

SECOND SCHEDULE

Terms and Conditions for Riverbank Carpark, Lower Hutt

Land - Being land held by the Lessor for the purpose of Flood Protection and River Control, as shown on the attached plan, being:

1. Part of the land contained in certificate of title volume 56A folio 766, being Lot 1 DP 76462.
2. Part of the land contained in certificate of title volume 399 folio 167, being Part Lot 3 DP 7974.
3. Part of the land contained in certificate of title volume 56B folio 765, being Lot 2 DP 88805.
4. Part of the land contained in certificate of title volume 56B folio 766, being Lot 3 DP 88805.
5. Part of the land contained in certificate of title volume 38D folio 804, being Section 1 SO 36374.
6. Part of the land contained in certificate of title volume 38D folio 806, being Section 4 SO 36374.
7. Part of the land contained in certificate of title volume 23D folio 729, being Part Lot 1 DP 35096.
8. Part of the land contained in certificate of title volume 26A folio 356, being Part Lot 1 DP 35096.
9. Part of the land contained in certificate of title volume 28B folio 348, being Part Lot 1 DP 35096.
10. Part of the land contained in certificate of title volume 21D folio 717, being Part Lot 1 DP 35096 and parts Section 31 Hutt District.
11. Part of the land contained in certificate of title volume 301 folio 41, being Part Lot 1 DP 35096 and part Section 31 Hutt District.

Term - 33 years from Commencement Date

Commencement Date - 1 January 2003.

Renewal of Term - Nil

Expiry Date - 31 December 2036

Annual Rental - 16% of all gross annual income generated from fees within the carpark, (GST inclusive).

Rent Payment Dates - Quarterly on 1 January, 1 April, 1 July and 1 October for each and every year of the term.

Rent Review Dates - Not applicable except as provided for under **Special Conditions** below.

Use - As a public carpark.

Special Conditions

1. The Lessor hereby grants to the Lessee the right to sublease area B on the attached plan to Harvey Norman Stores (NZ) PTY Limited, (the Sublessee), on and subject to the following conditions.



Term -The Sublease shall be for a term not exceeding 25 years from 01 January 2004.

Annual Rent - For the duration of the Sublease the Lessee shall pay to the Lessor, for Area B, a rent of \$8,902.40 (inclusive of GST) per annum, being 16% of all gross annual market income worth of 107 riverside carparks. (Calculation being: 107 carparks at \$520.00 per annum each = \$55,640 at 16%)

Rent Review Dates - For the duration of the Sublease the annual market income worth of the carparks shall be reviewed and the rent re-calculated as at 01 January 2009, 2014, 2019 and 2024. On review, the rent shall be no less than the rent payable immediately preceding the review date.

Use of Area B - For the duration of the sublease, the Sublessee shall be granted the use of up to 107 carparks for the exclusive use of the Sublessee and the Sublessee's lessees, licensees, staff and agents.

Rights to Assign -The Sublease may contain a conditional right of assignment. Any assignment request shall be submitted by the Sublessee to the Lessor and the Lessee. The Lessor and the Lessee shall reserve an absolute right, without reasons, to decline the request. On making any request to assign the sublease, the Sublessee shall provide the Lessor and the Lessee with all information the Lessor and the Lessee require to be satisfied that the proposed assignee is solvent, willing and capable of fulfilling all of the obligations contained within the Licence, including but not limited to a statement to that effect from the proposed Assignee.

The balance sublease terms and conditions are to be the same as provided for in this Lease and shall in addition provide for:

- A. The Lessor shall retain the right, at all times, to enter the land without notice for the purpose of managing and maintaining its flood protection assets, responding to flooding, responding to an emergency or any unforeseen event which has or might place at risk the integrity of the flood protection system.
- B. The Hutt River Floodplain Management Plan, of the Lessor, currently contains a programme for the upgrade the city centre - Ewen to Melling reach - stopbank (the stopbank) during the period commencing 2013. Up to 31 December 2015, the Lessor shall retain the right to temporarily suspend the Lease and Sublease, but only:
 - (a) for the purpose of urgent upgrade or replacement of the stopbank;
 - (b) for the purpose of upgrade or replacement of the Melling bridge;
 - (c) where capital works programmes of the Lessor and the Lessee are brought forward.
- C. After 01 January 2016, the Lessor may, if it requires the land in Area B for any Flood Protection or River Control purpose, terminate this Lease and Sublease and resume possession of the land, with no compensation being payable.
- D. The Sublessee and the Sublessee's lessee's, licensees, staff and agents shall enter and use area B at their own risks, and subject to the terms and conditions of the sublease, the Lessor and the Lessee shall not be liable for any direct or indirect losses or damage which may arise.

