

The Tenant shall not without the prior written consent of the Landlord use or permit the whole or any part of the premises to be used for any use other than the business use. The Landlord's consent shall not be unreasonably or arbitrarily withheld in respect of any proposed use

- (a) reasonably suitable for the premises and
- (b) conforming with the Resource Management Act and
- (c) not in substantial competition with the business of any other occupant of the property which might be affected by the use

If any change in use renders any increased or extra premium payable in respect of any policy or policies of insurance on the premises the Landlord as a condition of granting consent may require the Tenant to pay the increased or extra premium.

- 16.2 If any change in use requires compliance with section 46 of the Building Act 1991 the Landlord, as a condition of granting consent, may require the Tenant to comply with section 46 of the Act and to pay all compliance cost.

17. Lease of Premises Only

The tenancy shall relate only to the premises and the car parks and the Landlord shall at all times be entitled to use, occupy and deal with the remainder of the property without reference to the Tenant and the Tenant shall have no rights in relation thereto other than the rights of use herein provided. Though the tenant shall be able to use the arcade area for the purpose of entering and exiting it's premises.

18. Neglect of Other Tenant

The Landlord shall not be responsible to the Tenant for any act of default or neglect of any other tenant of the property.

19. Signage

The Tenant shall not affix, paint or exhibit or permit to be affixed, painted or exhibited any name, sign, name-plate, signboard or advertisement of any description on or to the exterior of the building or the appurtenances thereof without the prior approval in writing of the Landlord. Such approval shall not be unreasonably or arbitrarily withheld in respect of signage describing the Tenant's business. If approved the signage shall be secured in a substantial and proper manner so as not to cause any damage to the building or any person and the Tenant shall at the end or sooner determination of the term remove the signage and make good any damage occasioned thereby.

20. Additions and Alterations

The Tenant shall neither make nor allow to be made any alterations or additions to any part of the premises without first producing to the Landlord on every occasion plans and specifications and obtaining the written consent of the Landlord (not to be unreasonably or arbitrarily withheld) for that purpose. All such works undertaken by the Tenant shall comply with the Building Act. If the Landlord shall authorise any alterations or additions the Tenant will be entitled at its option or at the Landlord's request remove such alterations or additions at the end of the term and reinstate the premises to its original condition at the start of the tenancy.

21. Compliance with Statutes, Regulations etc

21.1 The Tenant shall comply with the provisions of all statutes, ordinances, regulations, licences, requisitions, notices and by-laws issued, made or given by any competent authority in respect of the premises or their use by the Tenant or other occupant **PROVIDED THAT**

- (a) The Tenant shall not be required to make any structural repairs or alterations other than those required by reason of the particular nature of the business carried on by the Tenant or other occupant of the premises or the number or sex of persons employed on the premises and
- (b) The tenant shall not be liable to discharge the Landlord's obligations as owner under the Building Act 1991 unless any particular obligation is the responsibility of the Tenant as an occupier of the premises.

21.2 If the Landlord is obliged by any such legislation or requirement to expend moneys on any improvement addition or alteration to the property then the Landlord shall be entitled to charge up to the next rent review date in addition to the rent an annual sum equal to the Improvements Rent Percentage of the amount so expended by the Landlord and the monthly payments of rent shall increase accordingly from the first day of the month in which such improvement addition or alteration is completed. If the Landlord would be obliged to expend an unreasonable amount then the Landlord may determine this lease and any dispute as to whether or not the amount is unreasonable shall be determined by arbitration. In the case of a multi tenancy building, the annual sum payable shall be assessed in respect of a fair proportion of the amount so expended.

22. No Noxious Use

The Tenant shall not

- (a) bring upon or store within the premises nor allow to be brought upon or stored within the premises any machinery, goods or things of an offensive, noxious, illegal or dangerous nature, or of such weight, size or shape as is likely to cause damage to the building or any surfaced area,
- (b) use the premises or allow them to be used for any noisome, noxious, illegal or offensive trade or business, or allow them to be contaminated in any way,
- (c) allow any act or thing to be done which may be or grow to be a nuisance, disturbance or annoyance to the Landlord, other tenants of the property or any other person. The Tenant shall conduct the Tenant's business upon the premises in a clean, quiet and orderly manner, free from damage, nuisance, disturbance, or annoyance to any such persons but the carrying on by the Tenant in a reasonable manner of the business use or any use to which the Landlord has consented shall be deemed not to be a breach of this clause.

23. Tenant not to Void Insurances

The Tenant shall not carry on or allow upon the premises any trade or occupation other than the business use or knowingly allow to be done any act or thing which

- (a) shall make void or voidable any policy of insurance on the property or
- (b) may render any increased or extra premium payable for any policy of insurance except where in circumstances in which any increased premium is payable the Tenant shall have first obtained the consent of the insurer of the premises and the Landlord and made payment to the insurer of the amount of any such increased or extra premium as may be payable but the carrying on by the Tenant in a reasonable manner of the business use or of any use to which the Landlord has consented shall be deemed not to be a breach of this clause.

In any case where in breach of this clause the Tenant has rendered any insurance loss effective or void and the Landlord has suffered loss or damage thereby the Tenant shall forthwith compensate the Landlord in full for such loss or damage.

DAMAGE TO OR DESTRUCTION OF PREMISES

24. Total Destruction

If the premises or any portion of the building of which the premises may form part shall be destroyed or so damaged

- (a) as to render the premises untenable then the term shall at once terminate or
- (b) in the reasonable opinion of the Landlord as to require demolition or reconstruction, then the Landlord may within three months of the date of damage or destruction give the Tenant one month's written notice to terminate and a fair

proportion of the rent and outgoings shall cease to be payable as from the date of damage or destruction according to the nature and extent of the damage.

Any termination pursuant to this clause shall be without prejudice to the rights of either party against the other.

25. Partial Destruction

25.1 If the premises or any portion of the building of which the premises may form part shall be damaged but not so as to render the premises untenable and

(a) the Landlord's policy or policies of insurance shall not have been invalidated or payment of the policy moneys refused in consequence of some act or default of the Tenant and

(b) all the necessary permits and consents shall be obtainable,

then the Landlord shall with all reasonable speed expend all the insurance moneys received by the Landlord in respect of such damage towards repairing such damage or reinstating the premises and/or the building but the Landlord shall not be liable to expend any sum of money greater than the amount of the insurance money received.

25.2 Any repair or reinstatement may be carried out by the Landlord using such materials and form of construction and according to such plan as the Landlord thinks fit and shall be sufficient so long as it is reasonably adequate for the Tenant's occupation and use of the premises.

25.3 From the date of the damage until the completion of the repairs or reinstatement a fair proportion of the rent and outgoings shall cease to be payable according to the nature and extent of the damage.

25.4 If any necessary permit or consent shall not be obtainable or the insurance moneys received by the Landlord shall be inadequate for the repair or reinstatement then the term shall at once terminate but without prejudice to the rights of either party against the other.

DEFAULT

26. Distress

26.1 The Landlord has the right to distrain for rent or other moneys payable under this lease remaining unpaid 14 days after due date but will not exercise such right while the tenant is Housing New Zealand Corporation.

27. Re-entry

27.1 The Landlord may re-enter the premises at the time or at any time thereafter

(a) if the rent shall be in arrear 21 days after any of the rent payment dates,

- (b) in case of breach by the Tenant of any covenant or deed on the Tenant's part herein expressed or implied,

and the term shall terminate on such re-entry but without prejudice to the rights of either party against the other.

28. Loss on Re-entry

Upon re-entry the Landlord may remove from the premises any chattels in the apparent possession of the Tenant and place them in secure weatherproof storage at the tenants expense. Such chattels held by the Landlord may be disposed of to recover any loss suffered by the Landlord but only after serving the tenant written notice giving the tenant fourteen days (14) notice to remedy the loss and the Landlord shall not be answerable for any loss resulting from the exercise of the power of re-entry.

29. Essentiality of Payments

29.1 Failure to pay rent payable hereunder on the due date shall be a breach going to the essence of the Tenant's obligations under this lease. The Tenant shall compensate the Landlord and the Landlord shall be entitled to recover damages from the Tenant for such breach. Such entitlement shall subsist notwithstanding any determination of this lease and shall be in addition to any other right or remedy which the Landlord may have.

29.2 The acceptance by the Landlord of arrears of rent shall not constitute a waiver of the essentiality of the Tenant's continuing obligation to pay rent and other moneys.

30. Repudiation

30.1 The Tenant shall compensate the Landlord and the Landlord shall be entitled to recover damages for any loss or damage suffered by reason of any acts or omissions of the Tenant constituting a repudiation of this lease or the Tenant's obligations under this lease. Such entitlement shall subsist notwithstanding any determination of this lease and shall be in addition to any other right or remedy which the Landlord may have.

30.2 The Landlord shall compensate the Tenant and the Tenant shall be entitled to recover damages for any loss or damage suffered by reason of any acts or omissions of the Landlord constituting a repudiation of this lease or the Landlord's obligations under this lease. Such entitlement shall subsist notwithstanding any determination of this lease and shall be in addition to any other right or remedy which the Tenant may have.

REMOVAL OF TENANT'S FIXTURES

31. The Tenant may at any time before and will if required by the Landlord at the end or earlier termination of the term remove all the Tenants fixtures fittings and chattels and make good at the Tenant's own expense any resulting damage and if not removed within 7 days after the date of termination ownership of the fixtures fittings and chattels may at the Landlords election pass to the Landlord or the Landlord may in a proper and workmanlike manner remove the same from the premises and forward them to a refuse collection centre.

- 31.1 The cost of making good resulting damage and the cost of removal shall be recoverable from the Tenant and the Landlord shall not be liable to pay any compensation nor be liable for any loss suffered by the Tenant.

QUIET ENJOYMENT

32. The Tenant paying the rent and performing and observing all the covenants and deeds herein expressed and implied shall quietly hold and enjoy the premises throughout the term without any interruption by the Landlord or any person claiming under the Landlord.

RENEWAL OF TERM

33. If the Tenant has not been in breach of this lease and has given the Landlord written notice to renew the lease at least three calendar months before the end of the term then the Landlord will grant a new lease for a further term from the renewal date as follows:
- (a) The annual rent shall be agreed upon or failing agreement shall be determined in accordance with clause 1.
 - (b) Such annual rent shall be subject to review during the further term on the review dates or if no dates are specified then after the lapse of the equivalent periods of time as are provided herein for rent reviews.
 - (c) The renewed lease shall otherwise be upon and subject to the covenants and deeds herein expressed and implied except that the term of this lease plus all further terms shall expire on or before the Final Expiry Date.
 - (d) Pending determination of the rent, the Tenant shall pay an interim rent in accordance with clause 1.2 (e)
 - (e) Notwithstanding anything contained in clause 33 (e) the interim rent referred to in that clause shall not be less than the annual rent payable determined at the first rent review 12 months after commencement i.e. 16 March 2005.

34. Assignment or Subletting

- 34.1 The Tenant shall not assign, sub-let or otherwise part with the possession of the premises or any part thereof without first obtaining the written consent of the Landlord which consent shall not be arbitrarily or unreasonably withheld if:

- (a) In the case of assignment, the Tenant proves to the satisfaction of the Landlord that the proposed assignee is (or in the case of a company the shareholders of the proposed assignee or subtenant are) respectable, responsible and has the financial resources to meet the Tenant's commitments under this lease.
- (b) All rent and other moneys payable have been paid and there is not any subsisting breach of any of the Tenant's covenants.

- (c) In the case of an assignment a deed of covenant in customary form approved or prepared by the Landlord is duly executed and delivered to the Landlord.
- (d) In the case of an assignment to a company (other than a listed on the main board of a public stock exchange) a deed of guarantee in customary form approved or prepared by the Landlord is duly executed by the principal shareholders of that company and delivered to the Landlord.
- (e) The Tenant pays the Landlord's proper costs and disbursements in respect of the approval or preparation of any deed of covenant or guarantee and (if appropriate) all fees and charges payable in respect of any reasonable enquiries made by or on behalf of the Landlord concerning any proposed assignee, subtenant or guarantor.

34.2 Where the Landlord consents to a subletting the consent shall extend only to the subletting and notwithstanding anything contained or implied in the sublease the consent shall not permit any subtenant to deal with the sublease in any way in which the Tenant is restrained from dealing without consent.

34.3 Any assignment or subletting of the type or in the manner referred to in Section 109(2) of the Property Law Act 1952 shall be a breach of the provisions of this lease.

34.4 Where any Tenant is an unlisted company then any change in the legal or beneficial ownership of any of its shares or issue of new capital whereby in either case there is a change in the effective management or control of the company is deemed to be an assignment of this lease.

35. Unit Title Covenants

35.1 Body Corporate

The expression "Body Corporate" means the Body Corporate incorporated under the Unit Titles Act 1972 ("the Act") in respect of the property.

35.2 Act and Rules Paramount

This lease shall be subject to the provisions of the rules of the Body Corporate and the provisions of the Act.

35.3 Insurance

The Landlord's obligation to insure the building shall be satisfied by the Body Corporate maintaining the same insurance covers in accordance with the Act.

35.4 Indemnity

The Tenant's obligation to indemnify the Landlord as herein expressed is extended to include the Body Corporate but only to the extent that the Body Corporate is not fully indemnified under any policy of insurance.

35.5 Landlord's Obligations

The Landlord shall observe and perform all of the Landlord's obligations as a member of the Body Corporate and shall use the Landlord's best endeavours to ensure that the Body Corporate complies with its rules and the provisions of the Act.

35.6 Consents

Where in this lease the consent of the Landlord is required in respect of any matter then the like consent of the Body Corporate shall also be required if the consent of the Body Corporate to any such matter would be necessary under its rules or the Act.

GENERAL

36. Carparks

- (a) When the carparks are not in use, other persons are entitled to pass over same
- (b) The Landlord may carry out repairs to the carparks and no abatement of rent or other compensation shall be claimed by the Tenant except pursuant to clauses 24 or 25.
- (c) The Tenant shall only park one car per space

37. Holding Over

If the Landlord permits the Tenant to remain in occupation of the premises after the expiration or sooner determination of the term, such occupation shall be a monthly tenancy only, terminable by one month's notice, at the rent then payable and otherwise on the same covenants and deeds (so far as applicable to a monthly tenancy) as herein expressed or implied.

38. Access for Re-letting

The Tenant will at all reasonable times during the period of three months immediately preceding the expiration of the term after receipt or reasonable notice, permit intending tenants and others with written authority from the Landlord or the Landlord's agents at all reasonable times to view the premises.

39. Suitability

The Landlord warrants that the "additional space" being "tenancy 1" forming the new premises are suitable for commercial office use, car parking and storage and no other use.

40. Waiver

No waiver or failure to act by one party in respect of any breach by the other party shall operate as a waiver of another breach.

41. Land Transfer Title or Mortgagee's Consent

The Landlord shall not be required to do any act or thing to enable this lease to be registered or be required to obtain the consent of any mortgagee of the premises to this

lease and the Tenant will not register a caveat in respect of the Tenant's interest hereunder.

42. Notice

ALL notices must be in writing and shall be deemed sufficiently served if:

- (a) In the case of a notice served under Section 118 of the Property Law Act 1952 in the manner prescribed by section 152 of that ACT.
- (b) in the case of a body corporate sent to its registered office, or
- (c) if there is no last known address or registered office, placed conspicuously on any part of the premises.
- (d) In all other cases by personal delivery, or by posting by registered or ordinary mail or by facsimile.

Any notice so posted or placed shall be deemed to have been served on the day following the posting or placing thereof. Anything served or given by one party shall be valid if served or given under the hand of an authorised representative of that party.

43. Arbitration

43.1 UNLESS any dispute or difference is resolved by mediation or other agreement, the same shall be submitted to the arbitration of one arbitrator who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996 and any amendment thereof or any other statutory provision then relating to arbitration.

43.2 If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon request of any party, by the President or Vice President for the time being of the District Law Society of the district within which the premises are situated. That appointment shall be binding on all parties to the arbitration and shall be subject to no appeal. The provisions of Article 11 of the First Schedule of the Arbitration Act 1996 are to be read subject hereto and varied accordingly. This clause shall not prevent the Landlord suing the Tenant for arrears of rent payable by the Tenant.

44. Interpretation

In this lease

- (a) "the Landlord" and "the Tenant" mean where appropriate the executors, administrators, successors and permitted assigns of the Landlord and the Tenant.
- (b) "the property" and "the building" mean the land and building(s) of the Landlord which comprise or contain the premises. Where the premises are part of a unit title development the words "the property" mean the land and building(s) comprised in the development.

- (c) "the common areas" means those parts of the property the use of which is necessary for the enjoyment of the premises and which is shared with other tenants and occupiers.
- (d) "GST" means Goods and Services Tax
- (e) "structural repair, alteration or addition" means a repair, alteration or addition to the structure or fabric of the building but excluding building services.
- (f) "renewal" means the granting of a new lease as provided for in clause 33
- (g) Whenever words appear in this lease that also appear in the Schedule then those words shall mean and include the details supplied after them in the Schedule.
- (g) Where the context requires or admits, words importing the singular shall import the plural and vice versa.

45. Special Provisions

- 1) Upon signing the deed of lease the Landlord is required at its cost to provide the following;
 - An opening between the two tenancies (through the tenancy wall) at a site agreed by the two parties and make good that opening in a manner that meets the standard and finish expected for modern commercial premises.
 - Upgrade and or adjust the air-conditioning and electrical services to suit the enlarged tenancy and to the satisfaction of the tenant.
 - Attend to all related compliance costs associated with creating the enlarged tenancy
 - The provision of 2 disabled toilets, kitchen & shower which are all existing in a proper state of repair and general condition acceptable to the tenant.
 - The Landlord not unreasonably withhold approval if HNZ in its fit-out decides that the kitchen area is not required and the Tenant will at its own expense reinstate the kitchen if required by the Landlord on vacation to the same standard at commencement of this lease.
- 2) Tenant shall have access to the premises prior to commencement of the lease solely for the purpose of carrying out the tenant fit-out (providing a lease is signed by the two parties).
- 3) The Landlord's work is to fit in with the Tenants fit out work so as not to cause any inconvenience to the existing tenancy. Especially the work to provide access between the two tenancies.
- 4) The parties shall liaise and co-operate with each other and shall make every endeavour to ensure their respective fit-out works don't unduly interfere with or delay completion or available possession of the premises by the Tenant.
- 5) The Tenant will be responsible to obtain consents, insurance and code compliance certificates for its part of the fit out and the Landlord will be required to obtain consents, insurance and code compliance certificates for all works relating to the access between the two tenancies.

- 6) It is understood that the parties agree that the existing lease (due to expire on 15 March 2005) on Tenancy Two (2) will end on 31 March 2004 and be replaced with a new lease from 1 April 2004 covering the two tenancies being leased from the Landlord (being Tenancy one (1) and Tenancy Two (2)).

SCHEDULE

1. **Premises**

That part of the Landlords building at 141 – 153 Queens Road, Panmure as is more particularly delineated in red on the plan attached hereto and marked "Retail Tenancy 1 & 2" consisting of 459.39 m².

For the purposes of any review of rent it is agreed the premises have a rentable area of 459.39 m².

2. **Landlord's Fixtures and Fittings**

Air-conditioning, ceiling panels, light fittings, toilets, kitchen facilities and floor coverings

3. **Term**

5 years from the commencement date.

4. **Commencement Date**

1 April 2004

5. **Further Terms**

Three (3) rights of renewal each for a term of Three (3) years.

6. **Renewal Dates**

1 April 2009, 1 April 2012 and 1 April 2015

7. **Final Expiry Date**

31 March 2018

8. **Annual Rent**

A "gross rental" of One hundred and seventeen thousand three hundred and fifty nine dollars and seventy seven cents (\$117,359.77) + GST which includes 10 car park spaces.

9. **Monthly Payments of Rent**

A "gross rental" of Nine thousand five hundred and nineteen dollars and ninety eight cents (\$9,779.98) + GST

10. **Rent Payment Dates**

The 1st day of each month commencing on the 1st day of April 2004

11. **Review Dates**

First review 12 months after commencement (being 1 April 2005) then 3 yearly thereafter. Ratchet to year 1 rental rent review.

12. **Default Interest Rate**

Current BNZ prime 90 day bill rate plus 2%.

13. **Business Use**

Office premises including interviewing customers (actual and prospective) and other persons as may be required to carry out our business of providing housing solutions.

14. **Car parks**

Ten (10) car parks to be provided for our exclusive of HNZN.

15. **Improvement Rents Percentage**

10%

SIGNED by

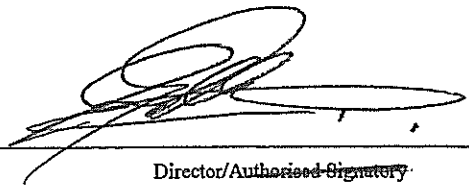
as Landlord

in the presence of:

W. Syerave

Solicitor

Auckland


Director/Authorised Signatory

SIGNED by

HOUSING NEW ZEALAND

by its Attorney

as Tenant

in the presence of:

Carolyn Smith

Carolyn Smith

Administration Officer

HNZC, Manukau



Note: An Attorney must sign for Housing New Zealand. Only certain office holders have power of attorney.

**CERTIFICATE OF NON-REVOCATION
OF POWER OF ATTORNEY**

I, **PETER STEWART BENNETTS** of Auckland holding the office of Administration Coordinator in Housing New Zealand Limited:

HEREBY CERTIFY:


1. **THAT** by Power of Attorney dated 22 August 2001 copies of which are deposited in the Land Registry Offices at:

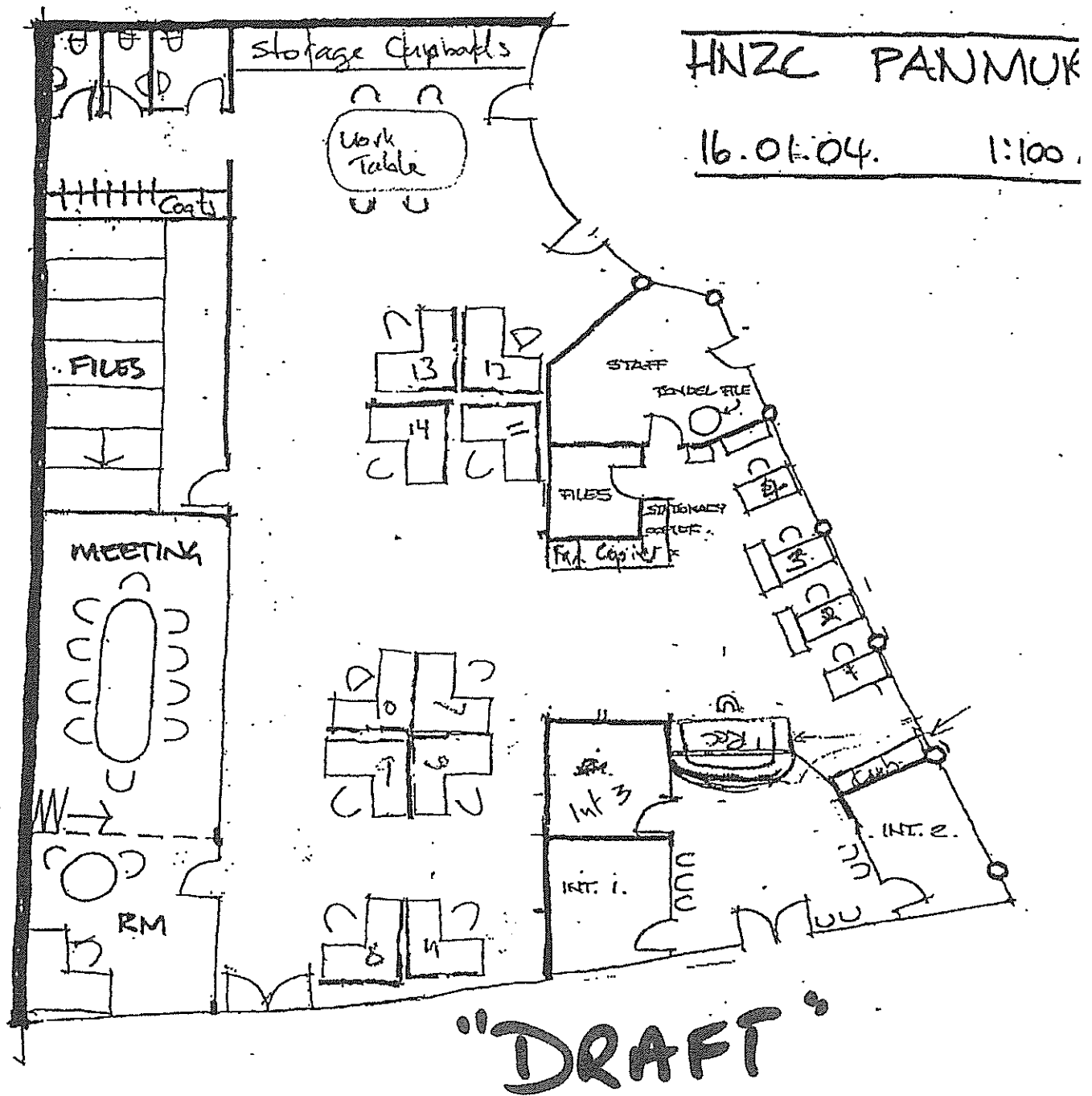
AUCKLAND (North Auckland Registry) under number	D.638477.1
BLENHEIM (Marlborough Registry) under number	5084004.1
CHRISTCHURCH (Canterbury Registry) under number	5084004.1
DUNEDIN (Otago Registry) under number	5084258.1
GISBORNE (Poverty Bay Registry) under number	5085176.1
HAMILTON (South Auckland Registry) under number	B.678449.1
HOKITIKA (Westland Registry) under number	5084004.1
INVERCARGILL (Southland Registry) under number	5084258.1
NAPIER (Hawkes Bay Registry) under number	720514.1
NELSON (Nelson Registry) under number	5084004.1
NEW PLYMOUTH (Taranaki Registry) under number	482345.1
WELLINGTON (Wellington Registry) under number	5084643.1

Housing New Zealand Limited appointed me as its attorney on the terms and subject to the conditions set out in the said Power of Attorney and the attached document is executed by me under the powers thereby conferred.

2. **THAT** at the date hereof I hold the position of Administration Coordinator in Housing New Zealand Limited.
3. **THAT** at the date hereof I have not received any notice of the revocation of that appointment.

SIGNED at Manukau this 11th day of February 2004.


by Peter Stewart Bennetts



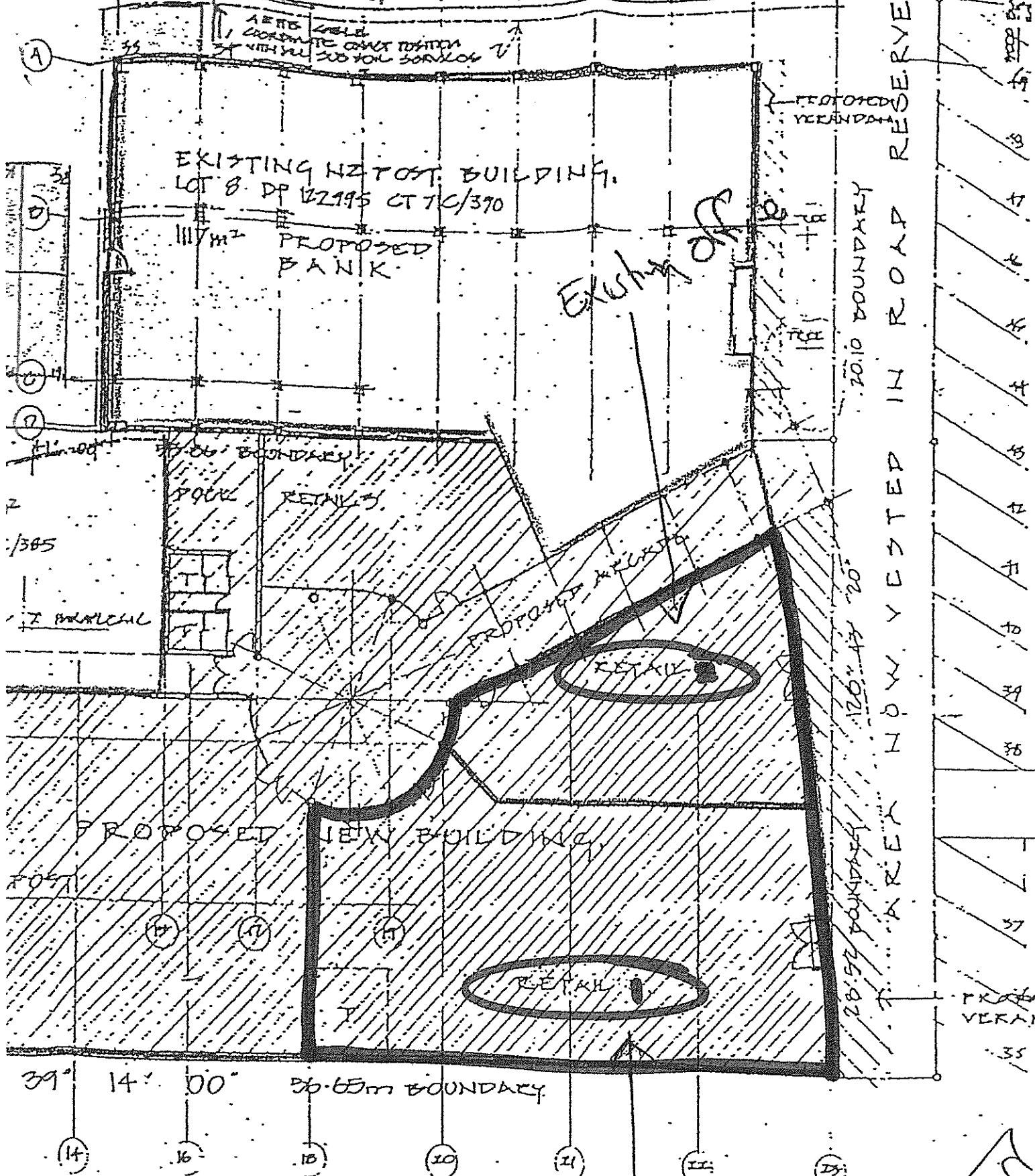
option 2

Final Drafts to
be submitted to
owner.

maunsell

TOTAL P.0

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STORE
HCLN2 CARPARKS
TOILETS / RESTROOM

New site

MR
MR
B

