Covenant Instrument to Note Land Covenant

SCHEDULE 2: LAND COVENANTS

1. Expiry

1.1 The within land covenants ("Covenants") will expire on 30 April 2031.

2. Covenantee and Owner

2.1 In these Covenants "Owner" means the registered proprietor of any part of the Burdened Land and "the Property" means the Owner's part of the Burdened Land. The Owner acknowledges that the Property is part of the development by the Covenantee which is intended to establish a modern and well-designed subdivision. The Owner agrees that it is desirable that supervision and control be exercised by the Covenantee for the protection of the interests of all purchasers of property within the development in relation to the nature and type of construction to be erected in the development.

3. Construction of a Residence

- 3.1 (a) The Owner must not commence or enter into any agreement for the construction of a residence (which is defined as a detached residential being designed for and occupied exclusively as one household unit for residential purposes only and which includes an integral double garage and other associated ancillary buildings, erections and site works such as sheds, fences, paths, courtyards or driveways) on the Property without first submitting the certified plans and specifications to the Covenantee and obtaining from the Covenantee written approval of such plans and specifications ("Plan Acceptance").
 - (b) The Covenantee must not unreasonably withhold approval if the Owner has complied with these covenants, made all payments due to Covenantee and the proposed dwelling is reasonably sited, meets the Covenantee's design concepts, compliments adjoining properties and does not detract from the standard of the development of the Burdened Land.
 - (c) The Covenantee in its sole discretion will determine if the plans submitted by the Owner conform to the spirit of Clause 2.1 above. Issues such as control over grouping of similar style housing on a street, overly simplistic design (such as a simple rectangular shape, etc) might influence the Covenantee's approval or non-approval of the Owner's plans.
- 3.2 (a) Subject to Covenant 3.3 following, the Owner may not construct or erect on the Property anything other than a residence and must not use the Property for any principal purpose other than construction, erection and occupation of a residence. The Owner must commence construction of a residence within one (1) year of the date of possession as specified in the Agreement for Sale and Purchase between the Covenantee and Owner and must after commencing continue through to completion with all reasonable speed and strictly in accordance with the plans and specifications which are accepted in accordance with Clause 3.1. The Owner must not permit any deviation from the said plans and specifications without the written consent of the Covenantee and must complete the construction of the residence within (1) year from the date of Plan Acceptance.

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- (b) The Owner may not construct or erect on the Property more than one residence.
- (c) The Owner may not construct or erect on the property a multi-story residence.
- (d) The Owner may not further subdivide the Property.
- 3.3 (a) The Covenantee may at the Covenantee's sole discretion, and subject to such terms and conditions as in the Covenantee's sole discretion the Covenantee requires, agree to allow the Owner (where the Owner is a registered builder or building company) to construct and use a residential building on the Property for the purpose of a Show Home for a period of up to 30 months following completion of construction.
 - (b) For the purposes of this Covenant 3.3 "Owner" includes a lessee or contractor of the Owner who is a registered builder or building company and any employees, contractors or sub-contractors of that lessee or contractor.
 - (c) A condition of allowing such use will be a consent (subject to Covenant 20.0) to erect an advertising hoarding on the Property.
- 3.4 Acceptance of the Owner's plans and specifications by the Covenantee must be based on the information supplied by the Owner and in reliance on the Certificate by the Owner's building designer. It does not imply any warranty by the Covenantee that:
 - (a) the proposed residence may utilise existing services;
 - (b) the proposed siting of any proposed residence is not affected by the location of existing services;
 - (c) the proposed siting of any proposed residence complies with the Council's bulk and location requirements;
 - (d) the location of egress on the building designers plan is in accordance with the Council's requirements as to public roads.
- 3.5 In the event of the Covenantee being unable or unwilling to complete the Plan Acceptance actions as outlined in Clause 3, the Owner may submit its plans to the Hastings District Council (the "Council") as part of an application for a building consent. The approval of the Owner's plans will then be deemed to be the issue of building consent by the Council for construction of a residence on the Property in accordance with plans that otherwise comply with the building controls in these Covenants.
- 3.6 The Covenantee and its agents, employees, contractors and subcontractors will continue after possession has been given to have the right to enter upon the Property for the purposes of this Covenant.

4. Property Maintenance

4.1 The Owner must ensure from the date of possession that the Property is kept in a neat and tidy condition and maintained free from long grass, weeds, rubbish, builder's waste or other substances before, during and after the construction of any residence thereon. In the event that while the Property remains unoccupied the Owner fails to do so the Covenantee may arrange for the Property to be cleared and the Owner must pay to the Covenantee immediately upon demand the costs incurred by the

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Covenantee together with the interest thereon at a rate of 20 percent per annum on a daily basis from the date that such costs were incurred by the Covenantee.

- 4.2 The use of adjacent or abutting land for access and dumping of rubbish and waste concrete is strictly prohibited; provided however that the Owner or the Owner's builder may have access across any other land upon obtaining written approval from the Covenantee.
- 4.3 The Owner is liable for any damage caused to roads or footpaths or to any adjoining land resulting from the construction of any residence on the Property. The Covenantee may make such repairs as the Covenantee considers necessary, at the cost of the Owner, or require the Owner to carry out such repairs at the Owners cost as directed by the Covenantee. Any such repairs must be on a "like for like" basis so that the item repaired is of identical material and appearance to the item damaged.

5. Occupation of Residence

Any residences constructed on the Property must not be occupied until all exterior claddings to the buildings comprised in the residence are completed and are fully decorated; a driveway has been laid in accordance with the building standards herein, all paths, gates, clotheslines and letterboxes are installed; the grounds around the residence are levelled and prepared for the development of lawn and gardens; and the boundary fences have been erected around the Property to the minimum standard set out herein.

6. **Boundary Adjustment**

6.1 The Owner must not alter the boundaries of the Property whether by amalgamation, boundary adjustment or in any manner howsoever without first obtaining the consent in writing of the Covenantee.

7. Restrictions on Construction

- 7.1 (a) "Granny Flat" means a building (or part of a building) capable of being treated as an independent household unit separate from the main residence, and includes a separate area integrated into the residential building for the accommodation of a close family relative or dependent.
 - (b) The Owner must not use any part of the Property for the construction of more than one residence, provided however that the residence may include a integral Granny Flat.
 - (c) Any Granny Flat construction must comply with these Covenants and the Hastings District Plan.
- 7.2 The Owner must not erect any building other than a new residential home which complies with on the property.

8. Contractors

8.1 (a) The vehicle crossings servicing Lots 4, 5 and 7 will be constructed by the Covenantee as part of the underlying subdivision consent RMA 20210084. The location and dimensions of those crossings shall not be modified, and no new vehicle crossings shall be constructed for these lots.

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- (b) The Owners of properties not referred to in paragraph 8.1 (a) must immediately prior to commencing the construction of any residence on their Property, construct an all-weather access crossing for the purpose of avoiding unsightly mud and rubbish being deposited on to the roads. Except where the access crossing is to be used as part of the driveway to the Property, the access crossing shall, on completion of the construction of any residence on the Property, be removed by the Owner and the surface of the ground restored to its condition immediately prior to the laying of the access crossing.
- (c) The Owner must also, before commencing the construction of any residence on the Property, construct a mud free hard stand loading pad for a distance of 5 metres from the boundary of the boundary into the Property, and of a minimum width of 4 metres.
- (c) In constructing the access crossing and loading pad the Owner must ensure that no damage is caused to any existing berms or footpaths and the Owner hereby indemnifies the Covenantee from any ensuing liability in respect of any damage.
- The Owner must ensure that no concrete trucks servicing any construction activities on the Property dump concrete slurry on the Property or adjacent or abutting land.
- 8.3 The Owner must not permit any contractor, sub-contractor or employee ("the Builders") to commence construction of the residence without first ensuring that the Builders are familiar with the requirements of this clause and all other provisions relating to the construction of the residence, and that these provisions are compiled with.

9. **Boundary Fencing**

- 9.1 (a) Prior to the residence on the Property being occupied for residence purposes or being offered for sale the Owner must ensure that all boundary fences around said Property have been erected to the minimum standards set out in sub paragraph (b) of this clause provided that the Covenantee may in its sole discretion approve other fence designs and heights that do not comply with the minimum standards where those fences are incorporated into the overall architectural design of the residence and are in harmony with its cladding and do not detrimentally affect the street vista.
 - (b) The minimum boundary fencing standards comprise a pre-colour coated metal siding with matching metal cap in the colour grey ridge and a pre-colour coated metal picket fence in the colour black. Posts are to be set in concrete. No fence shall be more than 1.83 metres in height above the ground level of the property as at the date of occupation of the residence by the first owner.
 - (c) No fence along or within 3 metres of any boundary fronting a road may exceed one metre in height above the natural ground level unless that increase is approved by the Covenantee, in its sole discretion.
 - (d) Fencing along any boundary fronting a Reserve, Stoneycroft Reserve or the Noise Bund Reserve must be a black picket fence as referred to clause 9.1(b) above.

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10. Roof Claddings

10.1 The minimum roofing standard for all buildings comprised in a residence are precoloured long run or pressed tile roofing products. The use of unpainted galvanised iron, zincalume or similar product will not be permitted.

11. Exterior Claddings/Painting and Decorating

- 11.1 (a) Feature cladding such as kiln fired or concrete brick veneers, textured stuccos/coatings, stone, timber or pre-primed fibre cement weatherboard having maximum finished width not exceeding 180mm must be utilised over not less than 80 percent of the non-glazed area of the exterior walls of the residence and the feature cladding should be concentrated on the elevations visible to the street.
 - (b) All buildings detached from the residence must comply with the above requirements and be in conformity with the residence.
 - (c) All exterior surfaces not precoated or prefinished shall be painted or stained prior to the Owner occupying the residence.
 - (d) Any weatherboarding detail must include, as the preferred design, traditional box and scriber treatments to the corners and window in conjunction with an appropriate use of colour.
 - (e) Any residence which has an exterior finish in the form of flat cladding, concrete block, poured concrete or similar must have the surface of those materials textured in such a manner as to fully cover all of the base material.

12. Minimum Floor Area

12.1 The minimum ground floor area of that part of residence that comprises the enclosed living areas of the residence and the integral double garage, but excludes any detached garages or carports and all other ancillary buildings and other improvements ("Residential Building") must be not less than 130 square metres.

13. **Driveways**

13.1 A driveway must be constructed to provide vehicular access to the residence consisting of a permanent surface of concrete, concrete block, brick paving with such surfacing to be completed to a good tradesman like standard.

14. Relocatable Structures

- 14.1 The Owner must not place on the Property any relocated or transportable building or structure whether new, used or recycled provided that, builders sheds or such other buildings that are required, during the course of the construction and erection of any residence may be placed on the Property but must be removed on completion of construction.
- 14.2 Notwithstanding the provisions of Covenant 14.1 above, the Owner may, with the consent of the Covenantee (at the Covenantee's sole and absolute discretion), install a Portacom or similar relocatable building on the Property or on other Properties within the Covenantee's subdivision for the use by the Owner as a Sales Office.

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15. **Garaging**

15.1 The residence must include an attached or separate fully enclosed garage that is capable of storing a minimum of two cars and which is completed at the same time as the residential building in the same or similar type of materials.

16. **Disrepair of Buildings**

16.1 The Owner must not allow on the Property any buildings or structures to become dilapidated or to fall into disrepair or to allow any nuisance or disturbances to be caused to any owner or occupier of neighbouring residences.

17. **Temporary Dwellings**

- 17.1 No temporary dwelling, caravan, trade vehicle or other equipment and materials may be brought onto or allowed to remain on the Property following completion of the residence unless they are garaged or screened as to preserve the neighbourhood amenities.
- 17.2 No person may reside on the Property, whether permanently or temporarily, until the residence is ready for occupancy by the Owner in accordance with clause 5.1 herein; and the Owner must remove any persons so residing in breach of this Covenant.

18. Graffiti

18.1 The Owner must not allow to remain on any wall, fence, structure or building on the property any graffiti or similar disfiguring for more than 5 working days, from the date that such occurred or was brought to the notice of the Owner.

19. Animals

19.1 The Owner must not keep any poultry, farm animals, animals or birds bred for commercial purposes on the Property. Animals kept on the Property must not be allowed to become a nuisance to other residents in the development.

20. Advertising Signs

- 20.1 The Owner must not permit any advertising sign or hoarding of a commercial nature to be erected on any part of the Property without prior written consent of the Covenantee.
- 20.2 The Covenantee may permit the erection of advertising hoardings on the Property;
 - (a) during construction of the residence for advertising the services of builders and other tradesman working on the construction of the residence.
 - (b) where the residence is subsequently used by the owner as a Show Home as set out in Covenant 3.3, during the approved Show Home period.
 - (c) any hoardings erected must be first approved by the Covenantee whose discretion is sole and unrestricted as to size, content and placement on the Property.

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21. Screening and Lot and Road Frontage Maintenance

- 21.1 The Owner must not bring on or allow to remain on the Property any motor vehicles with a gross weight in excess of 2.5 tons (whether mobile or immobile), caravans, boats, trailers, recreational vehicles, machinery, firewood, apparatus or any such similar thing in any place other than a shed, garage or carport and/or any area that is properly screened from the street nor allow any such vehicle to be parked on the street within the development.
- 21.2 The Owner must keep the Property and the Council owned frontage of the Property in a neat and tidy condition and maintained free from long grass, weeds, rubbish, builders waste; and must not use the Property for storage or stockpile of other substances before, during and after construction of any residence on the Property.

22. Satellite Dish and other External Accessories

- 22.1 The Owner must not install any external accessory including television aerials, satellite dishes and solar panels ("accessories") on any side of the residence or building fronting a street.
- Any accessories that are installed on any roof, the residence or building must be installed in such a way as to be discretely integrated with the design of such buildings so that they are not highly visible from any road, thoroughfare or adjoining land.
- 22.3 The Owner must not install any water tank on any wall or part of the roof, including any water tank forming part of a solar water heating unit. Any ground-located water tank must be in a rear yard and screened from sight.

23. Fencing

23.1 The Covenantee is not liable to pay or contribute towards the expense of erection or maintenance of any fence between the Property and any contiguous land of the Covenantee but this provision shall not endure for the benefit of any subsequent purchaser of the contiguous land.

24. Covenantee's Indemnity

24.1 The Owner agrees that it will at all times hereafter save harmless and keep indemnified the Covenantee from all proceedings, cost, claims and demands in respect of any breaches by the Owner of any of the Covenants and restrictions hereinbefore on the Owner's part contained or implied.

25. Enforcement of Covenants

25.1 The Covenantee is not required or obliged to enforce all or any of the Covenants, stipulations and restrictions contained herein nor liable to the Owner for any breach thereof by any of the registered proprietors from to time of the other Properties in the subdivision are subject to the within Covenants.

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26. Damages for Breach

26.1 In the event of a breach of any Covenant the Owner will on demand pay to the Covenantee the sum of \$20,000.00 or a sum equal to 25% of the cost of erection of a dwelling, house or structure on the Property whichever sum is greater. This sum together with all costs incurred in enforcing the Covenant will constitute a debt due to the Covenantee and is recoverable by Covenantee as liquidated damages.

27. Covenantee's Development

- 27.1 For the purpose of this covenant the term "Covenantee" means the present Covenantee Applecroft Limited or any successor of Applecroft Limited.
- 27.2 The Owner acknowledges and agrees to consent to any application made or to be made by the Covenantee for a resource consent pursuant to the Resource Management Act 1991 for any development abutting the Burdened Land that is presently owned by the Covenantee or is subsequently acquired by the Covenantee or is developed by the Covenantee whether themselves or in association with any other company or person by way of joint development; for residential and/or commercial purposes. In particular, the Owner covenants to sign any affected persons consent required by any territorial or regional authority.
- 27.3 The Owner hereby acknowledges and agrees that the Owner will not be entitled to any compensation whatsoever if the Owner or the Property shall suffer any nuisance, injurious affection or otherwise caused by the Covenantee in developing land neighbouring or adjacent to the Burdened Land.

28. **Boundary Planting**

28.1 The Owner hereby acknowledges and agrees not to, damage or otherwise interfere with any fences or planting on the boundary to the subdivision being carried out by the Covenantee adjoining or neighbouring the Property including but not limited to hedges, and the Owner will allow the Covenantor to enter onto the Property for maintenance of any such planting.

29. Waiver of Covenants

29.1 Notwithstanding these covenants, the Covenantee may waive strict compliance with these covenants provided that if the Covenantee decides in its sole discretion that the proposed amendments conform to the spirit of Clause 2.1 and in accordance with the continued harmony of the subdivision generally, and for avoidance of doubt, the decision as to this waiver by the Covenantee will be final and not subject to any review whatsoever. The Covenantor shall be responsible for the Covenantee's reasonable costs in relation to the waiver of any covenants pursuant to this Clause or the provision of any other consent.