# Dated 30 September 2015

Mansons Properties (151 Victoria) Limited

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Agreement relating to the ownership and building management of 2 Graham Street, Auckland

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# Parties

- 1 Mansons Properties (151 Victoria) Limited (registered company number 4403798) as Owner of Lot 2
- 2 Mansons Properties (151 Victoria) Limited (registered company number 4403798) as Owner of Lot 3
- 3 Mansons Properties (151 Victoria) Limited (registered company number 4403798) as Owner of Lot 4

#### Background

- A. Mansons Properties (151 Victoria) Limited is currently the registered proprietor of Lot 2, Lot 3 and Lot 4, and the Jointly Owned Lot, and the lessor of all leases in respect of the Buildings.
- B. Mansons Properties (151 Victoria) Limited enters into this Agreement in order to establish the rights and obligations of each Owner, so as to enhance and preserve the integrity of the Development for the benefit of each Owner and each Occupant from time to time of any Building.

#### **Operative Provisions**

1 Definitions and Interpretation

#### 1.1 Definitions

In this Agreement unless the context otherwise requires or it is expressly stated otherwise:

- (a) "Agreement" means this Agreement together with the attached schedules, and such other documents as this Agreement expressly provides as being intended to comprise part of this Agreement, as amended or varied from time to time in writing and signed by all Owners in accordance with clause 16.
- (b) "Atrium" means the enclosed atrium between the Building on Lot 3 and the Building on Lot 4, but which is constructed within Lot 1 on the ground level and wholly within Lot 3 on levels 1 to 5, as identified on the attached Atrium Plan.
- (c) "Authority" means any local, territorial, government or other authority having jurisdiction or authority over or in respect of the Land, the Development or the Buildings.
- (d) "BMA Encumbrance" means the encumbrance that is registered against the title to each Building in favour of the Owners for the time being of every other Building in support of this Agreement.
- (e) "Building" means any building or improvement on any part of the Land.
- (f) "Consent" means any building consent granted by an Authority under the Building Act 2004.
- (g) "Cost" and "Costs" means any costs of the installation, creation, establishment, repair, maintenance, replacement, renewal and service of any article, property or facility used or needed for the proper exercise of any of the rights created by this Agreement.

- (h) "Default Notice" means a notice issued in the circumstances referred to in clause 15, which notice must:
  - (i) contain reasonable details of the relevant default, the remedial action required to remedy that default, and the period within which that default is required to be remedied (which period must be reasonable in the circumstances having regard to the nature and effects (including potential effects) of the relevant default);
  - (ii) advise that the issuer of the Default Notice will undertake the relevant remedial action specified in the Default Notice if the recipient of the Default Notice fails to do so within such specified reasonable period; and
  - (iii) specify the name and contact details of the Representative of the issuer of the Default Notice.
- (i) "Development" is the office complex located on the Land comprising Lot 2, Lot 3, Lot 4 and the Jointly Owned Lot.
- (j) "Development Standard" means the level and standard reasonably expected of a New Zealand commercial office development situated in the Auckland region classified under the Property Council of New Zealand's CBD Office Quality Grading Matrix current as at the date of this Agreement as Grade A (being the Property Council of New Zealand's highest grade as at the date of this Agreement).
- (k) "Dispute" means any dispute that may arise between any of the parties to this Agreement relating to or arising out of this Agreement or the matters contemplated by this Agreement.
- (I) "Dispute Notice" means a notice in writing issued by a person wishing to resolve a Dispute, which notice must:
  - (i) contain reasonable details as to the nature of the Dispute;
  - (ii) specify the name and contact details of the representative of the issuer of the Dispute Notice; and
  - (iii) require the recipient of the notice to review the relevant matters specified in the notice in accordance with the dispute resolution procedures specified in clause 21 with a view to resolving the Dispute and for that purpose to appoint a representative with authority to negotiate a resolution of the Dispute.
- (m) "Duties" means those duties of the Property Manager as set out in Schedule 1.
- (n) "Emergency" means a situation that has arisen in circumstances in which it was not reasonably foreseeable and in which it is necessary to carry out Works urgently and without obtaining the prior written approval of the relevant Owner in order to:
  - (i) avoid imminent risk of causing harm or injury to people and/or material damage being caused to any part of a Building, the Jointly Owned Lot or the Development as a whole; or
  - (ii) ensure the continuation of the services being provided by a Facility, the continuation of which services are reasonably necessary for the proper enjoyment of a Building, the Jointly Owned or the Development as a whole.

- (o) "Entitled Owner" means in the context of any Specified Improvement, the Owner that is entitled to the benefit of that Specified Improvement as set out in Schedule 2.
- (p) "Expert" means an expert independent of the parties appointed pursuant to clause 21.1, who shall be a recognised experienced expert in relation to the subject matter of the particular dispute.
- (q) "Facilities" and a "Facility" means and includes, in respect of any particular Service or Services, all piping, pipework, pumps, tanks, conduits, cabling, wiring, ducting, connections and any other machinery, apparatus, systems and equipment, (in each case whether original or in addition to or in substitution for, in whole or in part, the original) which is suitable for the purpose of the particular Service and which performs a function in connection with or incidental to, or which provides or facilitates or is incidental to the effective operation or performance of, the particular Service.
- (r) "Fire Report" means the report of Norman Disney & Young dated 20 August 2014 (Revision 9.3).
- (s) "Insured Risk" means damage or destruction by fire, flood, explosion, lightning, storm, earthquake, volcanic activity and such other risks as a prudent building owner would insure against.
- (t) "Jointly Owned Lot" means the land and buildings comprised in Lot 1 on the Plan, and incorporating the carparking areas, the motorcycle and scooter parks, bike parks, lockers and shower facilities, storage areas, podium, plaza and walkways which are jointly owned by each Owner together with their respective Buildings.
- (u) "Land" means the land situated at 2 Graham Street, Auckland, formerly comprised in Lot 1 Deposited Plan 468475, and consisting of the Jointly Owned Lot, Lot 2, Lot 3 and Lot 4.
- (v) "Lot 2" means the land and buildings comprised in Lot 2 on the Plan, being the retail premises situated at the ground level on Hardinge Street, Auckland.
- (w) "Lot 3" means the land and buildings comprised in Lot 3 on the Plan, being the 6 level office building (including the ground level) situated on Graham Street, Auckland.
- (x) "Lot 4" means the land and buildings comprised in Lot 4 on the Plan, being the 6 level office building (including the ground level and the ground level retail) situated on the corner of Graham Street and Victoria Street West, Auckland.
- (y) "Occupant" means the person who for the time being has the right to occupy all or any part of a Building either as Owner thereof or pursuant to a lease or licence granting rights to occupy and use the relevant part or parts of a Building, but excluding any employees or invitees of the Occupant and any members of the public having access to that Building.
- (z) "Owner" means each and every person who is from time to time registered as the proprietor of a Building.
- (aa) "Plan" means LT 490577 (North Auckland Registry).
- (bb) "Property Manager" means the provider of professional property and facilities management services appointed from time to time as contemplated by this Agreement to carry out the Duties.

- (cc) "Sign" means any signs, placards, banner, lettering, tubing, and reflected images and projections of any type including digital, electronic, neon, flashing, fixed, floating, or luminous.
- (dd) "Services" means all building services now or in the future installed in the Development for the benefit of any Building, Jointly Owned Lot and/or the Development, including: back-up generators, building maintenance units, air-conditioning, ventilation, electricity, fire-fighting system, fire protection services, lift services, wastewater, gas, mechanical plant, media, security system, stormwater, telecommunications, water supply; and for the purposes of clauses 14.1 to 14.4 includes any Specified Improvement and the external façade enclosing the Atrium.
- (ee) "Specified Improvements" means those improvements forming part of the Development which are listed in Schedule 2.
- (ff) "Working Day" means any day of the week excluding Saturdays, Sundays and statutory holidays in the Auckland region (including any day on which a statutory holiday falling on a Saturday or Sunday is observed) and excluding all days in the period commencing the 24th of December in any year and ending on the 5th day of January in the following year.
- (gg) "Works" means any works carried out in respect of any Facility including any installation, upgrading, renewal, repair or maintenance of any Facilities and any testing or inspection of any Facilities that are used or enjoyed by any Building pursuant to which the particular Facilities are disconnected or rendered non-operational (albeit temporarily).

#### 1.2 Interpretation

In this Agreement unless the context otherwise requires or it is expressly stated otherwise:

- (a) All monetary references are to New Zealand dollars.
- (b) Words denoting a person shall include any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, estate, agency of state, municipal authority, government or any statutory body in each case whether or not having a separate legal identity.
- (c) Any covenant or agreement on the part of two or more persons shall bind those persons jointly and severally.
- (d) References to clauses and schedules are references to clauses and schedules in this Agreement.
- (e) Headings are included for reference only and shall not affect the interpretation of this Agreement.
- (f) Any reference to any statute, regulation, ordinance or bylaw shall be deemed to extend to all statutes, regulations, ordinances or bylaws amending, consolidating or replacing the same.
- (g) References to any person shall include that person's executors, administrators, successors and, where permitted, assigns and, where not repugnant to the context, includes the employees, agents, licensees, invitees, contractors and any other person under the control or direction of that person.

#### 1.3 Severability

If any provision or part of this Agreement is illegal, invalid, or unenforceable then such provision or part shall be construed to whatever extent as may be necessary to ensure that it is not illegal, invalid or unenforceable and as may be reasonable in all the circumstances so as to give it a valid operation of a partial character. If that provision or part thereof cannot be so construed it will be deemed to be removed from and not form part of this Agreement, but the rest of this Agreement shall not be affected and shall continue in full force and effect.

#### 1.4 Conflict

If there is any conflict or inconsistency between the provisions of this Agreement, the contents of the Schedules, and the provisions of this Agreement, then the provisions of this Agreement shall, to the extent possible, prevail.

#### 2 Operative provision and purpose

2.1 Each Owner covenants with each other Owner to perform and observe the provisions of this Agreement, in order to ensure, preserve, and enhance, the integrity and reputation of the Development as a premium commercial office development which meets or exceeds the Development Standard.

#### 3 Property management

#### 3.1 Management of Buildings and Jointly Owned Lot

- (a) Each Owner shall at all times manage their respective Building in a manner that is consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard including ensuring that their respective Building and all components of it (and Services and Facilities comprised in it) are:
  - (i) serviced and maintained in a manner consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard and in accordance with best industry facilities management practice;
  - (ii) compliant with all relevant statutory and regulatory requirements;
  - (iii) kept and maintained in good working order and to a standard consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard; and
  - (iv) replaced when reasonably required to ensure the continued performance of their intended function to a standard consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard.
- (b) Each Owner shall together jointly manage the Jointly Owned Lot, at all times in a manner that is consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard including ensuring that the Jointly Owned Lot and all components of it (and Services and Facilities comprised in it) accord with the provisions of clause 3.1(a).

#### 3.2 Appointment of Property Manager

- (a) The Owners shall together engage the Property Manager to manage and maintain the whole of the Development in accordance with clause 3.1, on terms which at a minimum oblige the Property Manager to:
  - (i) perform the Duties in a manner which is consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard (with the intent that the same Property Manager will be responsible for the

performance of the Duties in relation to each Building and the Jointly Owned Lot); and

- (ii) be the primary contact for the Occupants in respect of all matters arising under their respective leases or licences (as the case may be).
- (b) Each Owner shall do all things, including providing such funds (including for long term maintenance), resources, consents, approvals and delegated authorities in a timely manner as may be reasonably necessary and at the appropriate times to ensure that the Property Manager is able to
  - (i) fully perform the Duties in a manner which is consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard at all times; and
  - (ii) effectively manage the leases and licences of the Occupants as the respective Owner's representative for and on behalf of the respective Owners and ensure compliance by the Owners and the Occupants with the terms of the leases and licences.
- (c) The Property Manager must at all times be a reputable and experienced provider of property management services for other commercial offices in the Auckland region which meet or exceed the Development Standard.
- (d) As at the date of this Agreement, Mansons Properties (151 Victoria) Limited in its capacity as Owner of all Buildings has appointed CBRE to be the Property Manager in respect of all of the Buildings and the Jointly Owned Lot and to perform the Duties.
- (e) At the end or sooner determination of CBRE's initial appointment, the Owners shall together agree to extend or renew that engagement or, if appropriate, engage a new Property Manager to perform the Duties in respect of the whole of the Development in accordance with clause 3.2(a) provided that any new Property Manager must satisfy the requirement set out in clause 3.2(c).
- (f) The terms on which any new Property Manager is appointed shall be negotiated between the Owners and the Property Manager at the time of appointment, and shall reflect those terms which are predominant in the marketplace for comparable developments in the Auckland region, but must incorporate any necessary requirements contained in this Agreement including clauses 3.1, 3.2 and 3.3, and shall otherwise be consistent with the Development Standard.

## 3.3 Performance of Property Manager

The Owners shall ensure that the agreement under which the Property Manager is appointed provides for:

- (a) regular performance reviews of the Property Manager to ensure compliance with key performance indicators which:
  - (i) are consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard at all times; and
  - (ii) incentivises the Property Manager to implement appropriate planning, procurement and management systems to minimise the costs of owning, maintaining and operating the Development for the mutual benefit of the Owners and the Occupants but without comprising the required standard to which the Development is to be maintained; and
- (b) the termination of such agreement in the event of material and/or repetitive default of such key performance indicators.

#### 4 Development Appearance

- 4.1 The Owners agree to take a coordinated approach to the external appearance of the Development and the external appearance of the Buildings (both when viewed from outside the Development or from within the Development (i.e. from other Buildings, the plaza comprised in the Jointly Owned Lot) and the Atrium).
- 4.2 Each Owner shall ensure that the external appearance of their Building (from both outside the Development and from within the Development) is at all times maintained in good order and to a standard consistent with ensuring that the Development (as a whole) meets or exceeds the Development Standard.
- 4.3 No Owner shall change, or allow to be changed, the external appearance of their Building (when viewed from either outside the Development or from other Buildings or the Atrium and the plaza comprised in the Development) without the unanimous written approval of all of the Owners, except:
  - (a) in respect of signage relating to the naming and signage rights of the Buildings (which is governed by clause 5.1); or
  - (b) as part of any permitted refurbishment or repair of that Owner's Building, provided that the external appearance of the Building on completion of the refurbishment or repair is the same as it was prior to the refurbishment or repair and any materials used are of the same or superior quality as those being replaced or repaired.

## 5 Naming and Signage Rights

#### 5.1 Building naming and signage

- (a) Each Owner has the right to grant naming and signage rights in respect of their respective Building, subject to clauses 5.1(b) (c), 5.2 and 8.
- (b) No Owner shall permit their Building to be named with a name that is:
  - (i) offensive or that is inconsistent with the reputations of:
    - (1) the Development as a high quality commercial office development;
    - (2) the Occupants; or
  - (ii) in breach of clause 5.2(b).
- (c) No Owner shall permit any signage visible from the exterior of their Building or in any common areas in the Development to be installed which is:
  - (i) offensive or inconsistent with the reputations of:
    - (1) the Development as a high quality commercial office development (taking into account the design and architectural qualities of the Development); or
    - (2) the Occupants; or
  - (ii) in breach of clause 5.2(b).

## 5.2 Development naming

(a) As at the date of this Agreement, the Owners intend to together grant naming rights in respect of the Development (as a whole) to a single tenant occupying the whole of either Level 3, 4 or 5 of the Development.

(b) None of the Owners shall do, or permit to be done, any thing which breaches or derogates from the grant of those naming rights.

#### 6 Jointly Owned Lot

## 6.1 Management of Jointly Owned Lot

- (a) Except to the extent this Agreement provides otherwise, the Property Manager shall be responsible for co-ordinating any maintenance and repairs to the Jointly Owned Lot which are not Specified Improvements, in particular:
  - the vehicle access and manoeuvring areas within basement levels 1 and 2 of the Development including any associated equipment such as card readers, carparking barriers etc;
  - (ii) the bike parks, lockers and shower facilities within basement level 1 of the Development;
  - (iii) the outdoor plaza on the ground podium level of the Jointly Owned Lot; and
  - (iv) the walkway on the Jointly Owned Lot which runs from Victoria Street West along the Western perimeter of the Development.
- (b) The costs of any maintenance and repairs under clause 6.1 are to be apportioned between the Owners in accordance with their respective ownership shares in the Jointly Owned Lot.

#### 6.2 Use of Specified Improvements

- (a) The Owners, as joint owners of the Jointly Owned Lot, grant to the relevant Entitled Owner specified in Schedule 2 the exclusive right to use, lease or licence the respective Specified Improvements comprised within the Jointly Owned Lot as set out in Schedule 2 for the purposes specified in Schedule 2.
- (b) For the avoidance of doubt, the rights enjoyed by an Entitled Owner pursuant to clause 6.2(a) include the exclusive rights to:
  - (i) lease or licence the Specified Improvement to Occupants; and
  - (ii) receive any rent, licence fees or other income generated from the lease or licence of the Specified Improvements.

## 6.3 Maintenance of Specified Improvements

- (a) Where Schedule 2 provides that maintenance and repairs of any Specified Improvement are the sole responsibility of a particular Owner, that Owner has the same obligations with regards to the Specified Improvement set out in clause 3.1 as if the Specified Improvement was that Owner's Building.
- (b) Notwithstanding clause 6.3(a), the Property Manager shall be responsible for coordinating any maintenance and repairs of any Specified Improvements which are carparking spaces, with the costs to be apportioned between the Owners in accordance with their respective ownership shares in the Jointly Owned Lot.

#### 6.4 Future easements

- (a) Any Entitled Owner may require their rights under this Agreement in relation to any Specified Improvement to be formalised by way of registered easement, by giving notice in writing to each other Owner.
- (b) Where 6.4(a) applies, all Owners shall do all such things as may be reasonably necessary to procure the creation and registration of easements for the relevant Specified Improvement(s).

- (c) The costs of creating any easements pursuant to this clause 6.4 shall be borne by the relevant Entitled Owner.
- (d) Any dispute as to the form of easements are to be determined in accordance with clause 21.1.

#### 7 Atrium and Development Exterior

- 7.1 All Owners and Occupants are entitled to the access and use of the Atrium at ground level for the purpose of use as a commercial office building lobby.
- 7.2 The Owner of Lot 3 shall be responsible for co-ordinating via the Property Manager the cleaning, repair and maintenance of:
  - (a) the exterior glazing and roof of the Atrium.
  - (b) the interior of the Atrium,
- 7.3 The costs of any cleaning, repair and maintenance of the Atrium under clause 7.2 are to be apportioned between the Owners in accordance with their respective ownership shares in the Jointly Owned Lot.
- 7.4 In addition to any cleaning, repair and maintenance of the exterior glazing and roof of the Atrium, the Property Manager shall arrange for cleaning, repair and maintenance of the exterior glazing and roof of the Buildings which adjoin the Atrium.
- 7.5 The costs of any cleaning, repair and maintenance of the Atrium under clause 7.4 are to be apportioned between the Owners in accordance with their respective ownership shares in the Jointly Owned Lot.

#### 8 Lease obligations

#### 8.1 Leases to Occupants

Where all Owners have consented to certain provisions contained in any one lease or licence relating to restrictions on use, leasing, licensing or signage within the Development, then each Owner shall:

- (a) not do, nor permit to be done, any thing within their respective Building or the Jointly Owned Lot which breaches those provisions; and
- (b) Ensure that any leases or licences in respect of that Owner's Building incorporates such further provisions as are reasonably necessary to ensure the ongoing observance of those restrictions on use, leasing or licensing or signage within the Development.

#### 8.2 Existing Leases

As at the date of this Agreement, all Owners have consented to all of the provisions in the following deeds of lease:

- (a) The deeds of lease contemplated by the agreement to lease dated 4 March 2015 between (amongst others) Mansons Properties (151 Victoria) Limited as landlord and APN Holdings NZ Limited as tenant, namely:
  - (i) Deed of lease in respect of Ground level of the Building on Lot 3 ("NZME GA Lease");
  - (ii) Deed of lease in respect of the part of the Ground level of the Building on Lot 4:
  - (iii) Deed of lease in respect of the Level 1 of the Building on Lot 3;

- (iv) Deed of lease in respect of the Level 1 of the Building on Lot 4;
- (v) Deed of lease in respect of the Level 2 of the Building on Lot 3; and
- (vi) Deed of lease in respect of the Level 2 of the Building on Lot 4.
- (b) The deeds of lease contemplated by the development agreement dated 28 May 2015 between Mansons Properties (151 Victoria) Limited as landlord and the Equity Partners of Meredith Connell as tenant, namely:
  - (i) Deed of lease in respect of level 5 of the Building on Lot 3; and
  - (ii) Deed of lease in respect of level 5 of the Building on Lot 4.

The provisions of this clause 8 do not apply to any variations of the leases or licences referred to in this clause 8.1, except to the extent that such variations have been consented to by all of the Owners in writing.

#### 8.3 Signage under NZME GA Lease

- (a) For so long as the NZME GA Lease is extant, the Owner of Lot 3 will have the right to keep certain media and static signage on the exterior of the Building on Lot 4 facing Graham Street / Victoria Street West as shown on the attached signage plans, and shall be entitled to all revenue therefrom.
- (b) Where any such signage is demolished or removed, the Owner of Lot 3 is solely responsible for making good any damage to the Building on Lot 4 that may be caused by such demolition or removal upon termination of the NZME GA Lease.

#### 9 Fire safety and means of escape from fire

#### 9.1 Compliance with Fire Report

Each of the Owners shall through the Property Manager (acting as their agents) comply with the Fire Report and ensure that the fire egress exits, entries and routes to, from, and through their respective Buildings and the Jointly Owned Lot are maintained and available to be used as contemplated in the Fire Report. Where an Owner is undertaking maintenance on the fire detection and/or suppressions systems in that Owner's Building, the Owner shall notify the Property Manager accordingly so that the Property Manager can notify all other Owners in accordance with the Duties.

#### 9.2 Fire Rating of Ducting Routes

Unless otherwise specified in this Agreement, where any piping, pipework, wiring, ducting, cables, conduits or connections situated in one Building or the Jointly Owned Lot are required for or in connection with a Facility, Service or amenity benefiting an Owner of a Building, the Owner of that Building must at all times ensure that applicable statutory requirements and regulatory controls relating to fire safety and protection from fire and other like hazards are complied with.

## 10 Embedded Network

10.1 The Development includes an embedded electricity network which is jointly owned by all of the Owners in the same proportion as their respective shares in the Jointly Owned Lot. The supply of all electricity to the Development (including each Building and all premises within each Building) shall be via this network. All line fees and any other revenue received in respect of this network shall be apportioned as per each Owner's share in the Jointly Owned Lot

## 11 Insurance

11.1 The Owners will insure and keep insured:

- (a) Each Owner's Building; and
- (b) the Jointly Owned Lot (including all buildings and improvements thereon),

which together comprise the Development with a single reputable and substantial insurance company on a full replacement and reinstatement basis against destruction or damage by the Insured Risks. Each of the Owners will pay the premium payable in respect of their insurance. Each of the Owners must not do or permit to be done anything in the Buildings or any part of the Development whereby any such insurance effected by any of the Owners may be rendered void or voidable.

#### 12 Section 363 of the Building Act 2004

No Owner shall permit or give consent to or carry out any building work in any part of the Development (which for the avoidance of doubt includes any part of (or the whole of) each of the Buildings as well as the Jointly Owned Lot) which may cause any Occupant to be in breach of section 363 of the Building Act 2004.

#### 13 Building Warrant of Fitness and Compliance Schedules

Each of the Owners shall through the Property Manager (acting as their agent) ensure that current building warrants of fitness and compliance schedules for the Buildings and the Development are maintained at all times.

#### 14 Services and Facilities

#### 14.1 Services and Facilities serving the Development

- (a) In respect of any Services or Facilities which are located within a specific Building and serving the Jointly Owned Lot or any of the other Buildings, or located within the Jointly Owned Lot and serving any of the other Buildings, or comprising any Specified Improvement:
  - (i) The Owner of the Building in which the Services or Facilities are located, shall provide each of the other Owners with the continued use of the relevant Services or Facilities for the designed and intended purpose of the Services or Facilities together with the right of reasonable access through the Building for the purposes of operating, repairing, maintaining, upgrading and/or replacing the specified Services or Facilities.
  - (ii) The Owner of the Building served by the Services or Facilities, shall be entitled to the continued use of the relevant Services or Facilities for the designed and intended purpose of the Services or Facilities together with the right of reasonable access through the Building or the Jointly Owned Lot (as the case may be) for the purposes of operating, repairing, maintaining, upgrading and/or replacing the specified Services or Facilities.
- (b) Each Owner shall be entitled to continue to enjoy the benefit of the structural support which the Jointly Owned Lot and/or other Owners' Building provide to:
  - (i) that Owner's Building; and
  - (ii) any walk bridge comprised in the Jointly Owned Lot or the Owner's Building.

## 14.2 Powers incidental to rights and obligations

Unless otherwise specified, the rights granted, and the obligations to perform positive covenants and other obligations, pursuant to the Building Act 2004, building regulations, codes, bylaws and this Agreement include all rights and powers reasonably required in the circumstances for the

reasonable and proper exercise of the relevant rights and performance of the relevant obligations including:

- (a) The right to carry out such Works as may be reasonably necessary for the inspection, testing, upkeep, maintenance, replacement, renewal and repairs of or to Facilities within the Buildings and the Development.
- (b) The right of access through any Building for the purpose of carrying out appropriate installation, inspection, testing, upkeep, maintenance, replacement, renewal and repairs of or to the relevant Facilities situated within the relevant Building.

## 14.3 Exercise of rights and performance of obligations

The following provisions apply on each occasion an incidental power pursuant to clause 14.2 is exercised, and also to each covenant or obligation specified in this Agreement:

- (a) Entry upon any Building shall be made only in circumstances permitted by this Agreement, for proper purposes in the reasonable and proper exercise of that right or in the performance of an obligation, and in a manner which complies with the terms of any leases, licences or other arrangements entered into with all Occupants that will be affected by such entry.
- (b) Persons entering upon any part of a Building, or undertaking any installations, inspections, testing, maintenance, repairs or other work, shall not interfere with, alter, modify, remove, or replace any part of that Building or any equipment, machinery, materials, cables, pipes, conduits, ducting, connections or other items except for a proper authorised purpose and undertaken in accordance with clauses 14.4 to 14.9 (inclusive).
- (c) All materials and equipment required for or incidental to undertaking an activity in the exercise of an incidental power under clause 14.2 or performing a positive covenant or other obligation under this Agreement must be of such nature as will ensure the avoidance of any damage or deterioration to any parts of any Building, the Development and any property of the Occupants. All Works in relation to such activities must be undertaken in a manner which avoids damage or deterioration to any part of any Building, the Development (including that part within which the relevant activities are undertaken) and any property of the Occupants.

## 14.4 Access to and Works to Buildings

Where pursuant to the rights and obligations set out in clauses 14.1 to 14.2 any Owner requires access to any other Owner's Building, the Owner requiring access shall first obtain the prior written consent of the Occupants of the relevant Building. The Occupant of the relevant Building shall not unreasonably withhold or delay the giving of such consent, having regard to the circumstances and the intent of clauses 14.1 and 14.2 but such consent may be subject to such conditions which are reasonable in the circumstances (including, without limitation, a requirement for the Owner requiring access to be escorted by a representative of the Occupant) and such other terms as may be contained or reasonably implied in the leases, licences or other arrangements entered into with the Occupants of the relevant Building.

#### 14.5 Inspections

All inspections and testing of Facilities must be undertaken only by suitably qualified persons having the requisite skills and experience to undertake such inspections and testing safely and competently, and in compliance with applicable statutory requirements and regulatory controls.

#### 14.6 Undertaking Works

All Works carried out by any Owner relating to Facilities situated within any Owner's Building pursuant to clause 14.4 must only be undertaken by suitably qualified persons having the requisite skills and experience to undertake such Works competently, to a high standard of workmanship, and in compliance with applicable statutory requirements and regulatory controls.

#### 14.7 Disconnection of Facilities

Facilities that are used or enjoyed by more than one Owner may not be disconnected or rendered inoperable (albeit temporarily) except as all Owners have given their prior written consent to such disconnection and all Occupants that will be affected by such disconnection (except in the case of an Emergency) have been given reasonable prior written notice by the Property Manager. Each Owner shall not unreasonably withhold or delay the giving of such consent, having regard to the circumstances and the intent of clauses 14.1 and 14.2.

#### 14.8 Emergencies

Notwithstanding anything to the contrary in this Agreement, in the event of an Emergency the requirements prescribed in clause 14.4 for the giving of notice and the obtaining of consent may be dispensed with, provided that the Owner exercising a right in terms of clause 14.3 advises any affected Owner as soon as it is reasonably practicable to do so and ensures that the Property Manager gives similar notice to all affected Occupants.

#### 14.9 Acts of Agents

Where:

- (a) entry or access to any Building or the Development that is authorised by an Owner; or
- (b) any Works or other activities are undertaken on behalf of, or is authorised by, an Owner,
- that Owner authorising the entry, or on whose behalf, or with whose authorisation, the relevant work or activity is undertaken, shall be responsible for the acts and omissions of the persons entering or accessing the relevant Building or the Development and the Works or activities of those persons.

## 15 Failure to perform obligations

If any Owner fails, refuses or neglects to perform an obligation specified in this Agreement or does not perform the relevant obligation in a manner which is prudent, reasonable and responsible in the circumstances having regard to the covenants set out in this Agreement ("Defaulting Party"), any other Owner ("Issuing Party") may serve a Default Notice on the Defaulting Party. If, following receipt of a Default Notice, the Defaulting Party has not performed the relevant obligation by the date or within the period specified in the Default Notice then:

- (a) If the Defaulting Party has within such period (time being of the essence) given to the Issuing Party a Dispute Notice disputing the contents of the Default Notice, then such Dispute shall be resolved in accordance with clause 21.
- (b) If the Defaulting Party does not within such period (time being of the essence) give to the Issuing Party a Dispute Notice disputing the contents of the Default Notice, then the Issuing Party may:
  - (i) perform the relevant obligation and undertake any works required to ensure compliance with the relevant obligation, provided that the Issuing Party has

first given written notice of its intention to do so and complies at all times with the provisions of clause 14.4 relating to such works:

- (ii) recover from the Defaulting Party as a liquidated debt any costs and expenses properly and reasonably incurred by the Issuing Party arising from or incidental to remedying the relevant default by the Defaulting Party; and
- (iii) set off such costs and expenses against any monies which may otherwise be payable by the Issuing Party to the Defaulting Party.

The exercise of rights under this clause is without prejudice to and shall not derogate from any other rights or remedies available to the Issuing Party.

#### 16 Variation

No variation of or amendment to this Agreement will be valid or enforceable unless:

- (a) it is in writing and signed by all Owners;
- (b) it is approved in writing by the registered mortgagees (if any) of each of the Owners' interests in the Land; and
- (c) if it would diminish the Owners' obligations to:
  - (i) maintain the Development as a premium commercial office development which meets or exceeds the Development Standard; or
  - (ii) appoint a single Property Manager to manage the entire Development;
  - it is approved in writing by all Occupants whose leases contain a provision prohibiting such variation or amendment without the written approval of the Occupant.
- (d) The provision in clause 16(b) exists for the benefit of the registered mortgagees (if any) of each of the Owners' interests in the Land.
- (e) The provision in clause 16(c) exists for the benefit of any Occupant whose lease contains a provision of the nature specified in clause 16(c).

#### 17 Deed of Covenant from transferee

If an Owner wishes to sell, assign, transfer or otherwise dispose of its interest in a Building and share in the Jointly Owned Lot, then that party shall obtain, on or before the settlement of such sale, transfer or disposition, a deed of covenant from the transferee, assignee or disposee pursuant to which the transferee, assignee, or disposee covenants in favour of all other parties to this Agreement to fulfil, observe and perform all the provisions contained herein including this present covenant to procure a like deed from any future transferee, assignee or disposee of that Owner's Building and share in the Jointly Owned Lot (or any part thereof).

#### 18 Deed of Covenant from mortgagee

If an Owner wishes to mortgage or grant a security interest over that Owner's Building and share in Jointly Owned Lot, then that Owner shall prior to granting such mortgage or security interest obtain a deed of covenant from the mortgagee or secured party pursuant to which the mortgagee or secured party covenants in favour of all other Owners to this Agreement to exercise any power of sale or entry into possession of the Building subject to all the provisions contained herein including the covenant in clause 17 to procure a deed of covenant from any future transferee,

assignee or disposee of that Owner's Building and share in the Jointly Owned Lot (or any part thereof).

## 19 No assignment

No Owner shall assign their interest under this Agreement other than to a successor in title who has provided a deed of covenant in terms of clause 17.

#### 20 No caveat

Notwithstanding any provision in this Agreement to the contrary, no Owner shall caveat the title to the land of any other Owner.

## 21 Dispute Resolution

#### 21.1 Expert determination

If a Dispute arises then any party may request that the Dispute be subject to Expert determination procedure set out in clause 21.1 on the following basis:

- (a) The party must give a minimum of 10 Working Days' notice to the other parties requesting that the Dispute be determined by an Expert in accordance with clause 21.1.
- (b) If the other party agrees to the Dispute being determined by an Expert in accordance with clauses 21.1, then:
  - (i) The parties shall endeavour to agree on the appointment of the Expert within 5 Working Days.
  - (ii) If the parties are unable to agree on the appointment of the Expert, the Expert shall be appointed by the President for the time being of the Arbitrators and Mediators Institute of New Zealand.
- (c) Within 5 Working Days of the reference to the Expert the parties must each provide the Expert with a written submission and with any relevant supporting material. As soon as the Expert has received all of the submissions the parties must exchange submissions and will have five further Working Days within which to make a further written submission. The Expert must then begin the determination promptly.
- (d) Notwithstanding any of the parties failing to provide the Expert with written submissions within the relevant five Working Days specified in clause 21.1(c) the Expert must begin the determination promptly and determine the Expert Dispute without being required to consider or take into account any late submissions of any party but may do so nonetheless.
- (e) The Expert is to act as an expert and not as an arbitrator.
- (f) The Expert shall be required to consider and take into account:
  - (i) The written submissions of the parties filed within the timeframes required by this clause 21.1.
  - (ii) The context of and circumstances surrounding the Expert Dispute.
  - (iii) This Agreement in its entirety.
- (g) The Expert may also:
  - Rely on his own knowledge, skill and experience in relation to the Expert Dispute.

- (ii) Make his own enquiries without reference to the parties.
- (iii) If the subject matter of the Expert Dispute is outside the area of expertise of the Expert and if he considers it appropriate to do so, take advice from other persons the Expert considers to have expertise in the area the subject of the Expert Dispute provided that such persons shall first be approved by the parties.

## (h) The Expert may:

- (i) Arrange to meet with the parties either together or alone to discuss the Expert Dispute.
- (ii) Require the parties to provide such evidence as he considers necessary to determine the Expert Dispute.
- (iii) Establish procedures and a timetable for the conduct of the determination to the extent that those matters are not already laid down in these Expert Dispute resolution provisions.
- (i) The Expert must give his determination as soon as practicable but in any event within 10 Working Days of his receiving all submissions under clause 21.1(c) (or within any further period that the parties acting reasonably agree).
- (j) The Expert must give his determination in writing, with reasons.
- (k) The Expert may decide how the reasonable costs, fees and other expenses of the Expert and the parties in relation to the determination are to be borne. But if the Expert makes no decision as to costs, the parties shall equally share the costs and expenses of the Expert, and each of the Landlord and the Tenant shall be their own costs.
- (I) Unless the Expert directs otherwise in the determination, a sum directed to be paid in the determination carries interest as from the date of the determination until paid and at the same rate as a judgment debt.
- (m) The parties agree to be bound by the Expert's determination.
- (n) The parties and the Expert agree in relation to all information disclosed to them, or coming to their knowledge in the course of the determination (including communications between them) to the extent and for so long as the information is confidential to one or both of the parties:
  - (i) To keep that information confidential; and
  - (ii) Not to use that information for any purpose other than settling the Expert Dispute.
- (o) Where an Expert Dispute is to be referred, or already has been referred, to the Expert for determination the parties must continue to perform their respective obligations under this Agreement as if no Expert Dispute had arisen to the extent possible.
- (p) The parties do not intend the Expert Dispute resolution procedure set out in this clause 21.1 to be a submission to arbitration, and they are not to be treated as such except to the extent that the Arbitration Act 1996 provides otherwise.

#### 21.2 Mediation

Notwithstanding clause 21.1, any party may request that the Dispute be submitted to mediation on the following basis:

(a) The party must give a minimum of 10 Working Days' notice to the other parties requesting that the Dispute to be submitted to mediation.

- (b) If the other parties agrees to mediate the Dispute, then:
  - (i) The parties shall endeavour to agree on the appointment of the mediator within 5 Working Days.
  - (ii) If the parties are unable to agree on the appointment of the mediator, the mediator shall be appointed by the President for the time being of the Arbitrators and Mediators Institute of New Zealand.
  - (iii) The mediation shall be convened as soon as practicably possible.
  - (iv) The parties shall in good faith attend the mediation and endeavour to reach a mediated resolution to the Dispute.

#### 21.3 Arbitration

If the Dispute is not resolved by either Expert determination pursuant to clause 21.1 or mediation pursuant to clause 21.2, any party may submit the Dispute to arbitration on the following basis:

- (a) The Dispute shall be submitted to the arbitration of one arbitrator who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996.
- (b) If the parties are unable to agree on the arbitrator, then the arbitrator shall be appointed by the President for the time being of the Arbitrators and Mediators Institute of New Zealand.

#### 22 Notices

- (a) Any notice permitted or required to be given under this Agreement shall be in writing and shall either be:
  - (i) delivered;
  - (ii) sent by facsimile transmission; or
  - (iii) sent by email;

to the addressee at the addressee's last known address, facsimile number, or email as specified below or subsequently advised in writing.

(b) As at the date of this Agreement the contact details for the Owner of all Buildings is:

Name:

Mansons Properties (151 Victoria) Limited

Address:

72 St Georges Bay Road

Parnell Auckland

Attention:

Glen Heath

Email:

glen@manson.co.nz

- (c) Any notice that is:
  - (i) required to be given under this Agreement or implied by statute will be valid and effectual if given under the hand of the party, the party's solicitor or any authorised representative for the time being of the party and if the party is a corporation by its general manager, company secretary or a director.
  - (ii) sent by facsimile transmission during a working day between 8 am and 5 pm shall be deemed to be received upon completion of an error free confirmed

transmission and in every other case shall be deemed to be received at 8 am on the next working day after such confirmation.

- (iii) sent by mail during a working day between 8 am and 5 pm shall be deemed to be received when acknowledged by the recipient by return email (excluding an automatically generated email) or other writing, and in every other case shall be deemed to be received at 8 am on the next working day after such acknowledgement.
- (d) Each Owner shall be responsible for ensuring that the Property Manager and each other party to this Agreement is aware at all times of the most up to date contact details for that Owner, including physical, postal and email addresses, and phone and facsimile numbers.

#### 23 Further assurances

Each Owner shall do all acts and things including, without limitation, the execution of all relevant documents, as may be reasonable to implement and carry out its obligations under and contemplated by this Agreement.

## 24 Counterpart execution

This Agreement may be executed in two or more counterparts, all of which will together be deemed to constitute one and the same Agreement. A party may enter into this Agreement by signing a counterpart copy and sending it to the other party, by fax, email or otherwise.

#### Execution

Signed on behalf of Mansons Properties (151 Victoria) Limited in its capacity as owner of Lot 2 by:

Edward Colin Manson
Director's latterney's name

in the presence of:

Director's/attorney's signature

Witness Name......

Brooke Casey Finch

Witness Occupation....Solicitor.

Solicitor... Auckland

Witness Address....

..../..

Witness Signature.

Signed on behalf of Mansons Properties (151 Victoria) Limited in its capacity as owner of Lot 3

Edward Colin Mansan Director's/attorney's name in the presence of: Witness Occupation Brooke Casey Finch
Solicitor Witness Occupation.....Auckland Witness Address.... Witness Signature... Signed on behalf of Mansons Properties (151 Victoria) Limited in its capacity as owner of Lot 4 Edward Colin Manson Director's/attorney's name Director's/attorney's signature in the presence of:

Witness Name...

Brooke Casey Finch Witness Occupation.....Solicitor.....

Auckland

Witness Address.....

Witness Signature,

#### Schedule 1 - Duties of the Property Manager

- 1. Payment of Expenses: Pay, to the extent of the funds made available by the Owners and to the extent not directly payable by the relevant Owner, all expenses relating to the Buildings as and when they fall due for payment, including without limitation, general rates, special rates, water rates, electricity and gas charges (if any), maintenance and any other items of expenditure which relate to the ownership and upkeep of the Development.
- 2. On-going Repairs and Maintenance: Arrange, organise, co-ordinate and supervise all maintenance and repairs required on or to any of the Buildings (other than any Specified Improvements for which maintenance and repairs are the sole responsibility of an Entitled Owner) and the Jointly Owned Lot for which the Owners are responsible so that the Buildings are collectively maintained to a standard which ensures that the Development (as a whole) meets or exceeds the Development Standard.
- 3. **File Maintenance**: Prepare and maintain files and information regarding the Buildings and upon termination of any management agreement and if required by the Owners, surrender such files to the Owners.
- **4. Maintenance Service Contracts**: Arrange, co-ordinate and control all service contracts for building services (including Services and Facilities) provided to the Development and at regular intervals to review the composition, cost and appropriateness of such contracts (if applicable).

Arrange, co-ordinate and supervise (as necessary) all necessary cleaning and caretaking contracts for the Development to the intent that any Buildings shall be kept in a proper clean and tidy condition at all times. If such are the responsibility of any particular Occupant, confirm that suitable arrangements are in place.

- 5. Preventative Repairs and Maintenance: Prepare, arrange, review and programme preventative maintenance of the Development as a whole including areas such as courtyards and any artworks to ensure that the Development meets or exceeds the Development Standard.
- 6. Major Expenditure: Immediately upon becoming aware of any serious damage to, or circumstances likely to require major expenditure on any part of the Development or any other matter or thing which may or is likely to seriously affect the management or ownership of the Development, notify the Owners.
- 7. Security: Arrange and control the Development's security system as considered appropriate and that are not the responsibility of any Occupant, to the extent that the Development shall be kept in a proper and secure manner at all times.
- 8. Emergency Services and Evacuation Procedures: Arrange and organise, where necessary, emergency evacuation procedures for the Development as appropriate, and ensure that an evacuation plan approved by all Owners remains in force and current at all times.
- 9. Compliance Regulations and Statutory Requirements / Acts: Take reasonable steps on behalf of the Owners to arrange compliance with regulations or Acts in force from time to time, including arranging for IQP certification and arranging annual Building Warrants of Fitness, or similar code compliance requirements (where applicable) for the Development.

Take reasonable steps on behalf of the Owners to arrange compliance with all local Government or other statutory requirements and to bring to the attention of the Owners any local authority requisitions and requirements affecting the Development and if requested so to do by the Owners to assist where necessary in attending to such requisitions and requirements.

Take reasonable steps on behalf of the Owners to ensure that the Fire Report is complied with at all times, and that the fire egress exits, entries and routes to, from and through their respective Buildings are maintained and available to be used as contemplated in the Fire Report. Where the Property Manager receives any notification from an Owner in terms of clause 9.1 that a Building's fire detection and/or suppression systems are undergoing any maintenance, the Property Manager will in turn notify all other Owners of the same.

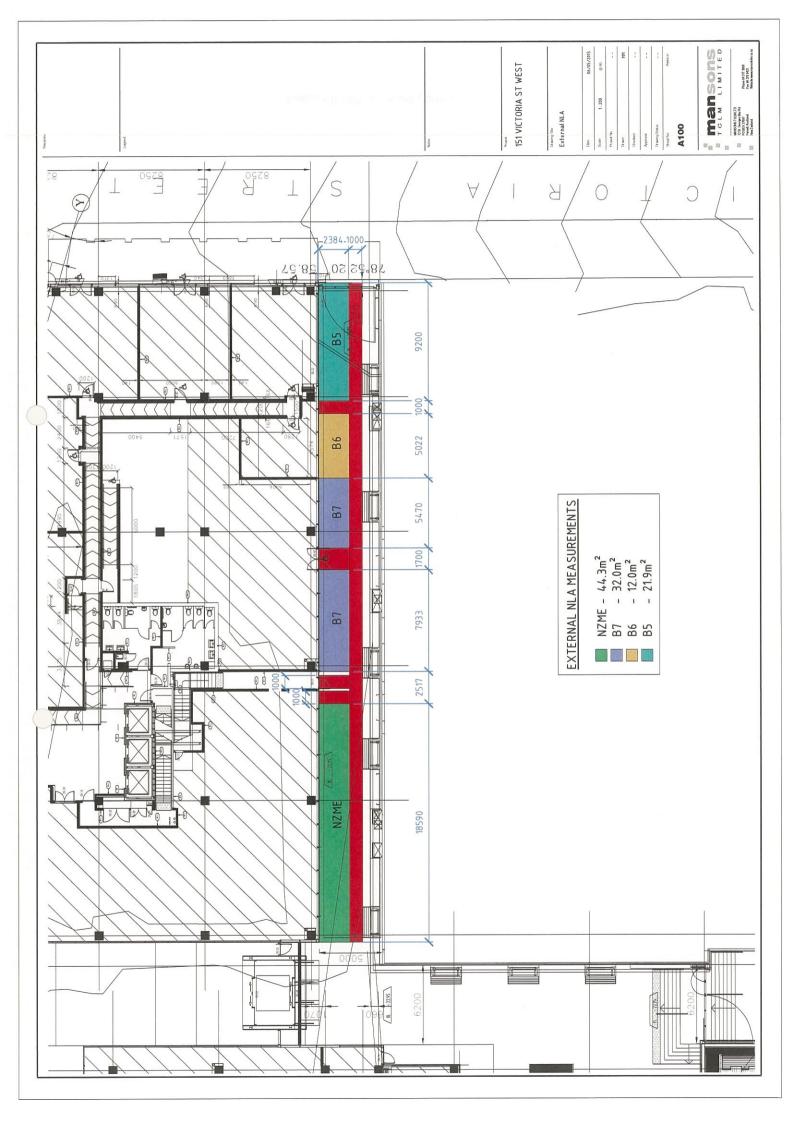
- Notwithstanding these obligations, the Property Manager shall not be liable for any breach by the Owner of any such regulations or Acts.
- 10. Health and Safety and OSH Requirements: Take reasonable steps to arrange compliance with applicable health or safety requirements, and notify the Owners of any non-compliance with those requirements, of any hazards or potential hazards which may come to its attention.
  - Notwithstanding, these obligations the Property Manager shall not be liable for any breach by the Owner of any such regulations or Acts.
- 11. Directions of the Owners and Occupants: Comply with and carry out all reasonable and lawful directions by the Owners or Occupants in respect to the performance by the Property Manager of the Duties, and carry out other duties that may be agreed between the Property Manager and the Owners at the cost of the relevant Owners.

Schedule 2 - Specified Improvements

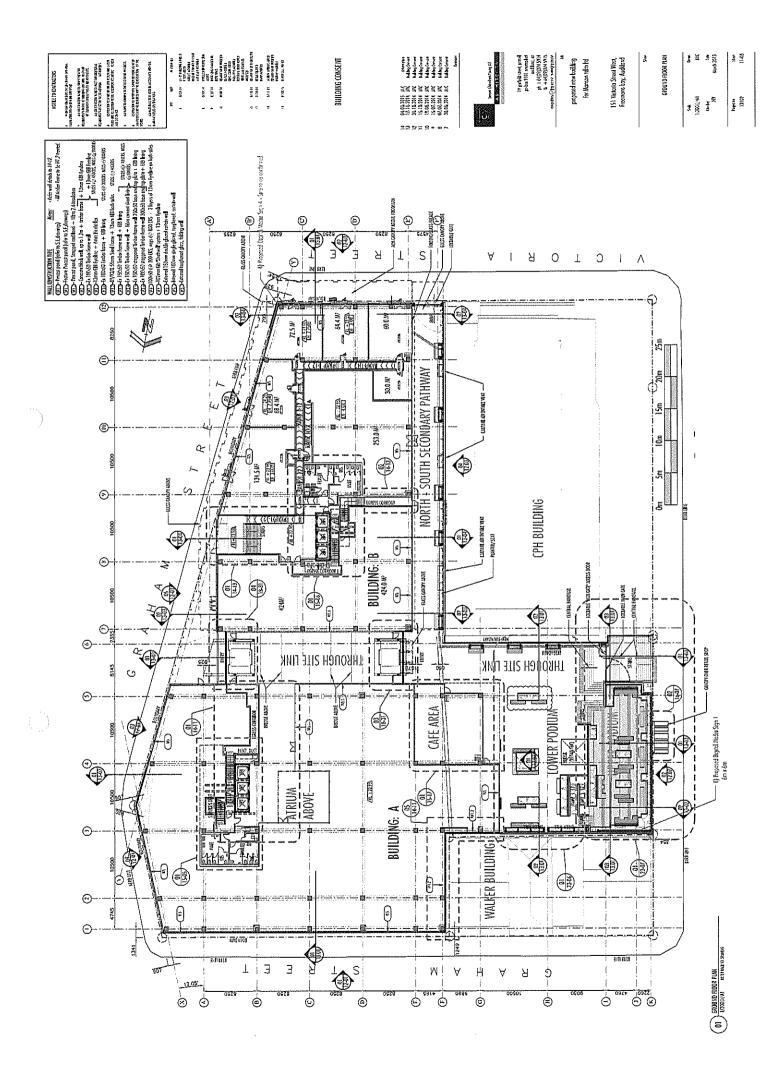
Description of improvement	Lot in which the Specified Improvemen t is situated	Entitled Owner	Permitted Use	Specific conditions of use
Media Display signage on podium as shown on the attached signage plans	Jointly Owned Lot	Lot 3	The display of digital (non-auditory) media	The Entitled Owner is solely responsible for any repairs and maintenance to the sign. Where the sign is demolished or removed, the Entitled Owner is solely responsible for making good any damage to the podium caused by such demolition or removal.
Coffee kiosk on podium	Jointly Owned Lot	Lot 4	The retail sale of barista coffee and takeaway food items	The Entitled Owner is solely responsible for any repairs and maintenance to the coffee kiosk structure. Where the coffee kiosk is demolished or removed, the Entitled Owner is solely responsible for making good any damage to the podium caused by such demolition or removal.
Outdoor seating areas in the walkway which runs from Victoria Street West along the Western perimeter of the Development, as shown on the attached outdoor seating areas plan	Jointly Owned Lot	Lot 4	Outdoor seating ancillary to adjacent retail tenancies	Any outdoor seating or furniture placed in the outdoor seating areas must be:  1. constructed of non-combustible materials such as concrete, glass, steel, and wood that has been treated to be non-combustible;  2. placed wholly within the specified outdoor seating areas so as to maintain at all times a 1 metre wide fire egress route as shown on the attached outdoor seating areas plan; and  3. removed from the outdoor seating areas whenever the relevant premises are not open for trading (except where permanently fixed to the wall or floor of the outdoor seating areas).  4. Where any furniture is permanently fixed to the wall or floor of the outdoor seating areas, the Entitled Owner is solely responsible for making good any damage to the wall or floor caused by the removal of that furniture.  For the avoidance of doubt, the other Owners and Occupants are

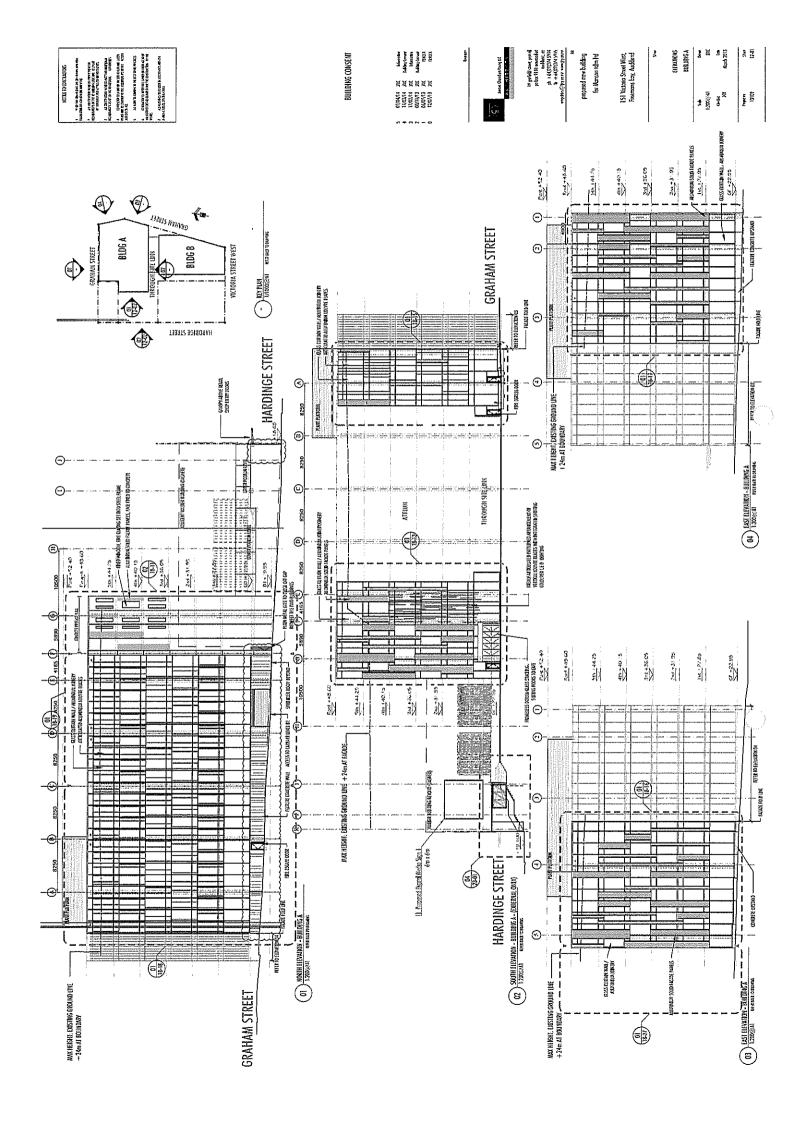
				entitled to use the outdoor seating areas as a pedestrian walkway.
Carparking, as shown in green on the attached carparking plan	Jointly Owned Lot	Lot 2	Motor vehicle parking	Includes the non-exclusive right to pass and repass over those parts of basement level 1 and basement level 2 within the Jointly Owned Lot which are formed and designated as access and manoeuvring areas.
Carparking, as shown in yellow on the attached carparking plan	Jointly Owned Lot	Lot 3	Motor vehicle parking	Includes the non-exclusive right to pass and repass over those parts of basement level 1 and basement level 2 within the Jointly Owned Lot which are formed and designated as access and manoeuvring areas.
Carparking, as shown in blue on the attached carparking plan	Jointly Owned Lot	Lot 4	Motor vehicle parking	Includes the non-exclusive right to pass and repass over those parts of basement level 1 and basement level 2 within the Jointly Owned Lot which are formed and designated as access and manoeuvring areas.
Storage SB1-B, SB2-A, SB2-C, SB2-D, SB2-E and SB2-F as shown on the attached storage area plan	Jointly Owned Lot	Lot 3	Storage	The Entitled Owner is solely responsible for any repairs and maintenance to the storage area.
Storage SB1A and SB2-B as shown on the attached storage area plan	Jointly Owned Lot	Lot 4	Storage	The Entitled Owner is solely responsible for any repairs and maintenance to the storage area.
Security and inwards goods room as shown on the attached plan	Jointly Owned Lot	Lot 3	The operation of an inwards goods and security room	The Entitled Owner is solely responsible for any repairs and maintenance to the security / inwards goods room.

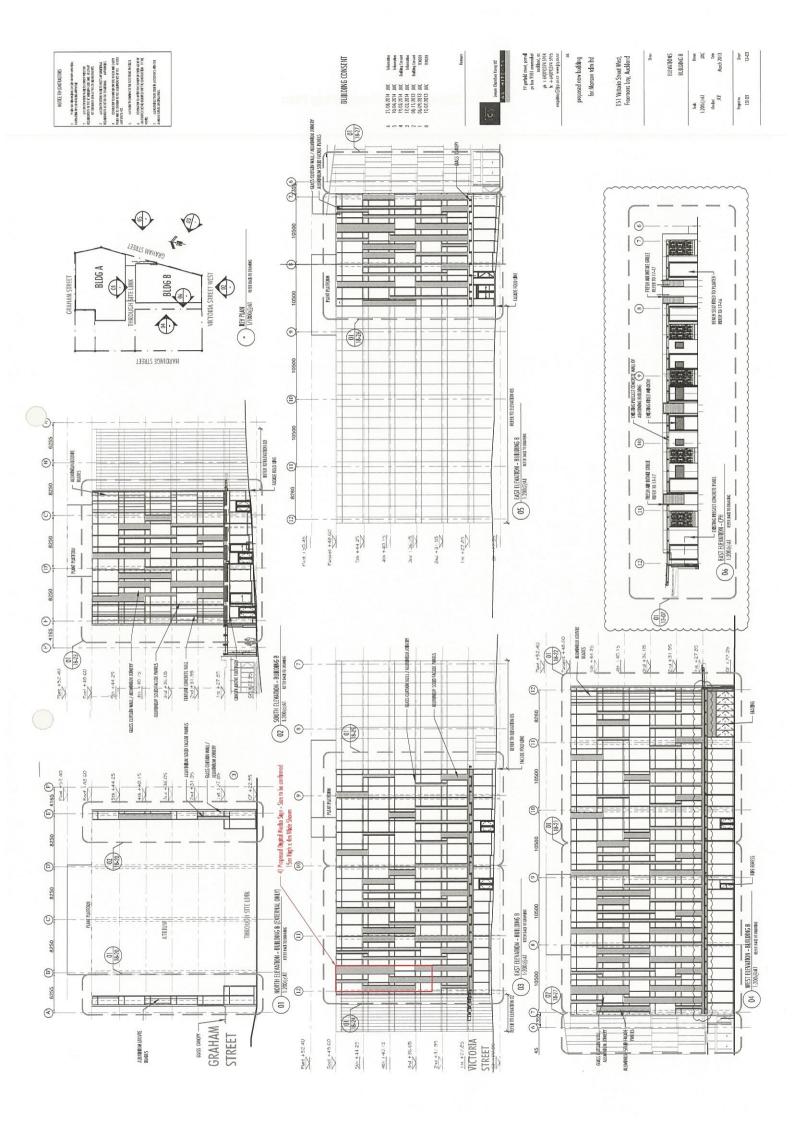
## Schedule 3 - Outdoor Seating Areas Plan



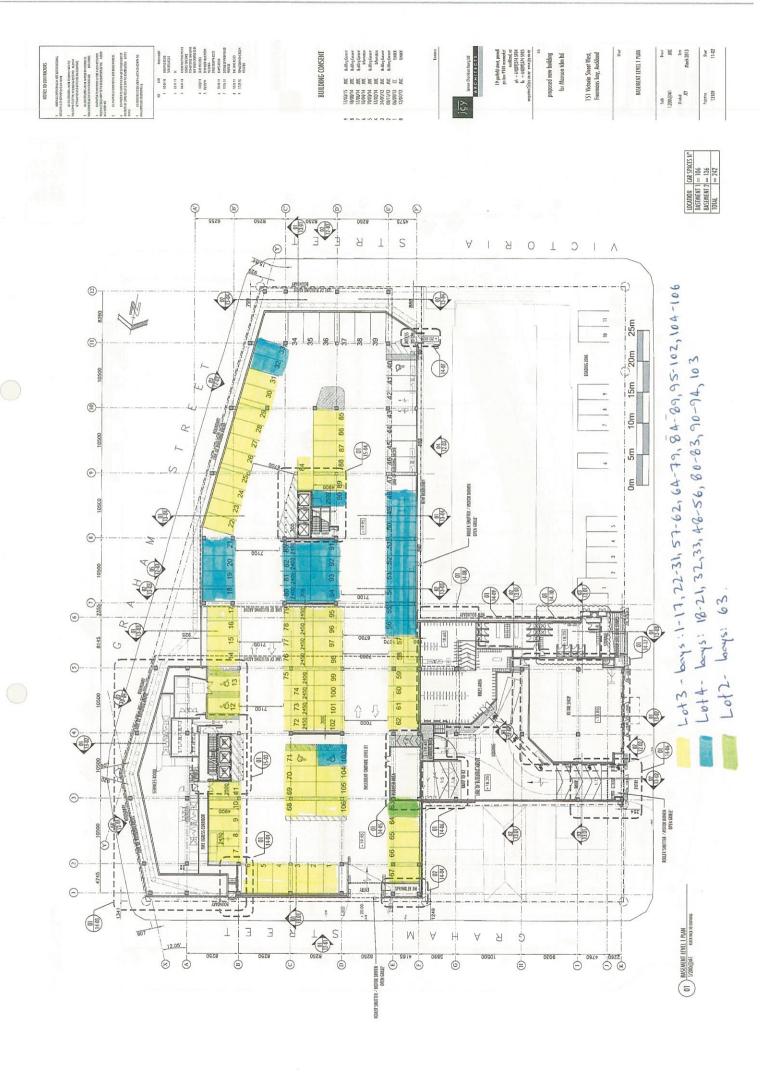
# Schedule 4 - Signage Plans

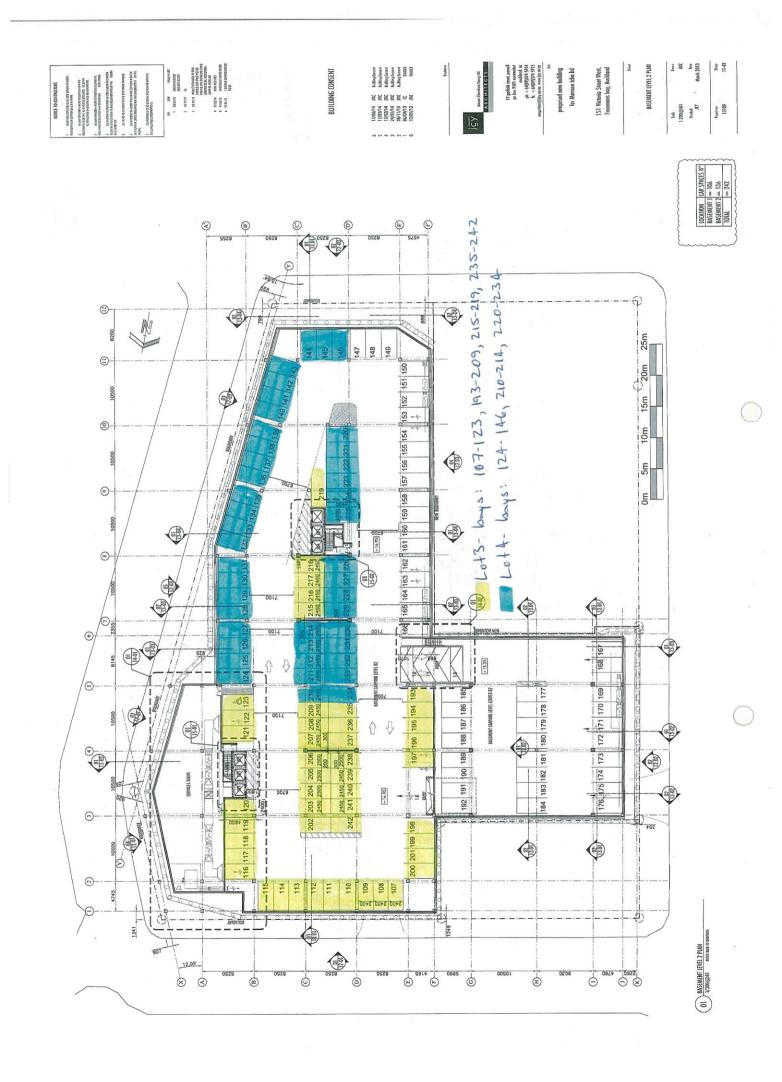




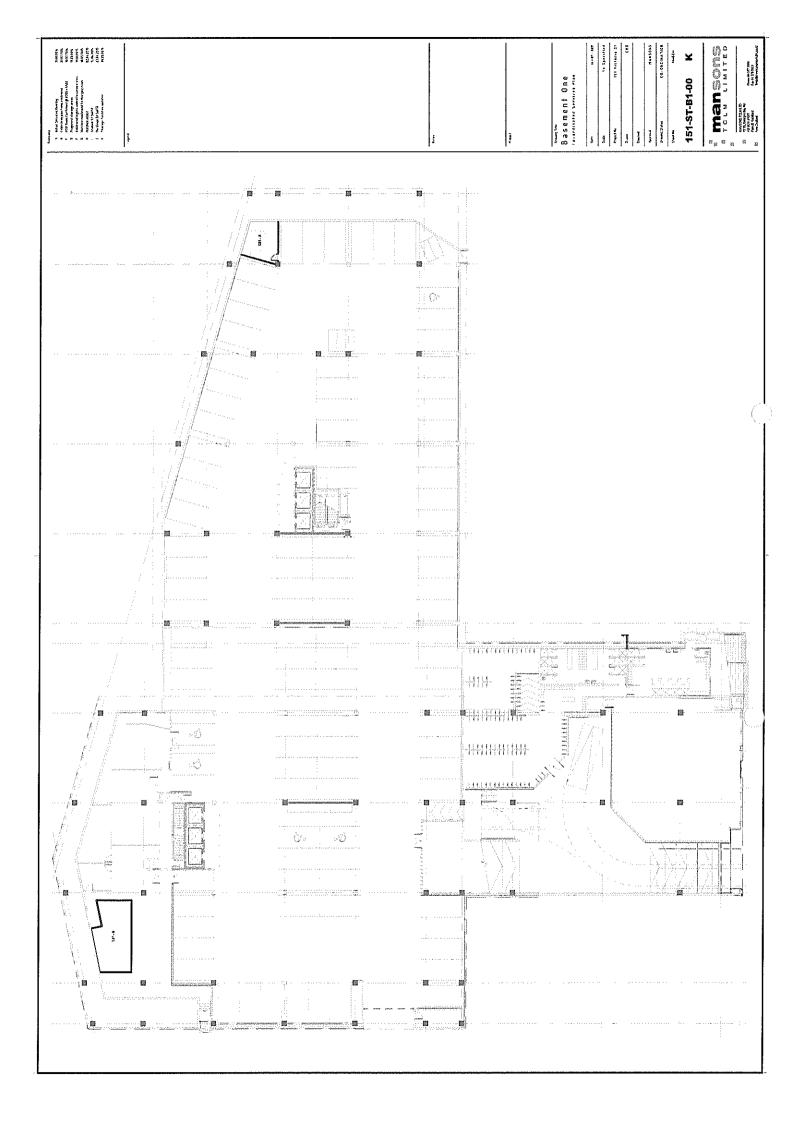


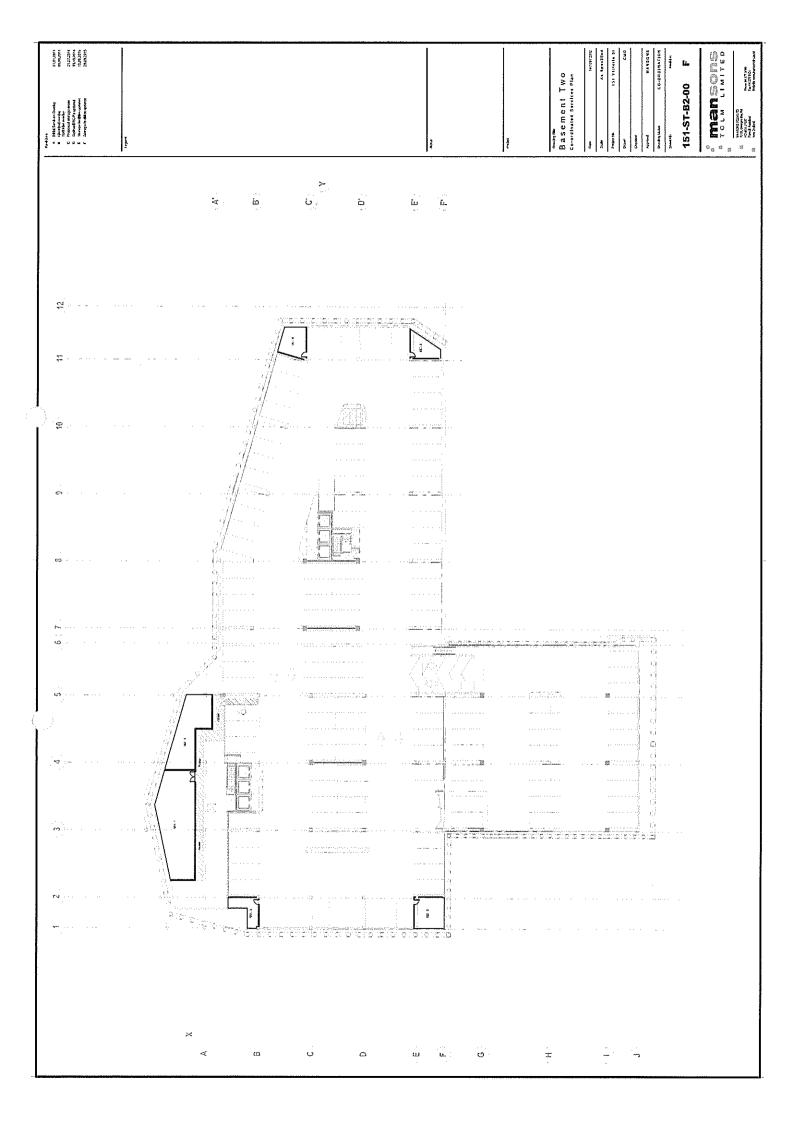
## Schedule 5 - Carparking Plan



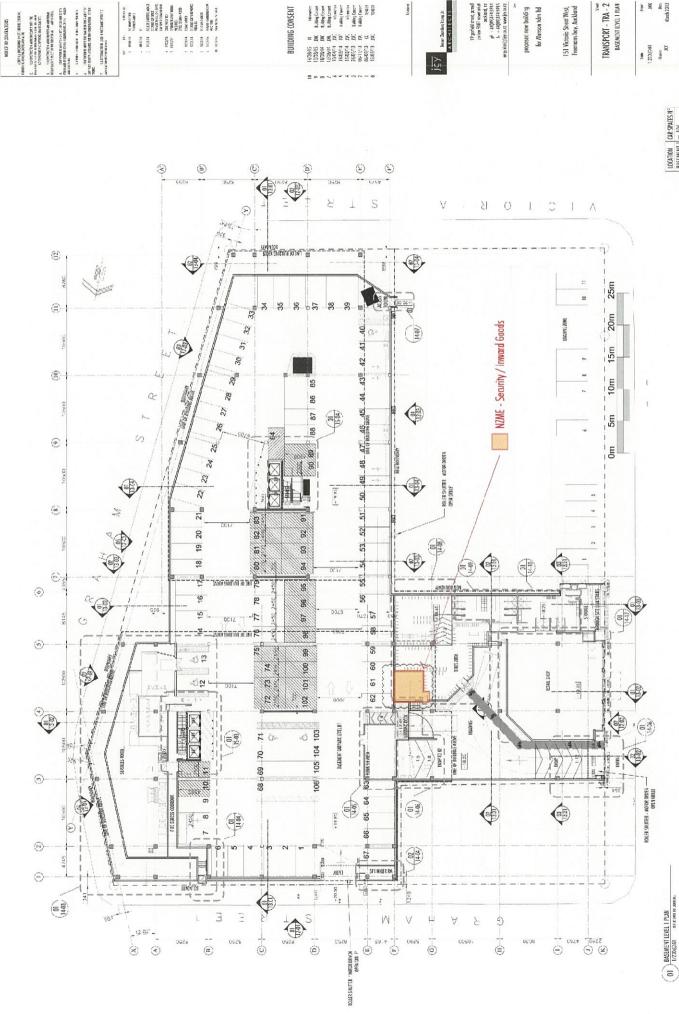


# Schedule 6 - Storage Area Plans





# Schedule 7 - Security/Inwards Goods Room



2 H H H

| 10CATION | CAR SPACES N° |
| BASEMENT | - 106 |
| BASEMENT 2 = 136 |
| TOTAL | - 242

Post Inc.

Pow JMK Ber Karch 2013

BASEMENT LEVEL 1 FLAN

for Manson 1dm ltd

