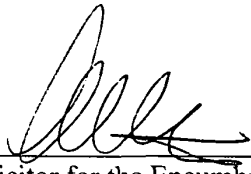


032

Memorandum of Encumbrance

Corrected for the purposes of the Land
Transfer Act 1952




Solicitor for the Encumbrancee

Sade Developments Limited
Encumbrancer

Te Kowhai Ridge Residents Society Incorporated
Encumbrancee

Glaister Ennor
Barrister & Solicitor
AUCKLAND

MEMORANDUM OF ENCUMBRANCE

PARTIES

SADE Developments Limited ("Encumbrancer")

Te Kowhai Ridge Residents Society Incorporated ("Encumbrancee")

Introduction

- A. The Encumbrancer is registered as proprietor of the land described in the attached schedule ("Land").
- B. The Encumbrancer has developed the Land as one of the stages of the Te Kowhai Ridge residential estate and has established the Encumbrancee for the purposes of owning and administering certain communal facilities.
- C. The registered proprietor from time to time of each lot described in the schedule ("Lot") comprising the Land is required to become and, for so long as he/she/they continue to be the registered proprietor of a Lot, remain a member of the Encumbrancee and abide by the Constitution of the Encumbrancee.
- D. The Encumbrancer has agreed to encumber each Lot severally for the better performance of the obligations of the registered proprietor from time to time of a Lot to the Encumbrancee.

Covenants

- 1. The Encumbrancer hereby encumbers the Land and each Lot severally for the benefit of the Encumbrancee for a term of 999 years commencing on the date of this encumbrance with an annual rent charge in respect of each Lot being the greater of:
 - (a) \$2,000.00 per annum (plus GST); and
 - (b) 1.5 times the amount of the Member's Proportion of Operating Expenses for the relevant Expense Year (all as defined in the Constitution of the Encumbrancee) (plus GST) applicable to that Lot.
- 2. The Encumbrancer covenants for itself and its successors in title with the Encumbrancee during the term of this encumbrance that upon becoming the owner and/or registered proprietor of a Lot the Encumbrancer shall join as a member of the Encumbrancee, and remain a member while owning a Lot, and fulfil and continue to fulfil the obligations of a member as set out in the Constitution of the Encumbrancee (including, if required by the Encumbrancee, ensuring that any transferee of a Lot executes a Deed of Covenant in favour of the Encumbrancee agreeing to be bound by the Constitution as a member of the Encumbrancee).
- 3. Notwithstanding anything contained in clause 1 of this encumbrance, for so long as the owner of a Lot fully complies with the obligations of a member pursuant to the Constitution of the Encumbrancee, the rent charge reserved by this encumbrance shall not apply to that Lot.


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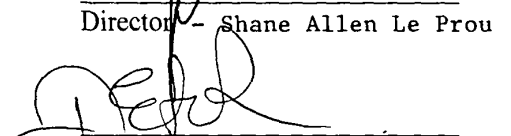


4. Without prejudice to the Encumbrancee's rights of action at common law as a rent charger or encumbrancee, and with the exceptions of section 104 of the Property Law Act 1952 and section 154 of the Land Transfer Act 1952, none of the rights, powers, remedies and implied covenants provided pursuant to the Land Transfer Act 1952 and the Property Law Act 1952 shall apply to this encumbrance.

DATED this 8th day of February 2008

SIGNED as a Deed on behalf of
Sade Developments Limited:



Director - Shane Allen Le Prou

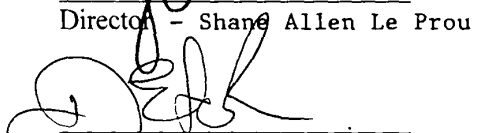

Director - Denise Ellen Le Prou

THE COMMON SEAL of
Te Kowhai Ridge Residents Society Incorporated
was affixed in the presence of:




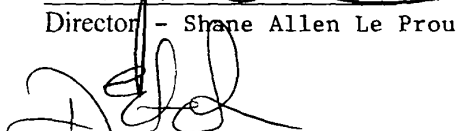
Sade Developments No. 2 Limited
by:


Director - Shane Allen Le Prou


Director - Denise Ellen Le Prou

Sade Charters Limited
by:

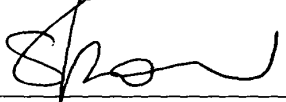

Director - Shane Allen Le Prou

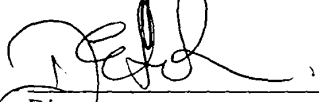

Director - Denise Ellen Le Prou



Sade Developments Limited

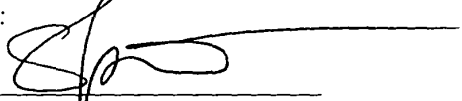
by:

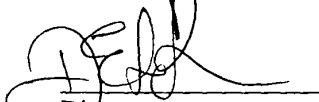

Director - Shane Allen Le Prou


Director - Denise Ellen Le Prou

Sade Communications Limited

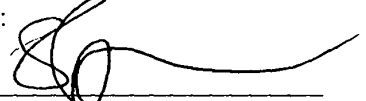
by:



Director - Shane Allen Le Prou


Director - Denise Ellen Le Prou

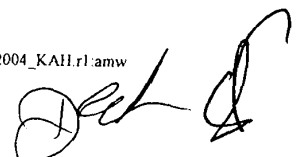
S A & D E Le Prou Limited

by:



Director - Shane Allen Le Prou


Director - Denise Ellen Le Prou

X0712004_KAH:rl:amw



SCHEDULE

Lot Number	Certificate of Title Number
1	387497
2	387498
3	387498 9 
4	387500
5	387501
6	387502
7	387503
8	387504
9	387505
10	387506
11	387507
12	387508
13	387509
14	387510
15	387511
16	387512
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