



DEED OF LEASE

THAMES-COROMANDEL DISTRICT COUNCIL

(Lessor)

TAIRUA / PAUANUI VOLUNTEER COASTGUARD INCOPORATED

(Lessee)

DATED this

day of

2015

BETWEEN: **THAMES-COROMANDEL DISTRICT COUNCIL** (Lessor)

AND: **TAIRUA / PAUANUI VOLUNTEER COASTGUARD INCORPORATED**
(Lessee)

BACKGROUND:

- a. The Council is the administering body of land vested for the purpose of recreation reserve and situated at 110 Tangitarori Lane, Pauanui, comprised in parcel 4484569 and described as Section 10 Block XIV Whitianga Survey District (Land).
- b. The Lessee constructed improvements on part of the Land in 2003 and has requested a lease to provide a legal exclusive possession over part of the Land.
- c. The Lessor acknowledges that the Lessee owns the improvements on the Land (Buildings).
- d. The Lessor has agreed to lease part of the Land as shown on the attached plan and marked in red, for the purpose of operating the Lessee's volunteer coastguard duties, subject to the terms and conditions set out below.
- e. This Lease is granted pursuant to section 54(1)(b) of the Reserves Act 1977.

THE LESSOR AND THE LESSEE AGREE AS FOLLOWS:

1. **TERM**

- 1.1. The Lessor shall lease the Land to the Lessee for a period of 6 years commencing on the 1 July 2015 (Commencement Date) and expiring on the 30 June 2021, with three further rights of renewal of 6 years each and 1 term of 5 years and 364 days.

2. **RENTAL**

- 2.1. The Lessee shall pay the Lessor a rental of \$100.00 per annum (plus GST). The rental shall be payable in advance on the 1 July each year for the duration of this Lease.
 - 2.2. The rental may be reviewed by the Lessor every 3 years, with the first review to be undertaken on the 1 July 2018.
 - 2.3. The annual rent payable from each rent review shall be determined in accordance with any prevailing Council policy relating to leases of Council owned and administered land and buildings, current at the date of each rent review.
 - 2.4. Any rent review may be recorded in a Deed, the costs of which shall be payable by the Lessee.
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3. **OUTGOINGS**

3.1. The Lessee shall pay all charges for telephone, electricity, water, gas, and any other utilities services and any other outgoings in respect of the Land and Buildings.

4. **USE OF PREMISES**

4.1. The Lessee shall use the Land for the purpose of its volunteer coastguard duties and, if at any time the Lessor is of the opinion that the Land is not being used or is not being sufficiently used for that purpose, after making such enquiries as the Lessor thinks fit and giving the Lessee an opportunity of explaining the usage, the Lessor may terminate the lease on such terms as the Lessor thinks fit.

5. **BUILDING WORKS**

5.1. The Lessee shall not undertake any improvements, additions or extensions to the Land or Buildings without the written approval of the Lessor.

5.2. The Lessee shall comply with all statutory requirements and obtain all necessary consents that maybe required, including but not limited to, resource and building consents.

6. **MAINTENANCE & REPAIRS**

6.1. The Lessee will keep and maintain the Land;

6.1.1. All Buildings, gates, fences and erections; and

6.1.2. Any other improvements;

in good tenable repair, order and condition during the term of this Lease or until any earlier termination or cancellation of this Lease becomes effective.

6.2. The Lessee shall repair any damage to the Land, Buildings and improvements on it as soon as possible after becoming aware of such damage.

6.3. The Lessee shall keep the exterior of any Buildings properly painted.

7. **INSPECTION**

7.1. The Lessor shall have the right to inspect the Land and Buildings at any reasonable time, and without notice, for the purposes of ensuring the Lessee is complying with its obligations under this Lease.

8. **INSURANCE AND INDEMNITY**

8.1. The Lessee will insure the Buildings and their contents.

- 8.2. The Lessee shall indemnify the Lessor against any loss or damage arising out of any action, claim, demand or proceedings and shall take out and keep in force public liability insurance for a sum of not less than one million (\$1,000,000.00) dollars.
- 8.3. The Lessee shall provide a copy of every insurance policy to the Lessor within 30 days of the Commencement Date of this Lease.
- 8.4. The Lessee shall not do or cause or suffer or permit to be done on the Land or any Building, anything that may render the Lessor liable to any action, claim demand or proceeding whatsoever.

9. **SUBLETTING**

- 9.1. The Lessee shall not assign this Lease or sublet or charge the Land to any person or body without first obtaining the prior written approval of the Lessor.

10. **TERMINATION**

- 10.1. This Lease shall terminate immediately should the Lessee:
 - 10.1.1. Default in payment of the rent for 30 days; or
 - 10.1.2. Breach any provisions of this Lease and such breach is of a serious nature that precludes the Land being properly used or administered for the purpose of a volunteer coastguard and continues for a period of 14 days; or
 - 10.1.3. Become insolvent or its affair or assets are placed under any sort of management or receivership;
 - 10.2. Should the Lessee dispute that any alleged breach is of a sufficiently serious nature to enable the Lessor to terminate this Lease, the Lessee shall notify the Lessor to this effect and the matter shall be determined by arbitration.
 - 10.3. The Lessee may by giving 6 months' notice in writing to the Lessor to terminate this Lease.
 - 10.4. The Lessor may by giving 6 months' notice in writing to the Lessee terminate this Lease.
 - 10.5. The Lessor and Lessee agree that on termination of the Lease or by effluxion of time, surrender, breach of conditions, or otherwise, the Land, together with all Buildings thereon, shall revert to the Lessor without compensation payable to the Lessee or otherwise provided that, and notwithstanding anything to the contrary aforesaid, the Lessor may:
 - 10.5.1. Require the Lessee to remove the whole or some of the Buildings at the Lessee's cost; or
 - 10.5.2. Where the Buildings are of value to the Lessor, the Lessor may elect to pay to the Lessee the value of the Buildings as determined by the Lessor; or
 - 10.5.3. May provide that an incoming Lessee shall pay to the outgoing Lessee the value as determined by the Lessor of the specified Buildings.
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11. CAVEAT

11.1. The Lessor shall not be required to register this Lease and the Lessee will not register a caveat in respect of the Lessee's interest under this Lease.

12. DISPUTE RESOLUTION

12.1. All disputes arising out of or resulting from this Lease shall be referred to the process below:

12.1.1. Any dispute arising out of or resulting from this Lease agreement shall in the first instance be negotiated between the Lessor and the Lessee.

12.1.2. Any dispute arising out of or resulting from this Lease agreement which could not be resolved by negotiation as set out in clause 12.1.1, may be referred to mediation, a non binding dispute resolution process in which an independent mediator facilitates negotiation between the parties. Mediation may be initiated by either party writing to the other party, and identifying the dispute which is being suggested for mediation. The parties will agree on a suitable person to act as mediator or will ask the LEADR Association of Dispute Resolvers to appoint a mediator. Both parties agree that mediation will take place within 15 working days of receipt of the mediation initiation letter and that the parties will each meet an equal proportion of the mediation costs.

13. APPLICABLE LAW

13.1. The provisions of the Property Law Act 2007 as they relate to the Lessee's covenants shall apply to this Lease unless the contrary is stated.

13.2. This Lease shall be subject to the provisions of Schedule 1 section 54(1)(b) Reserves Act 1977.

EXECUTION:

SIGNED by the Lessor)
THAMES-COROMANDEL)
DISTRICT COUNCIL)

Mayor/Councillor

Councillor

THE COMMON SEAL OF)
TAIRUA / PAUANUI VOLUNTEER)
COASTGUARD INCORPORATED)
was hereunto affixed in the presence of)

Authorised signatory

Authorised signatory

Authorised signatory name

Authorised signatory name

Witness to signatures

Full name of witness

Occupation of witness

Address of witness

