

## **Schedule 5 – Restrictive Covenants to apply to the Property**

1. The Purchaser acknowledges and agrees with the Vendor that the Property is part of a development of the Land comprised in Record of Title 1013301 (“the subdivision”) which is intended to establish a modern and well-designed subdivision providing low density living. In order to achieve these objectives, it is desirable that supervision and control be exercised by the Vendor in respect of the nature and type of all construction in the subdivision of which the Property forms part. In recognition of these objects and for the benefit of all other residential lots comprised in the subdivision the Purchaser and the Purchaser’s executors, administrators and assigns agree with the Vendor and such other person or persons as are nominated by the Vendor to be bound by the covenants set out herein.
2. The Purchaser shall not place or erect or allow to be erected on the property:
  - (a) Any second-hand building.
  - (b) Any building constructed with second hand materials on the exterior of the building.
  - (c) Any relocated or previously used dwelling house or other buildings of any sort.
  - (d) Any pre-built transportable house, unless written approval has been obtained in advance of siting the house on the Property from the vendor, who shall have the authority to approve an exception to this covenant while it continues to own any lot in the subdivision. The vendor’s authority in this regard shall be sole and unfettered. The vendor shall consider issues of quality, design and finish including any landscaping to ensure any proposed building is in keeping with the expected quality of houses anticipated in the subdivision.
  - (e) Any dwelling that has a footprint of less than 120 square metres excluding any detached garage or outbuildings.
3. Garages and outbuildings must be architecturally integrated with the dwelling and use the same or similar materials and construction methods.
4. The Purchaser shall not:
  - (a) Allow any temporary building, shipping container, caravan or motorhome on the property except that motorhomes and caravans with current registration and warrant of fitness may be stored on the lot provided that they are not used for long term accommodation and temporary buildings may be put on site while construction of a dwelling is being carried out provided it is in association with that construction and such temporary buildings are removed forthwith on the completion of construction.
  - (b) Allow to remain on any structure on the Property any graffiti or similar disfiguring for more than five working days from the date that such graffiti or disfiguring occurred or was brought to the attention of the purchaser.
  - (c) Store cars, trucks, trailers and machinery not in regular use on site except in buildings or where screened from the road and adjoining properties.
  - (d) Permit or cause any rubbish to accumulate or to be placed upon the property so as to

avoid the property becoming unsightly.

- (e) Use or permit to be used any part of the property or any building thereon for any club or commercial trading or business purpose that will generate either traffic, noise pollution or visual prominence not compatible with the residential environment.
  - (f) Use the lot for animal boarding or breeding kennels or any intensive farming of animals or poultry. The purpose of the lots is for residential use and though relatively large are not for farming of animals. Pet animals may be kept provided that they are fenced in and not able to graze within 3m of any adjoining lots. Roosters are not to be kept on any lot.
  - (g) Erect or permit to be erected any commercial trade advertising signs any larger than 1000 millimetres by 600 millimetres.
  - (h) Erect or permit to be erected any post and wire fence, or post and netting fence, or any fence with any combination of wire and netting, exceeding 1.2 metres in height.
5. Following commencement of construction of the dwelling house or accessory structure on the Property no building or associated works in the course of construction shall be left without substantial work being carried out for a period exceeding nine months and completion of such dwelling house or accessory structure shall not extend beyond 18 months from the date of commencement of construction.
6. The purchaser shall keep and maintain in a tidy condition all buildings, lawns, landscaping and fencing to prevent the property becoming unsightly.
7. The purchaser shall be responsible for, at the purchaser's cost, installing an appropriate sewage treatment system that complies with the requirements of the Manawatu District Council and/or Horizons Regional Council. The purchaser shall further be responsible for keeping and maintaining the system in good working order in accordance with the manufacturer's instructions and specifications.
8. The covenants contained in this clause shall run with the title to the Property and at the discretion of the Vendor shall be incorporated in any memorandum of transfer to the Purchaser signed pursuant to this agreement. The Purchaser further covenants with the Vendor that if the Purchaser shall sell or otherwise dispose of the Purchaser's interest in the property that is the subject of this agreement prior to registration of the said memorandum of transfer then the Purchaser will obtain from the next Purchaser a deed of covenant to be prepared by the solicitors for the Vendor at the cost of the Purchaser in which such Purchaser shall covenant to fulfil, observe and perform all the covenants which would otherwise have been incorporated in such transfer and including this present covenant to obtain a further deed of covenant from any further Purchaser.
9. The Purchaser will at all times observe and perform all the covenants contained herein to the intent that each of the covenants will forever be for the benefit and be appurtenant to each of the dominant lots and each and all of the registered proprietors of the dominant lots. It is further agreed and acknowledged:
- (a) The Purchaser will only be liable for breaches of the covenants contained herein which occur while the Purchaser is the registered proprietor of any of the servient lots.

- (b) The Vendor shall have the right to enforce the foregoing covenants.
- (c) The rights and obligations of the Vendor to enforce the foregoing covenants and the terms of this clause shall terminate twelve calendar months from the date on which it ceases to be an owner of any lot in the subdivision and from that date the right to enforce the foregoing covenants and the terms of this clause shall in accordance with normal legal principles vest in the owners of the lots in the subdivision.
- (d) The Vendor covenants that it will ensure that all other Agreements for the sale of land in the subdivision contain like covenants to those herein set out and that such restrictive covenants shall be included in the transfer to each such Purchaser.
- (e) If there should be a breach or non-observance on the Purchaser's part of any of the covenants contained herein and without prejudice to any other liability which the Purchaser may have to the Vendor and any person or persons having the benefit of those covenants the Purchaser will upon written demand being made to the Vendor or any of the registered proprietors of any of the dominant lots, pay to the person making such demand liquidated damages in the amount of \$50,000, and pay interest on such liquidated damages at the current overdraft rate of the major trading banks, from the date of the demand until payment in full and will immediately rectify this said breach or non-observance.
- (f) The Purchaser will at all times indemnify and keep the vendor indemnified from all losses, costs, claims and demands in respect of any breach or non-observance by the Purchaser of the covenants herein.