

DEED OF LEASE

DEED OF LEASE made this day of 2025

LESSOR: **CARTERTON DISTRICT COUNCIL**

LESSEE: _____

GUARANTOR:

THE LESSOR leases to the Lessee and the Lessee takes on lease the property described in the First Schedule for the term from the Commencement Date and at the annual rental as set out in the First Schedule, together with the right to use the Lessor's fixtures and fittings (if any) on the property.

THE LESSOR AND THE LESSEE covenant as set out in the Second Schedule.

SIGNED by)
CARTERTON DISTRICT COUNCIL)
as Lessor in the presence of:)
) _____
CARTERTON DISTRICT COUNCIL

Signature

Print Name _____

Occupation

Town/City of Residence

SIGNED by **FULL NAME OF LESSEE** as)
Lessee)
in the presence of:)
)

FULL NAME OF LESSEE

Signature

Print Name

Occupation

Town/City of Residence

SIGNED by **FULL NAME OF LESSEE** as)
Lessee in the presence of:)
)
)

FULL NAME OF LESSEE

Signature

Print Name

Occupation

Town/City of Residence

FIRST SCHEDULE

The Property:

At 44 Matarawa Road, Dalefield, Carterton comprising the following areas, as shown on the attached plan;

- a. 36.4864 hectares (more or less), Lot 5 DP 461177, Identifier 606191.
AND
- b. 33.1091 hectares (more or less), Lot 4 DP 461177, Identifier 606190
AND
- c. 15.3279 hectares (more or less), Part Lot 5-6 DP 3814 and Lot DP 34255, Identifier WN50D/955 AND
- d. 5993 square metres (more or less), Part Hikawera 3 Block and Part Hikawera 3 Block and Lot 2 DP 34235, Identifier WN14C/772.

Included improvements: 5-bay implement shed, 8-bay calf shed, half round shed and all other farm buildings.

Area: 77 hectares more or less

Initial Term: 2 years and 9 months from 1 October 2025 to 31 May 2027

Commencement

Date: 1 October 2025

Rights of Renewal: Two (2) rights of renewal of one (1) year each

Renewal

Dates: 1 June 2027, 1 June 2028

Final Expiry

Date: 31 May 2029

Annual Rent: \$ plus GST per annum

Rental

Payments: Monthly being \$ plus GST

Rental

Payment Date:	Payable monthly in advance on 1st day of each month with the first rent payment due on the Commencement Date
Rental Review Dates:	On renewal
Outgoings (Rates and Insurance):	The Lessee will pay all rates and insurance
Default Interest Rate:	10%
Use of Property:	Dairy cattle and/or sheep and beef farming including grazing and cropping

SECOND SCHEDULE

THE LESSEE'S COVENANTS

1. PAYMENT OF RENT

- 1.1 The Lessee will pay the rent to the Lessor on the rental payment date free from any deduction and to a bank account nominated by the Lessor.
- 1.2 If the Lessee does not pay the rent on the due date, then the Lessee will pay interest on that money to the Lessor at the default rate of interest from the due date to the date of payment, and the Lessor will be entitled to recover that money and interest in the same manner as rent in arrears.

2. LESSOR'S OPTION TO TAKE BACK LAND

- 2.1 The parties acknowledge and agree that the Lessor has the right during the term of the lease or at any renewal date to take back up to 10 hectares of land per annum.
- 2.2 If the Lessor chooses to exercise the right under clause 2.1 then the Lessor shall give at least three (3) months' notice in writing to the Lessee and the rent payable shall be reduced proportionately.

3. RATES

- 3.1 The Lessee will pay:
- (a) All of the rates, taxes and other outgoings and assessments including any Lessor's land tax charged on the property;
 - (b) Any contribution required by any territorial or statutory body having jurisdiction in respect of the property;
 - (c) There shall be apportionment for any broken period in respect of such outgoing;
 - (d) If the Lessor is required to make any of the payments required by this clause, then the Lessee shall pay interest at the default interest rate from the time of actual expenditure until the date of payment and the Lessor will be entitled to recover that money in the same manner as rent in arrears.

4. ASSIGNMENT

- 4.1 The Lessee shall not assign or sublet the lease in any way.
- 4.2 The Lessee shall not at any time do or suffer any act or omission upon or about the property which shall be a disturbance nuisance or annoyance to the Lessor or to the occupiers or owners of any adjoining land.

5. NOVATION BY LESSOR

- 5.1 The parties acknowledge and agree that the Lessor may novate its rights and obligations under this Deed and the Lessee will consent to the Novation.
- 5.2 In the event that the Lessor chooses to novate its rights and obligations under this Deed then each party shall sign a Deed of Novation on terms satisfactory to the Lessor in the Lessor's sole discretion.

6. GOOD HUSBANDRY

- 6.1 To graze and manage the land in a good and husband like manner and not to impoverish or waste the soil and will not overstock the land and will not plough up any part of the land without the Lessor's prior consent.
- 6.2 If the Lessee does, with the Lessor's prior consent cultivate or plough up the land, will at the end of the lease ensure that the land is properly levelled and laid down in good permanent grasses and clover of the descriptions and proportion suitable for the land and in accordance with district practice.
- 6.3 No heavy cattle will be grazed on the paddocks during the winter months when the ground is very wet.
- 6.4 The Lessee will during the term hereby created cultivate use and manage all such parts of the said land as are now or shall hereafter be broken up and converted into tillage in a proper and husband like manner and will not impoverish or waste the same but keep the same in good heart and condition and will at the end or sooner determination of the term leave all the said lands property levelled and laid down in good pasture.
- 6.5 The Lessee will not bring onto said land or keep thereon any pigs.

7. PEST AND WEED CONTROL

- 7.1 The Lessee will use the Lessor approved methods to suppress and control all noxious weeds and plants that are required by law from time to time in the district in which the said land is situated growing on the said land or upon the near half any adjoining road, and will spray and/or grub up destroy all gorse and blackberry in each year without contribution by the Lessor, will duly and punctually comply with all the directions of the Lessor or his agent as to the

methods to be used or otherwise and also with all the provision relative thereto of the Biosecurity Act 1993 and all amendments thereof and regulations made there under respectively AND the Lessee shall indemnify the Lessor against all and any contribution or contributions, costs, charges and expenses which the Lessor may be called upon or compelled to pay under the said Act. The Lessor will spray the gorse at the commencement of the Lease at his cost.

- 7.2 The Lessee will take all proper and usual steps each year to prevent the existence of rabbits and possums on the land and will comply with the provisions of the Biosecurity Act 1993 and any amendments thereto or regulations made thereunder and will indemnify the Lessor against all or any contribution cost charge or expense which the Lessor may be called upon or compelled to pay under that Act.
- 7.3 The Lessee will use their best endeavours to keep the land free of bovine tuberculosis.

8. MAINTENANCE

- 8.1 The Lessee shall keep all existing fences gates stockyards bridges culverts dams water-troughs tanks and other improvements on the property in as good as condition as they are at the Commencement Date of the lease or if upgraded by the Lessor in their upgraded condition and maintained in such condition and shall deliver up to the Lessor in the same good order and condition at the expiration of this lease.
- 8.2 The Lessee will maintain any metal tracks or races on the land to the same standard as at the commencement date of this lease and will re-metal the tracks and keep in good order so as to deliver up in the same condition at the expiration of this lease.
- 8.3 The Lessee will at least once in every year of the said term clean and open all drains ditches and water courses on the said land and will keep the same clean and unobstructed at all times during the continuance of the said term.
- 8.4 Without limitation to the general obligations in clauses 8.1 to 8.3, the Lessee shall at all times during the said term maintain and keep in good order and condition and repair the water pump and its reticulation system.
- 8.5 The Lessee shall be responsible for all stock trespass of any kind whatsoever and the Lessee shall be required to check and maintain in good condition all boundary fences. The Lessee will at least once in every year of the term inspect all fences on the property and ensure the wires are taut and replace any missing and damaged battens and posts so that the fences comply with the specifications for stock-proof rural fences as set out in Schedule 2 of the Fencing Act 1978.

9. TOPDRESSING

- 9.1 Where relevant, the Lessee shall and will topdress the Property with such amounts and types of fertiliser as shall be identified by a nutrient budget for the Property to be prepared by a suitably qualified person in accordance with the requirements of Fonterra and to be agreed to in writing by the Lessors and the Lessee at such intervals during the term of the lease as may be required. The Lessee shall supply evidence to the Lessors of application of fertiliser each year.
- 9.2 Soil testing shall be undertaken at or about commencement and again at the end or sooner determination of the term with the cost borne equally by the Lessors and the Lessee. The Lessee shall supply to the Lessors copies of the results of all soil tests carried out during the term of the lease. All soil tests must be taken at least three (3) months clear of the date of application of fertiliser.

10. TREES

- 10.1 The Lessee shall not without consent in writing of the Lessor cut, fell or destroy any trees growing on the said land.
- 10.2 The Lessee shall not interfere with any of the works of the Carterton District Council and shall cooperate with the Council as necessary for protection of the land against damage by flood or erosion.
- 10.3 The Lessee will trim the shelterbelts on an annual rotational basis and ensure that the trimmings are tidied and disposed of.

11. HEALTH AND SAFETY

- 11.1 The parties acknowledge that the Property comprises a working environment and that different risks may exist there from time to time. The parties will work together to eliminate or mitigate, so far as is reasonably practicable, all such risks. The parties will identify, familiarise themselves with and manage risks by:
- (a) creating and attaching a risk identification plan for the Property (**Risk Identification Plan**) to this Lease (where the parties have agreed it is required);
 - (b) promptly notifying each other as soon as a party becomes aware that:
 - (i) any risk not previously identified exists, or any situation may arise where any person may not be safe or harm may result to any person on or about the Property;

- (ii) any accident or serious harm to any person has occurred on or about the Property, and detail the steps that have been taken or are proposed; and/or
 - (iii) any improvement or prohibition notice is likely to be or has been issued relating in any way to any work on the Property; and
- (c) the Parties shall before causing or permitting any work to occur at any time on the Property (the "relevant work place"), inspect and familiarise itself with the relevant work place and any risks therein and cause the work to be carried out in a safe manner including:
 - (i) taking all reasonably practicable steps to ensure the safety of all persons while they are at the relevant work place;
 - (ii) complying with the Risk Identification Plan as agreed by the parties from time to time, aimed at ensuring that the relevant work place is safe, that any risks are identified and controlled (by elimination, taking steps to mitigate or monitoring, as appropriate), and that harm to any person is prevented;
- (a) in consultation with each other, complying with the provisions of the Health and Safety at Work Act 2015 and, where applicable, working with each other to ensure all significant risks in or about the Property (including any buildings) are eliminated or mitigated, so far as is reasonably practicable.

12. COSTS

- 12.1 Each party will pay their own costs in relation to the preparation of this Lease and any variation or extension of such. The Lessee will pay the Lessor's legal costs and expenses on a solicitor/client basis that may be incurred by the Lessor as a result of any breach of covenant or incidental to the preparation and service of any notice under the term of this Lease.

13. CAPITAL EXPENDITURE

- 13.1 All capital expenditure to be incurred in relation to the property must first be agreed in writing by both Lessor and Lessee before any expenditure is incurred. If the consent of the Lessor is not first had and obtained then all expenditure will be paid by the Lessee.

14. THE LESSOR'S COVENANTS

- 14.1 The Lessee paying the rent hereby reserved and performing all and singular the covenants conditions and restrictions on their part herein expressed or implied that they shall quietly hold and enjoy the land throughout the term of the lease without interruption by the Lessor or any person lawfully claiming under them.

15. MUTUAL COVENANTS

- 15.1 The Lessor or their agents have right of entry upon the land at any reasonable time on giving reasonable notice to view the state and condition thereof.
- 15.2 The Lessee shall be responsible for all stock trespass of any kind whatsoever and the Lessee shall be required to check and maintain in good condition all boundary fences.
- 15.3 If the rent is in arrears and unpaid for the space of 10 days and the lessee has failed to remedy that breach within 10 days after service of a notice by the Lessee in accordance with Section 245 of the Property Law Act 2007 (the Act) or if the Lessee shall make breach for non-observance of any of the other provisions of this lease and has failed to comply with a notice from the Lessor given in accordance with Section 246 of the Act, the Lessor may forthwith cancel the lease by re-entering upon the land without prejudice to any claim due or accruing for damages for any antecedent breach of the provisions of this lease.

16. APPLICATION OF INSURANCE MONEYS

- 16.1 Any moneys received by the Lessor by virtue of any policy or policies of insurance effected by the Lessor shall (subject to the provisions of any Memorandum of Mortgage for the time being upon the Property or any part thereof) be applied in or towards reinstating or re-erecting the building or buildings damaged or destroyed and covered by such policy or policies but nothing herein contained shall oblige the Lessor to expend any further moneys for such purpose **PROVIDED ALWAYS** that in the event of the said moneys or any part thereof being retained by any Mortgagee under the powers contained or implied in such mortgage a fair and reasonable allowance in reduction of the rent hereby secured shall be made by the Lessor to the Lessee until the Property (or part of the Property) destroyed or damaged shall again be rendered fit for occupation and use and in case of difference or dispute then the dispute resolution clause will apply.

17. TERMINATION

- 17.1 If the rent is in arrear and unpaid for the space of 10 days and the lessee has failed to remedy that breach within 10 days after service of a notice by the Lessee in accordance with Section 245 of the Property Law Act 2007 (the Act) or if the Lessee shall make breach for non-observance of any of the other provisions of this lease and has failed to comply with a notice from the Lessor given in accordance with Section 246 of the Act, the Lessor may forthwith cancel the lease by re-entering upon the Property without prejudice to any claim due or accruing for damages for any antecedent breach of the provisions of this lease.

18. LESSOR'S RIGHTS OF ENTRY

- 18.1 The Lessor or his agents may enter upon the Property at any time to view the condition and state of repair thereof and may serve upon the Lessee notice of any repairs required by the Lessor. The Lessee shall within one (1) calendar month from the date of service of such notice carry out the repairs specified therein to the satisfaction of the Lessor.

19. FARM MANAGEMENT AND INSPECTION

- 19.1 The Lessor will call an annual meeting to discuss the lease operation, any concerns and to record the state of the Property. If a Farm Management Consultant is used the cost will be shared equally between the Lessor and Lessee.
- 19.2 The Lessor reserves the right to appoint a Farm Management Consultant to make an annual inspection and written report to both parties. The cost of this inspection and report shall be borne equally by the Lessor and the Lessee. Any disagreement as to the appointment of such Farm Management consultant shall; be dealt with under the dispute resolution provision.

20. RESOURCE CONSENTS

- 20.1 The Lessor does not hold any resource consents in respect to the Property.
- 20.2 If the Lessee wishes to use the Property in a way that is permitted by this lease it may at its sole cost apply for any resource consents, approvals, permits, licences to do so. Any capital improvements which may be required for any new consents, approvals or licences will be paid for solely by the Lessee.
- 20.3 The Lessee indemnifies the Lessor against any damage, expense of liability incurred by the Lessor directly or Indirectly as a result of any breach of the terms of such resources consents, approvals, permits, or licences by the Lessee.
- 20.4 The Lessee will ensure that all activities undertaken on the Property are in compliance with all current permits, licenses, water rates and resource consents under the Resource Management Act 1991.
- 20.5 At the end of the Term of the lease, the Lessee must transfer permits, licenses, water rates and resource consents to the Lessor.

21. FIRE AND EMERGENCY NEW ZEALAND ACT 2017

- 21.1 The Lessee will:
- (a) Comply in all respects with the provisions of the Fire and Emergency New Zealand Act 2017; and
 - (b) Use all precautions to prevent fires from spreading to adjoining properties; and

- (c) Keep the Lessee indemnified against all claims or cost associated with any damage caused and with any requirements under the Fire and Emergency New Zealand Act 2017.

22. COMPLY WITH STATUTES

- 22.1 The Lessee will comply with all relevant Acts, regulations, bylaws, and other lawful requirements of all public bodies and authorities concerning the business of the Lessee on the Property and will fully indemnify the Lessor for any claims arising from a breach of any of the aforementioned requirements arising from the conduct of the Lessee's business on the Property.

23. IMPLIED TERMS

- 23.1 The terms implied in leases under Part 4 of the Property Law Act 2007 and Part 3 of the Land Transfer Act 2017 will not apply to this Lease.

24. RENEWALS

- 24.1 The Lessor may refuse to grant the Lessee a renewal of the lease and instead choose to terminate the lease at the end of the term. If the Lessor chooses to exercise the right to terminate the lease pursuant to this clause then the Lessor shall provide written notice to the Lessee to confirm that the renewal will not be available and such notice must be provided at least six (6) months prior to the end of the term.
- 24.2 Provided that the Lessor does not wish to exercise the option to terminate pursuant to clause 20.1 and if the Lessee has given to the Lessor written notice to renew the lease at least three calendar months but no more than six calendar months before the end of the term and the Lessee is not at the date of giving of the notice in breach of the lease the Lessor will grant to the Lessee a renewal of this lease for a further term of one (1) year.

25. RENT REVIEW

- 25.1 The Lessor may review the rental as at the Review Date referred to in the First Schedule based on the current market rental for the Property.
- 25.2 The procedure for reviewing the rental shall be as follows:
 - (a) The Lessor shall give to the Lessee notice in writing ("the Lessor's Notice") of the rental that the Lessor considers to be the current market rental for the relevant rental period;
 - (b) If the Lessee considers that the rental notified by the Lessor is not the current market rental of the Property for the relevant rental period the Lessee may by notice in writing ("the Lessee's Notice") to the Lessor given within 28 days of receipt of the Lessor's Notice (time being of the essence in respect of the giving of the Lessee's Notice)

require the rental to be determined by two registered valuers one appointed by each party. The Lessee shall in the Lessee's Notice name the valuer appointed by the Lessee for such determination of rent;

- (c) The Lessor shall within a reasonable time after receipt of the Lessee's Notice appoint the Lessor's valuer.
- (d) If the Lessee fails to give the Lessee's Notice and to nominate a valuer in that notice within 28 days of the Lessor's Notice the rental stated in the Lessor's Notice shall be the rental payable for the relevant rental period;
- (e) Before proceeding with their determination the valuers shall be directed to agree upon and appoint an umpire and obtain the umpire's acceptance in writing of that appointment. Should the valuers not agree upon and appoint an umpire within 14 days of the Lessor's valuer being appointed then either the Lessor or the Lessee or their valuers may request the president for the time being of the Wellington District Law Society to appoint an umpire and obtain the umpire's acceptance in writing of that appointment;
- (f) If the valuers are unable to agree within one month of the date of the appointment of their umpire upon the current market rental for the Property then at any time subsequently either party may require the current market rental for the Property to be determined by the umpire. The umpire shall be directed to give the umpire's decision in writing together with reasons;
- (g) In determining the current market rental for the Property the valuers shall act as experts and not arbitrators. Either party may make submissions to the valuers or to the umpire but in all respects the determination shall be conducted in the manner determined by the valuers or the umpire;
- (h) In the event of the umpire being requested to determine the current market rental that shall be a referral to arbitration under clause 25 of the Second Schedule;
- (i) In any determination of rental pursuant to this clause each party shall pay the costs of their own valuer. The costs and expenses of the umpire shall be borne by the parties in the proportions determined by the umpire;
- (j) Any review of rental pursuant to this clause shall take effect from the relevant review date regardless of whether the Lessor gave the Lessor's Notice prior to the review date;
- (k) Pending the determination of the reviewed rental the Lessee shall, so long as that rental is supported by a valuer's certificate that the valuer considers it to be the current market rental for the Property, pay the rental nominated in the Lessor's Notice as an estimated or interim rental. Such estimated rental shall be paid by the Lessee until such time as the actual rental has been determined. Immediately upon the

determination of the actual rental an appropriate adjustment shall be made between the Lessor and the Lessee;

- (l) Upon the determination of the new rental the Lessee and the Lessor shall (if required by the Lessor) complete a deed at the expense of the Lessee recording such rental.

26. NOT TO REGISTER LEASE

- 26.1 That the Lessee shall not be entitled to registration of this Lease or any Lease in renewal hereof and the Lessee shall not caveat the Lessor's title to the land.

27. SERVICE OF NOTICES

- 27.1 That any notice required to be served by this Lease under Section 245 or 246 of the Act be in the manner prescribed by Section 253 of the Act and in other cases as required by Section 254 and 361 of the Act.

28. INSURANCE AND PUBLIC LIABILITY COVER

- 28.1 The Lessee shall take out and maintain during the term of this lease public liability insurance in the sum of \$ such policy to note the interest of the Lessor as owner.
- 28.2 The Lessee shall take out and maintain during the term of this lease insurance on the 5-bay implement shed, 8-bay calf shed, half round shed and any other buildings to their full insurable value on a replacement basis.

29. DISPUTES

- 29.1 All disputes and differences between the parties shall first be submitted to the mediation of a single mediator and if the parties are unable to agree then such mediator shall be appointed by the President for the time being of the Wellington Branch of the New Zealand Law Society.
- 29.2 If such dispute or difference is not 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.
- 29.3 If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon request of any party, by the President for the time being of the Wellington Branch of the New Zealand Law Society or his nominee. That appointment shall be binding on all parties to the

arbitration and shall not be subject to appeal. The provisions of Article 11 of the First Schedule of the Arbitration Act 1996 are to be read subject hereto and varied accordingly.

- 29.4 The procedures prescribed in this clause shall not prevent the Lessor from taking proceedings for the recovery of any rent or other moneys payable hereunder or from exercising any other rights and remedies in the event of such default as set out in this lease.

30. GUARANTEE

- 30.1 In consideration of the Lessor entering into the Lease at the Guarantor's request, the Guarantor:

- (a) Guarantees payment of the rental and performance by the Lessee of the covenants in the Lease; and
- (b) Indemnifies the Lessor against any loss the Lessor might suffer should the Lease be lawfully disclaimed or abandoned by any liquidator, receiver or other person; and
- (c) Covenants with the Lessor that:
 - (i) No release, delay or other indulgence given by the Lessor to the Lessee or to the Lessee's successors or assigns or any other thing whereby the Guarantor would have been released had the Guarantor been merely a surety shall release, prejudice or affect the liability of the Guarantor as the Guarantor or as indemnifier.
 - (ii) As between the Guarantor and the Lessor the Guarantor may for all purposes be treated as the Lessee and the Lessor shall be under no obligation to take proceedings against the Lessee before taking proceedings against the Guarantor.
 - (iii) The Guarantee is for the benefit of and may be enforced by any person entitled for the time being to receive the rent.
 - (iv) An assignment, sub-letting or rent review of this Lease in accordance with this Deed shall not release the Guarantor from liability whether or not the Guarantor shall have consented to the said assignment, sub-letting or rent review.
 - (v) Should there be more than one Guarantor, their liability under this Guarantee shall be joint and several.

31. GENERAL

- 31.1 In this Lease the singular shall be deemed to include the plural and vice versa and the masculine gender shall be deemed to include the feminine gender.

- 31.2 The covenants provisions and powers implied in leases by law shall for the purpose hereof be negatived or modified only in so far as the same or any of them are contradictory to or inconsistent with the terms and provisions hereof.
- 31.3 The Lessee may at the end of this Lease (including any extensions there may prove to be) subject to making good any damage or insufficiencies occasioned thereby be entitled to remove any fittings and fixtures brought on to the Property by the Lessee. Any fittings or fixtures not so removed shall be deemed to have become the property of the Lessor.

32. COUNTERPARTS

- 32.1 A signature on this Lease sent by email will be as good as the original signature. Two or more identical copies of this Lease will be treated as one Lease if each party has signed at least one copy.

33. INTERPRETATION

- 33.1 In this lease:
- (a) The "Lessor" and "Lessee" means where appropriate the executors administrators, successors and permitted assigns of the Lessor and Lessee;
 - (b) "Property" and "land" mean the property of the Lessor as set out in the First Schedule.
 - (c) Words appearing in the First Schedule shall mean and include the details supplied after them in the First Schedule.
 - (d) Where the context so requires or admits, words importing the singular shall import the plural and vice versa.