

FORM 18
Pre-contract disclosure statement
Section 146, Unit Titles Act 2010 ("Act")

Park Avenue

CENTRAL PARK

1. PRE-CONTRACT DISCLOSURE STATEMENT

- 1.1 This pre-contract disclosure statement is provided to prospective buyers in accordance with section 146(1) of the Act.
- 1.2 The unit being sold is a unit title in a building that has yet to be unit titled and aspects of the information to be disclosed by the Seller are unavailable as at the date of this statement.

Unit plan:	Not yet known
Body Corporate Number:	Not yet known
Unit Number:	69
Vendor:	Finsbury Trustee Limited as trustee of the Finsbury Trust

2. GENERAL INFORMATION

2.1 Unit title property ownership

Unit titles are a common form of multi-unit property ownership. They allow owners to privately own an area of land or part of a building and share common property with other unit owners. Unit title developments may also be structured in varied ways including staged unit title developments and layered unit title developments.

This combination of individual and shared ownership of land and buildings, often in an intensive built environment, means owning a unit title involves a different set of rights and responsibilities than traditional house and land ownership.

Unit title developments have a body corporate management structure to ensure decisions affecting the development can be made jointly by the unit owners. The creation and management of unit title developments is governed by the Act and supporting regulations.

2.2 Unit plan

Every unit title development has a unit plan, which shows the location of the principal units as well as any accessory units and common property in the development. The unit plan is the formal record of all of the boundaries of the units, and the common property.

2.3 Ownership and utility interests

Each unit is allocated an ownership interest and a utility interest and such interests are relevant to the determination of many of the unit owner's rights and responsibilities under the Act.

Ownership interest is a number that reflects the relative value of each unit to the other units in the development, and is used to determine a range of matters including the unit owners' beneficial share in the common property, and share in the underlying land if the unit plan is cancelled.

By default, the utility interest of a unit is the same as the ownership interest (unless it is otherwise specified on the deposit of the unit plan or subsequently changed), and is used to calculate how much each owner contributes to the operational costs of the body corporate.

2.4 Body corporate operational rules

The body corporate for a unit title development can make its own operational rules on the use of the development, and governance of the body corporate. These operational rules are subject to the provisions of the Act and regulations made under that Act.

All unit owners, occupiers, tenants and the body corporate must follow the body corporate operational rules that apply to their unit title development.



2.5 Pre-settlement disclosure statement

Before settlement of the sale of a unit, the seller must provide a pre-settlement disclosure statement to the purchaser, which includes information on:

- the unit number and body corporate number;
- the amount of the contribution levied by the body corporate for that unit;
- the period covered by the contribution;
- how the levy is to be paid;
- the date on or before which the levy must be paid;
- whether any amount of the levy is currently unpaid and, if so, how much;
- whether legal proceedings have commenced in respect of any unpaid levy;
- whether any metered charges (e.g. for water) are unpaid and, if so, how much;
- whether any costs relating to repairs to building elements or infrastructure contained in the unit are unpaid and, if so, how much;
- the rate of interest accruing on any unpaid amounts;
- whether there are any legal proceedings pending against the body corporate; and
- whether there have been any changes to the body corporate rules.

There are legal consequences on the seller for failing to provide the pre-settlement disclosure in the timeframes required by the Act including delay of settlement and cancellation of the contract.

2.6 Additional disclosure statement

The buyer of a unit can request an additional disclosure statement at any time before whichever of these dates occurs first:

- the close of the fifth working day after they enter into the sale and purchase agreement;
- the close of the tenth working day before settlement of the unit.

The seller has five working days to provide the additional disclosure statement.

The additional disclosure statement contains more information about the unit title development and the operation of the body corporate. It must include:

- contact details of the body corporate and committee (if there is one);
- the balance of every fund or bank account held by the body corporate at the date of the last financial statement;
- amounts due to be paid by the body corporate;
- details of regular expenses that are incurred once a year;
- amounts owed to the body corporate;
- details of every current insurance policy held by the body corporate;
- details of every current contract entered into by the body corporate;
- information about any lease of the underlying land (if the development is leasehold);
- the text of motions voted on at the last general meeting, and whether those motions were passed;
- any changes to the default body corporate operational rules; and
- a summary of the long-term maintenance plan.

The seller may require the buyer to meet the reasonable cost of providing the additional disclosure statement. An estimate of that cost is set out in paragraph 4.6 below.

There are legal consequences on the seller for failing to provide the additional disclosure in the timeframes required by the Act including delay of settlement and cancellation of the contract.

2.7 Record of Title

Previously known as a certificate of title or computer register, for a unit title development this document records the ownership of a unit, contains a legal description of the unit boundaries and records any legal interest which is registered against the title to the unit (for example a mortgage or easement). A copy of the record of title for a unit should come with:

- the unit plan attached. Unit title plans were discussed earlier in this section; and
- a supplementary record sheet attached. A supplementary record sheet records the ownership of the common property, any legal interests registered against the common property or base land, and other

information such as the address for service of the body corporate and the body corporate operational rules.

The common property in a unit title development does not have a record of title.

2.8 Land Information Memorandum

A land information memorandum (LIM) is a report which provides information held by the local council about a particular property. You must order and pay for a LIM from the applicable local council. Delivery times vary between councils. The information contained in a LIM will vary between councils, but is likely to include details on:

- rates information;
- information on private and public stormwater and sewerage drains;
- any consents, notices, orders or requisitions affecting the land or buildings;
- District Plan classifications that relate to the land or buildings;
- any special feature of the land the local council knows about including the downhill movement, gradual sinking or wearing away of any land, the falling of rock or earth, flooding of any type and possible contamination or hazardous substances; and
- any other information the local council deems relevant

Full details of what a local council is obliged to provide in a LIM is contained in section 44A of the Local Government Official Information and Meetings Act 1987.

2.9 Easements and covenants

An easement is a right given to a landowner over another person's property (for example, a right of way, or right to drain water). A land covenant is an obligation contained in a deed between two parties, usually relating to the use of one or both properties (for example a covenant to restrict one party using their property in a certain way).

Easements or covenants may apply to:

- a unit and are usually recorded on the record of title for that unit.
- common property and will be recorded on the supplementary record sheet for the unit title development.

For detailed information on any of the above matters relating to your specific circumstances, the Department of Building and Housing recommends you obtain independent legal advice from your lawyer.

3 FURTHER INFORMATION

Further information about the matters set out above can be obtained from:

Unit title property ownership	Department of Building and Housing www.dbh.govt.nz/unit-titles 0800 UNIT TITLES (0800 864 884)
Unit plan Ownership and utility interests Record of title Easements and covenants	Land Information New Zealand www.linz.govt.nz 0800 ONLINE (0800 665 463)
Body corporate operational rules Pre-settlement disclosure statement Additional disclosure statement	The body corporate of the unit title development
Land Information Memorandum	Your local council

4. INFORMATION ABOUT THE UNIT

4.1 The amount of the contribution levied by the body corporate under section 121 of the Unit Titles Act 2010 in respect of the unit is \$[amount].

The amount of the contribution levied by the body corporate under section 121 of the Unit Titles Act 2010 has not yet been determined.

4.2 The period covered by the contribution in paragraph 4 is [period].

The period covered by the contribution in paragraph 4.1 has not yet been determined but will be for a 12 month period to commence on or about the date of the sale of the first unit in the body corporate.

4.3 The body corporate proposes to levy \$[amount] under section 121 of the Act in the next 12 months.

Not applicable as at the date of this statement.

4.4 The body corporate proposes to carry out the following maintenance on the unit title development in the next 12 months:

Not applicable as at the date of this statement.

4.5 The body corporate has the following accounts: [set out details of every bank account held by the body corporate].

Not applicable as at the date of this statement.

4.6 Under section 148 of the Act, a buyer may request an additional disclosure statement before the settlement of an agreement for sale and purchase of a unit. The buyer must pay to the seller all reasonable costs incurred by the seller in providing the additional disclosure statement.

The estimated cost of providing an additional disclosure statement is \$200.00.

~~4.7 The unit or the common property is, or has been, the subject of a claim under the Weathertight Homes Resolution Services Act 2006 or other civil proceedings relating to water penetration of the buildings in the unit title development.~~

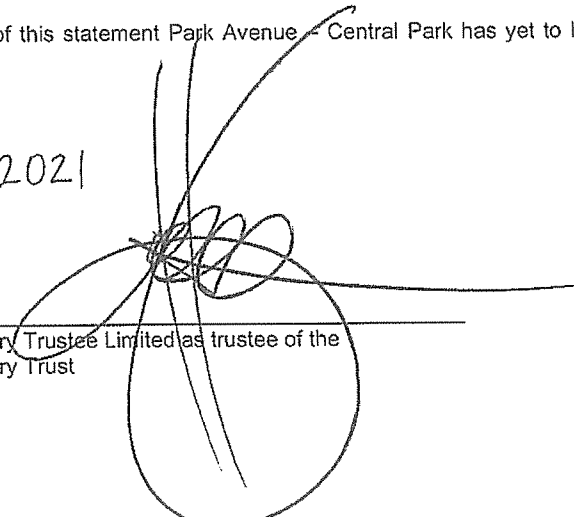
~~_____ or~~

~~_____ The unit or the common property is not currently, and has never been, the subject of a claim under the Weathertight Homes Resolution Services Act 2006 or any other civil proceedings relating to water penetration of the buildings in the unit title development.~~

As at the date of this statement Park Avenue - Central Park has yet to be built, so this clause is not applicable.

Date: 4 MAY 2021

Signed:



Finsbury Trustee Limited as trustee of the
Finsbury Trust