

Dated

2016

DRAFT

DEED OF LEASE OF

**COMMUNITY GROUPS
GENERIC LEASE
LAND AND BUILDINGS**

**Landlord
CHRISTCHURCH CITY COUNCIL**

**Tenant
THE LITTLE RIVER WAIREWA COMMUNITY TRUST**



CIVIC OFFICES • 53 HEREFORD STREET • CHRISTCHURCH 8013
• TELEPHONE (03) 941-8999

CONTENTS

DRAFT

FIRST SCHEDULE	2
SECOND SCHEDULE	3
1 INTERPRETATION AND DEFINITIONS	3
2 TERM	4
3 RENT	4
4 RENT REVIEW	4
5 OUTGOINGS	4
6 GOODS AND SERVICES TAX	5
7 MAINTENANCE AND CARE OF THE PREMISES	5
8 PERMITTED USE	8
9 TENANT'S INDEMNITY	9
10 SALE OF LIQUOR	10
11 COMPLIANCE WITH STATUTES AND REGULATIONS	10
12 SIGNAGE	11
13 INSURANCE	11
14 DAMAGE TO OR DESTRUCTION OF PREMISES	12
15 ADDITIONS AND ALTERATIONS	13
16 ASSIGNMENT / SUBLETTING	13
17 DEFAULT	13
18 COMPENSATION AND DAMAGES	15
19 NO WAIVER	16
20 IMPROVEMENTS	16
21 MISCELLANEOUS	16
22 ENVIRONMENTAL SUSTAINABILITY	190
23 LESSOR'S AGENTS	20
24 SMOKE-FREE POLICY	20
25 CANCELLATION IN EVENT OF CANCELLATION OR CONSTRUCTION OF LICENCE	20

DEED OF LEASE

DATED

2016

PARTIES

- (1) **CHRISTCHURCH CITY COUNCIL** ("Landlord")
- (2) **THE LITTLE RIVER WAIREWA COMMUNITY TRUST** ("Tenant")

BACKGROUND

The Landlord is the registered proprietor of the Premises and has agreed to grant the Tenant a lease of the Premises as a local purpose (community buildings) under section 61(2A) of the Reserves Act 1977.

TERMS OF THIS DEED

1. The Landlord leases to the Tenant and the Tenant takes on a lease of the Premises described in the First Schedule together with the right to use the Landlord's fixtures and fittings contained in the Premises and listed in the Third Schedule for the Term from the Commencement Date and at the Annual Rent, subject to review, as set out in the First Schedule.
2. The Landlord and the Tenant covenant as set out in the Second Schedule.

THE COMMON SEAL of)
CHRISTCHURCH CITY COUNCIL)
was hereto affixed in the presence of)

Mayor/Councillor

Authorised Officer

THE COMMON SEAL of)
THE LITTLE RIVER WAIREWA)
COMMUNITY TRUST)
was hereto affixed in the presence of)

President / Secretary

Secretary / Executive Member

FIRST SCHEDULE

Item 1: Premises

That part of the Landlord's land being legally described as Lot 2 Deposited Plan 26174 comprised in Computer Freehold Register CB8A/1123 as is delineated in red on the attached plan contained in the Fourth Schedule.

Building Footprint Area: [square metres]

Greenspace Area: [square metres]

Total Land Area: [square metres]

Item 2: Term of Lease

Thirty-three (33) years

Item 3: Commencement Date

The date after the date upon which a Code of Compliance Certificate shall issue in respect of the Community Building.

Item 4: Rights of Renewal

Nil

Item 5: Renewal Date(s)

Not Applicable

Item 6: Final Expiry Date

The thirty-third anniversary of the Commencement Date less one day.

Item 7: Annual Rent (subject to review if applicable)

\$1.00

Item 8: Rent Review Dates

On every consecutive third anniversary of the Commencement Date.

Item 9: Permitted Use

Community building or facility.

Item 10: Amount of Public Risk Insurance

\$2,000,000.00

SECOND SCHEDULE

1 INTERPRETATION AND DEFINITIONS

1.1 In this Lease unless a contrary intention appears:

- (a) "**Community Building**" means the building to be constructed or built on the Premises by the Lessee under the Construction Licence.
- (b) "**Construction Licence**" means the Deed of Licence between the partners of even date with this Deed of Lease which authorises the Lessee as licensee to occupy the Premises for the purposes of construction or building the Community Building.
- (c) "**GST**" means Goods and Services Tax or any tax in the nature of a Goods and Services Tax.
- (d) "**Insured Risks**" means loss, damage or destruction resulting from fire, flood, explosion, lightning, storm, earthquake and volcanic activity and any other risks which the Landlord is reasonably required to be insured against (or has covenanted with the Lessee to be insured against);
- (e) "**Landlord**" and "**Tenant**" include their respective successors and permitted assigns and will extend in the case of the Tenant to include the Tenant's employees, agents, contractors, invitees and any other person under the Tenant's control.
- (f) "**Working Day**": has the meaning given to it by the Property Law Act 2007.

1.2 Interpretations

- (a) Any reference in this Lease to the terms described in the First Schedule will have the meanings set out in the First Schedule.
- (b) Words importing the singular will include the plural. Words importing the masculine gender will include the feminine or neuter and vice versa. Words importing persons will include companies.
- (c) Any covenant or agreement on the part of two or more persons will be deemed to bind them jointly and severally.
- (d) The Table of Contents and any headings and marginal notations in this Lease have been inserted for convenience only and will not limit or govern the construction of the terms of this Lease.
- (e) Any reference in this Lease to any statute or regulation is deemed to include all amendments and revisions made from time to time to that statute or regulation and any re-enactments thereof.
- (f) Where the Landlord's consent or approval is required pursuant to any provision of this Lease such consent or approval will be required for each separate occasion notwithstanding any prior consent or approval obtained for the like purpose on a prior occasion.
- (g) Building Act Terms: **Building Consent**, **Building Work** and **Code Compliance Certificate** have the meanings given to those terms in the Building Act 2004.

1.3 **Entire Agreement**

This document embodies the entire understanding and the whole agreement between the parties. Any previous representations, warranties, arrangements and statements whether expressed or implied with reference to the subject matter of this Lease are merged herein.

2 **TERM**

This Lease will be for the term fixed in Item 2 of the First Schedule commencing on the Commencement Date.

3 **RENT**

3.1 The Tenant will pay to the Landlord the Annual Rent from the Commencement Date by annual payments in advance (or as varied pursuant to any rent review during the term of this Lease) the first of such payments to be due and payable on the Commencement Date.

3.2 All rent will be paid without any deductions or setoff by direct payment to the Landlord or as the Landlord may direct.

4 **RENT REVIEW**

4.1 The Annual Rental will be reviewed on the Review Dates to a figure which is an amount determined by the Landlord in its absolute discretion having regard to the Landlord's general policies in relation to the leasing of sporting and community facilities.

4.2 If as a result of a review under Clause 4.1, the Annual Rent is increased to a level unacceptable to the Tenant, the Tenant may cancel this Lease at any time during the 40 Working Days following the date on which the Tenant receives notice of the new Annual Rent to apply from the relevant Review Date by giving notice of such cancellation to the Landlord ("cancellation notice"). The estate and interest of the Tenant in the Premises and in this Lease will determine and cease absolutely on the date 20 Working Days following the date of receipt of the cancellation notice. The cancellation of this Lease under this clause will be without prejudice to the rights and remedies of either party against the other for any antecedent claim or breach.

4.3 The Tenant will provide the Landlord with copies of its audited annual accounts within 60 days of the end of the Tenant's financial year during each year of this Lease.

5 **OUTGOINGS**

5.1 The Tenant will pay in addition to the Annual Rent:

- (a) all rates or levies payable to any local or territorial authority (if applicable);
- (b) any charges for water, gas, electricity, phones and other utilities or services;
- (c) all charges for rubbish collection services; and
- (d) the costs incurred and payable by the Landlord in supplying to the Territorial Authority a building warrant of fitness and obtaining reports as required by sections 108 and 110 of the Building Act 2004 but excluding the costs of upgrading or other work to make the building comply with the Building Act 2004.

5.2 In any case when the charges referred to in clause 5.1 are not separately assessed to the Premises the Tenant will pay a fair and reasonable portion of those charges.

5.3 The outgoings will be apportioned between the Landlord and the Tenant in respect of periods current at the commencement and cancellation of the Term of this Lease.

5.4 Subject to the Tenant's compliance with the provisions of this Clause 5 the Landlord will pay all outgoings in respect of the Premises not payable by the Tenant. The Landlord will be under no obligation to minimise any liability by paying any outgoing or tax prior to receiving payment from the Tenant.

6 GOODS AND SERVICES TAX

6.1 The Tenant will pay to the Landlord the GST payable by the Landlord in respect of the Annual Rent and other payments payable by the Tenant under this Lease. The tax in respect of the Annual Rent will be payable on each occasion when Annual Rent payment falls due for payment and in respect of any other payment will be payable upon demand.

6.2 If the Tenant will make default in payment of the Annual Rent or other moneys payable under this Lease and the Landlord becomes liable to pay additional GST then the Tenant will on demand pay to the Landlord the additional GST.

7 MAINTENANCE AND CARE OF THE PREMISES

7.1 Tenant's Obligations

The Tenant will (subject to any maintenance covenant by the Landlord) in a proper and workmanlike manner at the Tenant's cost 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 in good clean order, repair and condition and will at the end or earlier determination of the Term quietly yield up the same in the like clean order repair and condition. The Tenant will not be liable for fair wear and tear arising from reasonable use or damage caused by fire, flood, explosion, lightning, storm, earthquake, volcanic activity or to any risk against which the Landlord is (or has covenanted to the Tenant to be) insured, unless:

- (i) the damage was intentionally caused by the Tenant or by those for whom the Tenant is responsible; or
- (ii) the damage was the result of an act or omission by the Tenant or those for whom the Tenant is responsible and that act or omission
 - (A) occurred on or about the Premises or on or about the land on which the Premises are situated; and
 - (B) constitutes an indictable offence within the meaning of the Summary Offences Proceedings Act 1957;

then the Tenant is liable for the cost of making good that damage; or

- (iii) any insurance moneys otherwise payable are rendered unrecoverable because of an act or omission of the Tenant or those for whom the Tenant is responsible.

(b) Cleaning

Keep the Premises (including all exterior and interior windows and fences) clean and free of graffiti and ensure that all waste and rubbish is placed in suitable receptacles and removed from the Premises daily.

(c) **Control of pests**

Take any steps necessary to control any pest infestation occurring in, or emanating from, within the Premises.

(d) **Make good defects**

Except where such damage is covered by the Landlord's insurance policies, repair any damage to the Premises and the Landlord's fixtures and fittings caused by the act or omission of the Tenant or any person under the control of the Tenant, including any other person in or about the Premises at any time at the request or invitation of or under the control or direction of the Tenant.

(e) **Replace Glass**

(i) Immediately replace all glass broken by the Tenant in and about the Premises with glass of a same or similar quality.

(ii) Any glass broken by vandals must be immediately reported to the Police. A copy of complaint acknowledgement received from the Police must be supplied to the Landlord's Property Unit.

(f) **Electrical fittings**

Replace all damaged or non-operative light globes tubes and fittings within the Premises, and where necessary replace any light, power points, light bulbs, fluorescent tubes, power and heating elements and electrical wiring where damaged beyond repair or worn out.

(g) **Painting**

Paint and decorate those parts of the interior of the Premises which have previously been painted and decorated wherever reasonably required during the term of this Lease in a good and workmanlike manner with materials of good quality and in colours approved by the Landlord and generally to the reasonable satisfaction of the Landlord.

(h) **Care of grounds**

Keep and maintain:

(i) any garden or lawn areas in a tidy and cared for condition, free of noxious plants, in accordance with the landscape plan for the Premises agreed between the parties;

(ii) all fences, gates and any car parks pavings and other sealed or surfaced areas in good order and repair at all times to the satisfaction in all respects of the Landlord; and

(iii) any hedges, trees or shrubs on the Premises in a neat, tidy and safe condition, provided that the Tenant will not cut, trim or fell any tree on the Premises without first obtaining the consent of the Landlord.

(i) **Water and drainage**

Keep and maintain all plumbing fixtures and drainage systems (including downpipes and guttering) in good unobstructed working order and repair.

7.2 Landlord's Obligations

The Landlord will keep and maintain the roof and the exterior of the Premises (including but not limited to keeping the Premises in a watertight condition) and all building services in good order and repair but the Landlord will not be liable for any:

- (a) repair and maintenance for which the Tenant is responsible to undertake; or
- (b) want of repair or defect in respect of the building services so long as the Landlord is maintaining a service maintenance contract covering the work to be done; or
- (c) repair or maintenance which is not reasonably necessary for the Tenant's use and enjoyment of the Premises;
- (d) loss suffered by the Tenant arising from any want of repair or defect unless the Landlord will have received notice in writing from the Tenant and will not within a reasonable time taken appropriate steps to remedy the same.

7.3 Service Contracts

The Landlord will keep and maintain service maintenance contracts for lifts air-conditioning and at the Landlord's option any other building services unless it is the obligation of the Tenant to maintain such contracts.

7.4 Toilets

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

7.5 Notification of Defects

The Tenant will give to the Landlord prompt notice of any accident to or defect in the Premises of which the Tenant may be aware and in particular in relation to any pipes or fittings used in connection with the water electrical gas or drainage services.

7.6 Landlord's Right of Inspection

The Landlord and the Landlord's employees contractors and invitees may at all reasonable times enter upon the Premises to view their condition. If the Landlord gives the Tenant written notice of any failure on the part of the Tenant to comply with any of the requirements of Clause 7.1 the Tenant will with all reasonable speed so comply.

7.7 Landlord may Repair

If a default is made by the Tenant in the due and punctual compliance with any repair notice given under Clause 7.6 or in the event that any repairs for which the Tenant is responsible are required 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 will be payable by the Tenant to the Landlord upon demand.

7.8 Access for Repairs

The Tenant will permit the Landlord and the Landlord's employees and contractors at all reasonable times to enter the Premises to carry out repairs to the Premises or adjacent 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 to be carried out with the least possible inconvenience to the Tenant. For the avoidance of doubt, nothing in this clause will be construed as obligating the Landlord to undertake any repairs.

7.9 Asset Management Plan

- (a) The Landlord will, in consultation with the Tenant, prepare an Asset Management Plan for the Premises. The Tenant will comply with, and give effect to, the Asset Management Plan. On an annual basis the Tenant will report its programmed maintenance of the Premises to the Landlord in keeping with the requirements of the Asset Management Plan.
- (b) The Tenant will provide the Landlord with a quarterly report during the term of this Lease and any renewal, of the maintenance works undertaken by the Tenant on the Premises during the preceding period.
- (c) The Tenant agrees that at any time during the term of this Lease and upon the request of the Landlord, the Landlord may take over any of the Tenant's obligations regarding internal maintenance of the Premises. In such event:
 - (i) the Tenant's and Landlord's obligations shall be varied accordingly in a deed of variation prepared by the Landlord's solicitor; and
 - (ii) the Landlord may at such time undertake a rent review notwithstanding that such rent review shall take place on a date other than the dates listed as the Review Dates. The rent review shall take into account the transfer of the maintenance obligations referred to in this clause 7.9(c).

8 PERMITTED USE

- 8.1 Tenant must only use the Premises for the Permitted Use. Any change in the Permitted Use is expressly prohibited under this Lease.
- 8.2 If at any time the Landlord (after making such enquiries as the Landlord thinks fit) is of the opinion that the Premises are not being used for the Permitted Use and the Tenant has not, within a reasonable period after the date of receipt by the Tenant of written notice from the Landlord, ceased the non-Permitted Use, then the Landlord may cancel this Lease in accordance with clause 17.1(b). No compensation will be payable to the Tenant in the event of cancellation under this clause.
- 8.3 The Tenant will during the term of this Lease make the Premises available for use by community groups and the public upon terms approved by the Landlord in writing, but nothing in this clause will be construed as:
 - (a) Obligating the Tenant to allow access at times for events that conflict with its own use of the Premises or to allow unsupervised access to the Premises.

- (b) Limiting the Tenant's ability to deny access to the Premises by any person if the Tenant is satisfied, on reasonable grounds, that any such person:
 - (i) is affected by drugs or alcohol;
 - (ii) is behaving in an indecent or disorderly manner;
 - (iii) is annoying or offensive to any other person upon the Premises;
 - (iv) has wilfully damaged or destroyed any part of the Premises; and
 - (v) as failed or refused to comply with any lawful request of the Tenant (being a request which is not inconsistent with the above).

- 8.4 The Tenant may from time to time make rules regulating the use of the Premises by community groups and the public. Such rules must not be inconsistent with the provisions of this Lease, nor any statute, regulation or bylaw.

- 8.5 The Tenant may at any time and from time to time by application in writing to the Landlord seek the Landlord's consent to deny all rights of public access to defined parts of the Premises at all times.

- 8.6 The Tenant will not at any time:
 - (a) Permit any person to sleep on the Premises or allow any animal to be kept in or about the Premises.
 - (b) Bring or permit to be brought onto the Premises any goods or things of a flammable, volatile or explosive nature.
 - (c) Do, allow, or carry on in or upon any part of the Premises any offensive, noxious, noisy, illegal or dangerous act or business occupation.
 - (d) Do or fail to do any thing in or upon any part of the Premises that may cause damage to or allow damage to occur to the Premises or which may cause contamination to the Premises or become an annoyance, nuisance or disturbance to the Landlord or any other person.
 - (e) Bring into or install on the Premises any machinery plant or equipment of such a weight or size as may be liable to cause structural or other damage to the Premises.
 - (f) Use or permit the use of the toilets, sinks, drainage and other plumbing facilities in the Premises for any purposes other than those for which they were designed, and will not deposit or allow any rubbish to be deposited in them. Any damage or blockage to the toilets, sinks, drainage or other plumbing facilities will immediately be repaired or cleared by the Tenant.

9 TENANT'S INDEMNITY

- 9.1 The Tenant agrees to occupy and use the Premises at the Tenant's risk and releases to the fullest extent permitted by law the Landlord its servants and agents from all claims and demands of any kind and from all liability which may arise in respect of any accident damage or injury occurring to any person or property in or about the Premises.

- 9.2 The Tenant will keep the Landlord indemnified against all claims, actions, losses, proceedings, calls, costs, demands, liabilities and expenses of any nature which the Landlord may suffer or incur or for which the Landlord may become liable resulting from the Tenant's act or omission in respect of or arising out of or in connection to:
- (a) the neglect or careless use or misuse by the Tenant of the Premises or any of the utilities or other services to the Premises or arising out of any faulty fixture or fitting of the Tenant.
 - (b) any accident or damage to property or persons arising from any occurrence in or near the Premises wholly or in part by reason of any act or omission by the Tenant.
 - (c) any liability incurred by the Tenant whatsoever in respect of a breach by the Tenant, in or about the Premises, of any of the provisions of any legislation, including by way of example but not limited to, the Resource Management Act 1991, the Building Act 2004, or the Health and Safety in Employment Act 1992.
- 9.3 Subject to clause 7.1(a) the Tenant is liable to indemnify the Landlord only the extent that the Landlord is not fully indemnified under any insurance policy.

10 SALE OF LIQUOR

- 10.1 Before applying for a liquor licence under the Sale of Liquor Act 1989 the Tenant will first apply to the Landlord (as owner of the Premises) for the consent of the Landlord (which consent may be granted or withheld at the Landlord's sole discretion and on such conditions as the Landlord sees fit) to the liquor licence application.
- 10.2 Without limiting the generality of clause 10.1 above, where the Tenant is granted a licence under the Sale of Liquor Act 1989 authorising the sale or supply of liquor in any building on the Premises, the Tenant will ensure:
- (a) that any such licence is restricted to authorise the sale or supply of liquor only during the hours as may from time to time be approved in writing by the Landlord (as owner of the Premises).
 - (b) that a host responsibility policy is in place which requires the provision of non-alcoholic drinks and food whenever liquor is sold or supplied in any building on the Premises.

11 COMPLIANCE WITH STATUTES AND REGULATIONS

- 11.1 The Tenant will comply with all statutes, ordinances, regulations, by-laws or other lawful requirements so far as they relate to, and all notices or orders which may be given by any competent authority in respect of, the Premises or their use by the Tenant and will keep the Landlord indemnified in respect of all such matters. The Tenant will not however be under any liability in respect of any structural alteration required by such notice or order unless that liability arises out of the Tenant's use or occupation of the Premises or the nature of the Tenant's business. For the purposes of this clause the term "statutes" will include but not be limited to the Building Act 2004, the Resource Management Act 1991 and the Health and Safety in Employment Act 1992.
- 11.2 **Health And Safety**

- (a) At the commencement of this Lease the Tenant will provide the Landlord with a copy of its current health and safety policy. The Tenant undertakes to comply in all respects with such policy and the requirements of the Health and Safety in Employment Act 1992 during the term of this Lease.
- (b) The Tenant will maintain an accident register at all times at the Premises and will record in such register all accidents to members of the Tenant's staff or any customers, users or visitors to the Premises.

12 SIGNAGE

- 12.1 The Tenant will not paint erect or exhibit any sign or advertising device in upon or about the Premises.

13 INSURANCE

- 13.1 The Landlord will at all times during the Term of the Lease insure and keep insured the Premises and Landlord's fixtures and fittings to their full replacement value against the Insured Risks.
- 13.2 The Tenant must reimburse the Landlord on demand for the premium and valuation fees applicable to the insurance required under clause 13.1.
- 13.3 During the Term, the Tenant will at its own cost keep current at all times insurance policies with an insurer approved by the Landlord in the joint names of the Landlord and the Tenant for their respective rights and interests for:
 - (a) Public risk insurance applicable to the Premises and the business carried on, in, or from the Premises for an amount not less than the sum specified in Item 10 of the First Schedule (being the amount which may be paid out arising out of any one event) or such other amount as the Landlord may from time to time reasonably require; and
 - (b) The full replacement cost of all glass (including plate glass and any associated joinery) in or enclosing the Premises, which may be broken or damaged from any cause.
- 13.4 The Tenant must, if required, produce to the Landlord copies of all insurance policies effected by the Tenant under clause 13.3 and proof of payment for those insurance policies.
- 13.5 The Tenant will not do or permit anything to be done on the Premises whereby:
 - (a) any policy of insurance effected for the Premises may be rendered void or voidable; or
 - (b) (except with the Landlord's prior written approval) the premium payable on any such insurance will be liable to increase, in which case the Tenant will pay any extra premium payable by the Landlord.
- 13.6 In any case where in breach of this clause the Tenant has rendered any insurance less effective or void and the Landlord has suffered loss or damage thereby the Tenant will compensate the Landlord in full for such loss or damage.
- 13.7 Notwithstanding anything else:-
 - (a) If at any time the Landlord shall not be able to obtain the insurance cover otherwise required under clause 13 of this Lease on terms and conditions acceptable to the Landlord in all respects (in the Landlords sole discretion) the Landlord shall not be

required to so insure and the Tenant acknowledges that the Landlord shall not be in breach of its obligation to so insure;

- (b) The Tenant expressly acknowledges (for the purposes of section 271 of the Property Law Act 2007) that the Landlord will not insure, or fully insure, the buildings on the property in the circumstances referred to in clause 13.7(a) above;
- (c) If on the occurrence of any damage to the Premises that would ordinarily be covered by the Landlord's insurance required under clause 13 of this Lease, and the circumstances specified in clause 13.7(a) shall apply, it is agreed that:
 - (i) the Landlord may not require the Tenant to remedy or repair that damage under clause 7.1 of this Lease; and
 - (ii) the Landlord may within 6 months of the date of the damage give the Tenant 20 working days' notice to terminate this lease and a fair proportion of the rent and outgoings shall cease to be payable as from the date of the damage
 - (iii) the Landlord shall not be required to remedy or repair that damage until 6 months has elapsed since the date of the damage and the Landlord has not given notice to terminate the Lease under clause 13.7(c)(ii)

14 DAMAGE TO OR DESTRUCTION OF PREMISES

14.1 Total Destruction

If the Premises are destroyed or so damaged

- (a) as to render the Premises untenable then the term of this Lease will immediately be cancelled; or
- (b) in the reasonable opinion of the Landlord as to require demolition or reconstruction, then the Landlord may within six (6) months of the date of damage or destruction give the Tenant 20 Working Days written notice to cancel the Lease and a fair proportion of the rent and outgoings will cease to be payable according to the nature and extent of the damage.

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

14.2 Partial Destruction

If the Premises are damaged but not so as to render the Premises untenable and:

- (a) the Landlord's policy or policies of insurance have not been invalidated or payment of the policy moneys refused as a result of an act or default of the Tenant; and
- (b) all the necessary permits and consents (including any consent by the Minister of Conservation) are obtainable,

THEN the Landlord will 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 will not be liable to expend any sum of money greater than the amount of the insurance money received.

- 14.3 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 will be sufficient so long as it is reasonably adequate for the Tenant's occupation and use of the Premises.
- 14.4 Until the completion of the repairs or reinstatement a fair proportion of the rent and outgoings will cease to be payable according to the nature and extent of the damage.
- 14.5 If any necessary permit or consent referred to in clause 14.1(b) is not obtainable, or the insurance moneys received by the Landlord are inadequate for the repair or reinstatement then the term of this Lease will immediately be cancelled but without prejudice to the rights of either party against the other.
- 14.6 Notwithstanding the above, if the destruction or damage to the Premises is caused by the negligence of the Tenant or the Tenant's agent, the Landlord may:
- (a) cancel this Lease, on reasonable notice to the Tenant, if the Landlord's ability to retain insurance cover on reasonable terms for the Premises or the land on which the Premises are situated has been prejudiced by the destruction or damage; or
 - (b) recover from the Tenant any increased insurance costs incurred by the Landlord in accordance with section 270 of the Property Law Act 2007.

15 ADDITIONS AND ALTERATIONS

- 15.1 The Tenant must not make any alterations or additions to, or carry out any Building Work on, the Premises without:
- (a) first, obtaining the Landlord's prior written consent;
 - (b) second, obtaining a Building Consent and carrying out all Building Work in conformity with that consent; and
 - (c) on completion, obtaining a Code Compliance Certificate.
- 15.2 If the Landlord authorises any alterations or additions the Tenant must, if the Landlord requires, remove at the Tenant's expense all those alterations or additions and repair any damage to the Premises caused by the removal:
- (a) before the expiry of the Term; or
 - (b) if this lease is cancelled before the expiry of the Term, within forty (40) Working Days of the date of cancellation.
- 15.3 If the Tenant does not remove alterations or additions under clause 15.2, then those alterations or additions will be forfeited, at the Landlord's option, and become the Landlord's property without payment of compensation to the Tenant.

16 ASSIGNMENT / SUBLETTING

- 16.1 Subject to clause 8.3, the Tenant will not assign or otherwise part with the possession of the Premises or any part thereof.

17 DEFAULT

- 17.1 The Landlord may (in addition to the Landlord's right to apply to the Court for an order for possession) cancel this Lease by re-entering the Premises at the time or any time afterwards:
- (a) if any instalment of the Annual Rent is in arrears for 10 Working Days after the due date to pay and the Tenant has failed to remedy that breach within 10 Working Days after service on the Tenant of a notice in accordance with section 245 of the Property Law Act 2007;
 - (b) if the Tenant fails to observe or perform any obligation under this Lease (other than the covenant to pay rent) and the Tenant has failed to remedy that breach within the period specified in a notice served on the Tenant in accordance with section 246 of the Property Law Act 2007;
 - (c) the Tenant being a natural person:
 - (i) is declared bankrupt or insolvent according to law; or
 - (ii) assigns his or her estate or enters into a deed of arrangement for the benefit of creditors;
 - (d) the Tenant being a company:
 - (i) is or is deemed to be unable to pay the Tenant's debts under section 287 of the Companies Act 1993;
 - (ii) goes into liquidation (other than voluntary liquidation for the purpose of reconstruction or amalgamation approved in writing by the Landlord);
 - (iii) is wound up or dissolved;
 - (iv) enters into any assignment or other compromise or scheme of arrangement with the Tenant's creditors or any class of the Tenant's creditors;
 - (v) has a receiver, manager or receiver and manager appointed relating to any of the Tenant's assets; or
 - (vi) has an application made to a court for, or a resolution proposed for, or any other step is taken in anticipation of, the appointment of an administrator or has an administrator appointed; or
 - (e) if the Tenant shall suffer distress or execution to issue against the Tenant's property goods or effects under any judgment against the Tenant in any Court for a sum in excess of five thousand dollars (\$5,000.00).
- 17.2 The Landlord may, without being under any obligation to do so, remedy any default or breach by the Tenant under this Lease, at the Tenant's cost.
- 17.3 The Tenant's breach of the following terms is a breach of an essential term of this Lease, namely:
- (a) the covenant to pay rent or other money payable by the Tenant under this Lease;
 - (b) the terms dealing with assignment and subleasing;
 - (c) the terms restricting the use of the Premises; and
 - (d) the terms dealing with alterations and additions to the Premises.

- 17.4 The Landlord's acceptance of any arrears of rent or other money payable under this Lease is not a waiver of the essential obligation to pay any other rent or money payable under this Lease.
- 17.5 The Tenant must compensate the Landlord for any breach of an essential term of this Lease. The Landlord may recover damages from the Tenant for those breaches. The Landlord's entitlement to compensation under this clause is in addition to the Landlord's other remedies or entitlements (including the right to cancel this Lease).
- 17.6 Upon re-entry the Landlord may remove from the Premises any chattels in the apparent possession of the Tenant and place them outside the Premises and the Landlord will not be answerable for any loss resulting from the exercise of the power of re-entry.

18 COMPENSATION AND DAMAGES

- 18.1 If any act or omission of the Tenant:
- (a) is a repudiation of this Lease or of the Tenant's obligations under this Lease; or
 - (b) is a breach of any of the Tenant's covenants under this Lease;
- the Tenant must compensate the Landlord for the loss or damage suffered by reason of the repudiation or breach.
- 18.2 The Landlord may recover damages against the Tenant for repudiation or breach of covenant for the loss suffered by the Landlord during the whole of the Term.
- 18.3 The Landlord's entitlement to recover damages will not be affected or limited by:
- (a) the Tenant abandoning or vacating the Premises;
 - (b) the Landlord electing to re-enter the Premises or to cancel this Lease;
 - (c) the Landlord accepting the Tenant's repudiation; or
 - (d) the parties' conduct constituting a surrender by operation of law.
- 18.4 The Landlord may bring legal proceedings against the Tenant claiming damages for the entire Term including the periods before and after:
- (a) the Tenant has vacated the Premises; and
 - (b) the abandonment, cancellation, repudiation, acceptance of repudiation or surrender by operation of law referred to in clause 18.3;
- whether the proceedings are instituted before or after that conduct.
- 18.5 If the Tenant vacates the Premises, whether with or without the Landlord's consent, the Landlord must take reasonable steps to:
- (a) mitigate the Landlord's damages; and
 - (b) endeavour to Lease the Premises at a reasonable rent and on reasonable terms.

The Landlord's entitlement to damages will be assessed on the basis that the Landlord should have observed the obligation to mitigate damages contained in this clause. The Landlord's conduct in pursuance of the duty to mitigate damages will not by itself constitute acceptance of the Tenant's breach or repudiation, or a surrender by operation of law.

19 NO WAIVER

- 19.1 The Landlord's waiver or failure to act in response to the Tenant's breach of any of the Tenant's obligations in this Lease will not operate as a waiver of:
- (a) the same breach on any later occasion; or
 - (b) any other obligations in this Lease.

20 IMPROVEMENTS

- 20.1 The Tenant may, and if required by the Landlord will:
- (a) Upon expiry of this Lease by passage of time, prior to or on the expiry of the term of this Lease, remove all the Tenant's fixtures and fittings and other improvements made by the Tenant, or such fixtures and fittings and improvements as the Landlord may nominate, from the Premises and make good damage to the Premises caused by such removal;
 - (b) (Upon expiry of this Lease by cancellation for breach), within forty (40) Working Days after such cancellation remove all the Tenant's fixtures and fittings and other improvements made by the Tenant, or such fixtures and fittings and improvements as the Landlord may nominate, and make good any damage to the premises caused by such removal;
- 20.2 In circumstances where the Tenant fails or refuses to effect such removal and/or to make good any damage to the Premises then the Landlord may remove any fixtures, fittings and other improvements not removed by the Tenant and make good any damage to the Premises and the Tenant will pay upon demand all costs and expenses incurred by the Landlord in so doing.
- 20.3 Any of the Tenant's fixtures and fittings and other improvements made by the Tenant not removed from the Premises in accordance with clauses 20.1 and 20.2 will vest in the Landlord without right of payment or compensation to the Tenant by the Landlord. The vesting of the Tenant's fixtures and fittings and other improvements made by the Tenant is without prejudice to the right of the Landlord to recover costs incurred by the Landlord in removing and/or disposing of those fixtures and fittings and other improvements made by the Tenant.

21 MISCELLANEOUS**21.1 The Landlord Acting as Territorial Authority**

The Tenant acknowledges that:

- (a) The Landlord, in its capacity as territorial authority, is required to carry out its statutory consent functions under the Resource Management Act 1991, the Building Act 2004 and the Sale of Liquor Act 1989 in accordance with the provisions of those statutes.
- (b) The granting by the Landlord of any consent or approval by the Landlord as territorial authority under either of those Acts will not of itself be deemed to be a consent or approval by the Landlord (in its capacity as Landlord) under this Lease.

- (c) The Landlord is bound by statutory obligations to exercise its powers, including discretionary powers and duties under either of those Acts without regard to any relationship it may have with the Tenant under this Lease.
- (d) The Landlord will not be liable to the Tenant or any other party if in its regulatory capacity the Landlord declines or imposes conditions on any consent or permission that the Tenant or any other party seeks for any purposes associated with this Lease.

21.2 Quiet Enjoyment

The Tenant paying the rent and performing and observing all the covenants and agreements herein expressed and implied will quietly hold and enjoy the Premises throughout the term of this Lease without any interruption by the Landlord or any person claiming under the Landlord.

21.3 Suitability

No warranty or representation expressed or implied has been or is made by the Landlord that the Premises are now suitable or will remain suitable or adequate for use by the Tenant or that any use of the Premises by the Tenant will comply with the by-laws or ordinances or other requirements of any authority having jurisdiction.

21.4 Holding Over

If, other than under a renewal of this Lease or the grant of a further Lease, the Landlord permits the Tenant to remain in occupation of the Premises after the end or earlier cancellation of the Term, the occupation will be a periodic tenancy only, determinable by 20 Working Days' notice by either the Landlord or the Landlord to the other of them, at the rent then payable and otherwise on the same terms and conditions (as far as applicable to a periodic tenancy as are contained in this Lease.

21.5 Costs

The Tenant will pay, at the direction of the Landlord:

- (a) the Landlord's reasonable costs of and incidental to the preparation and execution of this Lease or any variation, renewal or surrender of this Lease; and
- (b) all costs and expenses for which the Landlord will become liable in consequence of or in connection with any breach or default by the Tenant in the performance or observance of any of the terms of this Lease, including costs and expenses incurred by the Landlord in the enforcement or attempted enforcement by the Landlord of its remedies under this Lease; and
- (c) the Landlord's reasonable costs incurred in considering any request by the Tenant for the Landlord's consent to any matter contemplated by this lease.

Where the costs incurred by the Landlord are in respect of fees incurred by the Landlord with its solicitors, those costs will be paid on a solicitor/client basis. Where the costs incurred by the Landlord represent a charge by the Landlord to the Tenant for its own administration or other expenses, then such charge will in all the circumstances be reasonable. If any dispute or difference will arise as to what is a reasonable charge, such dispute or difference will be determined by the dispute resolution procedure set out in clause 21.12.

21.6 Exclusion of Implied Covenants

The covenants and powers contained in clauses 4, 5, 6, 9, 10 and 12 of Part 2 and clause 13 of Part 3 of Schedule 3 of the Property Law Act 2007 will not be implied in this Lease and are expressly negated.

21.7 No Caveat

The Tenant will not register a caveat against the Computer Freehold Register for the Premises.

21.8 Landlord Not Required to Register

The Landlord will not be obliged to do any act or thing or grant any consent or co-operate in any way with the Tenant to register this Lease under the Land Transfer Act 1952.

21.9 Neglect of Other Tenant

The Landlord will not be responsible to the Tenant for any act of default or neglect of any other tenant or occupier of or visitor to the remainder.

21.10 Notices

(a) Any notice or document required or authorised to be given or served under this Lease may be given or served:

- (i) in the case of a notice under sections 245 or 246 of the Property Law Act 2007, in the manner prescribed by section 353 of that Act 2007; and
- (ii) in all other cases, unless otherwise required by sections 352 to 361 of the Property Law Act 2007;

A. in the manner authorised by sections 354 to 361 of the Property Law Act 2007; or

B. by facsimile, or by email, or by personal delivery, or by posting by registered mail or by ordinary mail, and if mail is sent by the Tenant to the Landlord the notice may be delivered or posted to:

Christchurch City Council
Civic Offices
53 Hereford Street
PO Box 73049
Christchurch 8154
Attention: Property Manager

(b) In respect of the means of service specified in clause 21.10(ii)(B) any notice or other document will be treated as given or served and received by the other party:

- (i) when received by the addressee;
- (ii) three Working Days after being posted to the addressee's last known address in New Zealand;
- (iii) on completion of an error free transmission, when sent by facsimile; or

- (iv) when acknowledged by the addressee by return email or otherwise in writing.
- (c) Any notice or document to be given or served under this Lease must be in writing and may be signed by:
 - (i) the party giving or serving the notice;
 - (ii) any attorney for the party serving or giving the notice; or
 - (iii) the solicitor or any director, officer, employee or other agent who has authority to give or serve the notice.

21.11 Dispute Resolution

- (a) In the event of any dispute or difference between the parties in relation to or arising out of this Lease then, if the parties so agree, the dispute or difference may be referred to mediation, with such mediation to be conducted on such basis as the parties may agree.
- (b) In the event of the dispute or difference not being resolved by mediation, then it will be determined by a single arbitrator. That arbitrator will be agreed between the parties, or failing agreement will be appointed by the President for the time being of the New Zealand Law Society. Clause 1 of the Second Schedule to the Arbitration Act 1996 will not apply but otherwise the arbitration will be conducted in accordance with the Arbitration Act 1996 or any statute enacted in substitution for the time being in force.

22 ENVIRONMENTAL SUSTAINABILITY

The Tenant acknowledges that the Landlord has a "Target Zero" resource efficiency and waste minimisation initiative working with Christchurch businesses to reduce environmental impacts. The Tenant agrees to use its reasonable endeavours to conduct its rights and obligations under this Lease in a resource efficient and waste minimising manner so as to reduce any risk of environmental damage by virtue of its occupation of the Premises.

23 LESSOR'S AGENTS

All or any of the powers and functions exercisable by the Landlord under this Lease may from time to time be exercisable by any person authorised in that behalf by the Landlord.

24 SMOKE-FREE POLICY

The Tenant acknowledges that the Landlord has adopted a 'Smoke-free Policy' to promote the health of the community, especially children and young people. Accordingly, the Tenant will use its reasonable endeavours to encourage people not to smoke within the Premises and will erect appropriate signage on the Premises requiring users of the Premises not to smoke within the Premises.

25 CANCELLATION IN EVENT OF CANCELLATION OR CONSTRUCTION OF LICENCE

In the event that the Construction Licence shall be cancelled for whatever reason, then it is agreed that this Lease will be deemed to be cancelled contemporaneously with the Construction Licence. In the event of such cancellation the Tenant acknowledges that it will have no claim for compensation or otherwise against the Landlord.

THIRD SCHEDULE

Landlord's Fixtures and Fittings

DRAFT

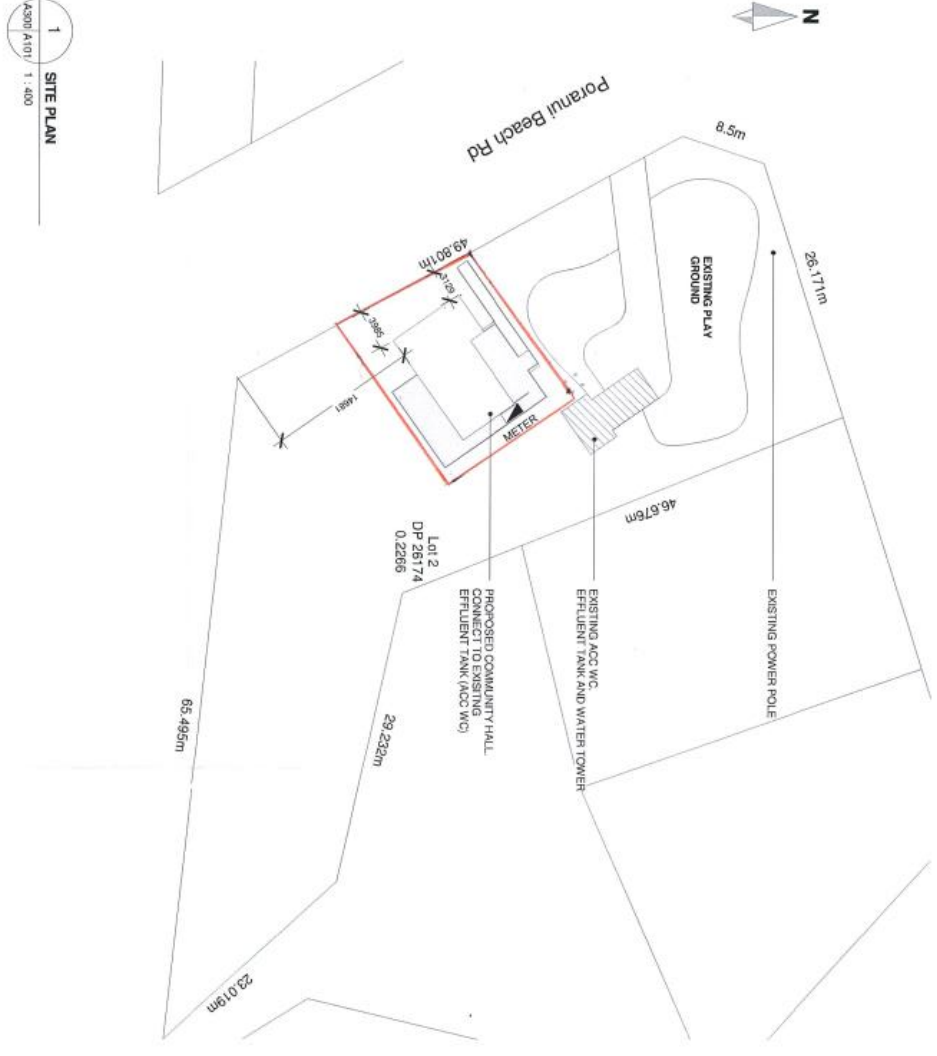
FOURTH SCHEDULE

Plan of Premises

FLOOR SCHEDULE		
Type	Area	Description
ZCOT 2008B4	81.41 m ²	COMMUNITY HALL
DBCC	16.61 m ²	DBCC
Overall total 2	148.02 m ²	

KEYNOTE LEGEND	
Key Value	Keynote Text

1 SITE PLAN
A200 A101/ 1:400



SET OUT NOTES:
Contractor shall independently verify all boundaries and dimensions prior to set out.
All set out dimensions are in horizontal plane and do not take into account varying ground levels.

GENERAL NOTES:
 ZONING : UPDATE
 ZONE : REGIONAL RESERVE
 SETBACKS : COMPLIANT
 REVISION PLANES : COMPLIANT (2-4-57)
 ZONES W/O 30/01/2011 : VERY HIGH
 WIND ZONE : 1
 EXPOSURE ZONE : 2
 EXPOSURE ZONE : 2
 SNOW ZONE : 1A

LEVELS:
 FINISH : 2289m⁺
 LEVEL, 1 (low level) : 81.0m⁺
 EXISTING VIC : 10m⁺
 SITE COVERAGE 100%: 4%

INOVO PROJECTS
 Ph: 03 377 3290
 118 Montreal St, Sydenham,
 Cheshamville 8023
 PO Box 7089 Sydenham 8240

PROPOSED COMMUNITY HALL - 12.08.14
 BIRDINGS FLAT
 Designer: The designer shall not be responsible for any structural or other technical work.
 On the basis of the information supplied by the client.

SITE PLAN
 Contractor to locate all existing services & verify all dimensions before commencing work.

Drawn	Date	By	Checked	Date	By
S.M.A.	14/07/2014	S.M.A.	S.M.A.	10/8/14	S.M.A.

A101