

TERM SHEET FOR
SALE AND DEVELOPMENT AGREEMENT –
[SUPER LOT XX]

Date: _____ 202[x]

The purpose of this Term Sheet is to set out a summary of the key commercial terms that will form the basis of a Sale and Development Agreement for the Super Lot(s) described in this Term Sheet.

The parties agree and understand:

- *that in consideration of the time and expense required to negotiate this document, the Confidentiality and Development Agreement Negotiation provisions of this Term Sheet will be binding;*
- *no other legally binding obligations will be created until a Sale and Development Agreement is executed by all parties;*
- *this Term Sheet should be read, understood and entered into with consideration given to the underlying terms of the Agreement Template, noting not all terms are summarised below.*
- *clause references in this Term Sheet correspond to the clauses in the Agreement Template. If required, please refer to those clauses to ensure you set out a fully considered proposal;*
- *capitalised terms used in this Term Sheet have the meaning given to them in the Agreement Template unless otherwise specified; and*
- *in this Term Sheet “Agreement Template” means the Sale and Development Agreement Template prepared by Kāinga Ora for this development opportunity and “Agreement” means a Sale and Development Agreement to be entered into by the parties prepared in accordance with the terms of this Term Sheet and the Agreement Template.*

Please note, the use of [square brackets] around text means that:

- *the requested details need to be inserted;*
- *there are different options for you to consider within a clause; or*
- *the whole clause/wording is optional, and you need to consider whether to include it or amend it, based on the circumstances.*

Before finalising this Term Sheet, please check for all square brackets to ensure you have considered the relevant option and ensure that all square brackets have been deleted.

Parties												
Housing New Zealand Build Limited (“HNZ Build”):	HNZ Build is a wholly owned subsidiary of Kāinga Ora-Homes and Communities (established under the Kāinga Ora-Homes and Communities Act 2019) and, as a result, is a Crown entity for the purposes of the Crown Entities Act 2004.											
Developer:	Name: [] Company number: []											
Land												
[Land:]	[insert if Super Lot Subdivision still required]. <table border="1"><thead><tr><th>UDD Ref</th><th>Area</th><th>Head Titles</th><th>Address</th></tr></thead><tbody><tr><td>MR-WK-045</td><td>905m² more or less</td><td>Lot 4 DP 40240 NA67C/813</td><td>1213 Dominion Road Mount Roskill Auckland 1041</td></tr></tbody></table>				UDD Ref	Area	Head Titles	Address	MR-WK-045	905m ² more or less	Lot 4 DP 40240 NA67C/813	1213 Dominion Road Mount Roskill Auckland 1041
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Payments		
Purchase Price:	<div>[insert] plus GST (if any) (calculated at \$[insert] per square metre plus GST (if any)).</div> <div>Date(s) for payment of balance of purchase price:</div> <div><div><div>On the Settlement Date in accordance with ADLS general terms 3.8, or</div><div>Where the Developer has delivered a Payment Bond to HNZ Build on the Settlement Date, the earlier of:</div></div><div><div>10 Working Days after the Developer has settled the sale of all Homes to End Purchasers; and</div><div>12 months following the Settlement Date.</div></div></div>	
Deposit:	<div>An amount equal to 10% of the Purchase Price.</div> <div>Date for payment: Upon this Agreement becoming unconditional.</div>	
Milestones		
Milestones and Milestone Dates:	Milestones	Milestone Dates
	Milestone 1: The floor slab of the first Home on Super Lot [xx] has been laid.	Date: [insert] to be mutually agreed on between Kāinga Ora and developer
	Milestone 2: Practical Completion of all of the Homes on Super Lot [xx].	[12] months after the achievement of Milestone 1
Conditions		
Conditions:	Condition	Date for Satisfaction
	Kāinga Ora Approval Condition	[20] Working Days after the date of the Agreement.
	Developer Board Approval Condition	[20] Working Days after the date of the Agreement.
	Developer Suitability Condition	[20] Working Days after the date of the Agreement

	Due Diligence Condition	[20 Working Days after the date of the Agreement]
		[
	Finance Condition	[20] Working Days after the date of the Agreement.
	OIO Condition	[insert]
Settlement Date[s]:	<p><i>[Option 1/3 – To be used when no early access has been given so no licence is required. Option 1 requires cash on settlement, whereas Option 3 requires a Payment Bond]</i></p> <p>In respect of the relevant Super Lot, the date 10 Working Days after the later of:</p> <ul style="list-style-type: none"> • [the date that HNZ Build advises the Developer that a record of title for the Super Lot has issued from LINZ]; • all Conditions have been satisfied or (if applicable) waived; and • the HNZ Build Works for the relevant Super Lot have reached practical completion (as certified by HNZ Build’s project manager). <p>SUBJECT TO the Developer’s right to call for early settlement in accordance with clause 12.3.</p> <p><i>[Option 2 – To be used when the purchase price is paid in full on the settlement date and early access is given]</i></p> <p>In respect of each Super Lot the later of:</p> <ul style="list-style-type: none"> • [10 Working Days after the date that HNZ Build advises the Developer that a record of title for the relevant Super Lot has issued from LINZ]; • all Conditions have been satisfied or (if applicable) waived; and • [12] months after the Works Licence Commencement Date for the relevant Super Lot, <p>SUBJECT TO the Developer’s right to call for early settlement in accordance with clause 12.3.</p>	
Preliminary Works Licence Commencement Date	<p>The date of this Agreement.</p> <p>License to occupy to be signed once the Development Agreement is unconditional.</p>	
Works Licence Commencement Date	<p>10 Working Days after the later of:</p> <ul style="list-style-type: none"> • satisfaction of all Conditions [except the Construction Start Condition]; and 	

	<ul style="list-style-type: none"> the date the HNZ Build Works for the relevant Super Lot have reached practical completion (as certified by HNZ Build's project manager).
Homes to be built by Developer	
Total number of Homes on the Super Lot(s)	[insert]
Typologies	Must provide commercial / retail space on ground floor
Other Details	
HNZ Build Address for Notices:	Catalina Workshops, 3 Boundary Road, Hobsonville Point, Auckland 0616 [insert HNZ Build email]
HNZ Build's GST No.:	125-981-623
Developer's Address for Notices:	[insert Developer's address] [insert Developer's email]
Developer's GST No.:	[insert Developer's GST No.]
Insurances:	<ul style="list-style-type: none"> Public Liability: [\$insert] for any one claim and [\$insert] in aggregate Contract Works: Full replacement value Professional Indemnity: [\$insert] for any one claim and [\$insert] in aggregate Motor Vehicle: [\$insert] Plant and machinery insurance: [\$insert]
Developer's initial DPM Representatives: <i>(Refer clause 1.1)</i>	[insert the names occupations and contact details of up to 2 representatives]
HNZ Build initial DPM Representatives: <i>(Refer clause 1.1)</i>	Vikki Cottingham and Lucy Smith
Developer's Senior Manager: <i>(Refer clause 36.5)</i>	[insert name, role/title and contact details]

HNZ Build Senior Manager: (Refer clause 36.5)	Lucy Smith Senior Development Manager Lucy.smith@kaingaora.govt.nz 021 967 317
Development Agreement Negotiation:	The parties agree to act in good faith towards one another and to use reasonable endeavours to enter into a Sale and Development Agreement within [30] working days of the date of this Term Sheet (" Negotiation Deadline "). The Sale and Development Agreement will be prepared on the Agreement Template and amended in accordance with the terms of this Term Sheet.
Negotiation Deadline:	Notwithstanding any other right or remedy that the parties may have under this Term Sheet or at law, if for any reason a Sale and Development Agreement has not been entered into by both parties on or before the Negotiation Deadline, then either party discontinue negotiations by giving written notice to the other.
Costs:	Each party will bear its own costs and expenses in connection with their due diligence enquiries and the negotiation, preparation and implementation of this Term Sheet.
Confidentiality:	This Term Sheet and all information and documentation exchanged by the parties in respect of this proposed transaction, both before and after signing this Term Sheet, will be confidential to the parties and their professional advisers (" Confidential information "). The Confidential Information will not be disclosed to any other person without the prior written agreement of the other party subject always to HNZ Build's obligations to provide information to Ministers of Government, its parent entity and pursuant to any relevant legislation.

EXECUTION

SIGNED on behalf of **HOUSING NEW ZEALAND BUILD LIMITED** by:

Signature of authorised signatory

Name of authorised signatory

SIGNED on behalf of **[INSERT NAME]** as Developer by:

Signature of director/authorised signatory

Name of director/authorised signatory