

**Further Terms of Sale**

**Prestons**

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## **FURTHER TERMS OF SALE - PRESTONS**

### **18. FINANCIAL ARRANGEMENT RULES**

The parties hereby agree that where in relation to this agreement it is or becomes necessary to determine “the consideration” for the purposes of Part EW of the Income Tax Act 2007 the purchase price payable hereunder is the lowest price the parties would have agreed on for the property that is the subject of this agreement for sale and purchase of property at the time at which this sale and purchase agreement for the sale and purchase of the property was entered into on the basis of payment in full at the time at which the first right in the specified property is to be transferred.

### **19. CREDIT CONTRACTS AND CONSUMER FINANCE ACT 2003**

It is recorded that:

- a) The settlement date is the earliest date on which the parties would in any circumstances have agreed that the balance of the purchase price was to be payable; and
- b) Neither the period between the date of this agreement and the settlement date nor any other provision in this agreement evidences any deferment of the purchaser’s obligation to pay the purchase price for the purposes of Section 6 of the Credit Contracts and Consumer Finance Act 2003; and
- c) accordingly this agreement is not a “credit contract” for the purposes of or within the meaning of that Act.

### **20. DAMAGE REMEDIATION BOND**

- 22.1 On settlement the purchaser shall pay to the vendor a Bond of \$2,500.00 (“the Bond”) which the vendor is entitled to apply towards repair or reinstatement of any damage caused to the infrastructure of the subdivision or to any neighbouring lots during the course of construction of the dwelling. The procedure for the refund or retention of the Bond shall be as follows.
- 22.2 At any time up to six months after the issue of a Code Compliance Certificate for the first dwelling built on the Lot, the purchaser shall be entitled to apply to the vendor for the refund of the Bond. The application shall be in writing and must be accompanied by a copy of the Code Compliance Certificate for the dwelling.
- 22.3 As soon as practicable after receipt of the purchaser’s application, a representative of the vendor will inspect the lot to determine if there has been any damage caused to the infrastructure of the subdivision (roads, footpaths, berms, kerbs, trees and street furniture) or to any fences or neighbouring lots during the course of construction of the dwelling.
- 22.4 If, in the opinion of the vendor, there has been damage caused, the vendor shall notify the purchaser in writing of the particulars of the damage and will specify a reasonable time within which repairs or reinstatement of the damaged parts must be completed by the purchaser.

- 22.5 If at the expiry of the period referred to in 22.4 (or such later date as the vendor may agree in writing), the purchaser has not repaired or reinstated the damage, the vendor will be entitled to apply the Bond in meeting the costs of repair or reinstatement, and any amount remaining after the repair or reinstatement shall be refunded to the purchaser.
- 22.6 If in the opinion of the vendor after carrying out the inspection in paragraph 22.3 there has been no outstanding damage caused, the vendor shall refund the Bond to the purchaser.
- 22.7 The vendor is not obliged to hold the Bond in a separate account nor to account to the purchaser for any interest earned on the Bond.
- 22.8 If the purchaser does not apply in writing for the refund of the Bond within six months of the issue of a Code Compliance Certificate for the dwelling, the vendor shall be entitled to permanently retain the Bond.
- 22.9 In the event that the purchaser sells the lot without building on it, the vendor shall continue to hold the Bond on the terms set out above and will make any refund of the Bond to the owner of the Lot at the time the dwelling is built. It is recommended that the purchaser make provision in any agreement to sell the lot for the party purchasing to refund the Bond to the purchaser direct.

### **23. FENCING BY VENDOR**

The vendor shall fence the boundaries between the residential lots on the subdivision with a 1.8 metre high paling fence constructed of new materials and in compliance with the fencing provisions contained in the restrictive covenants. The vendor will use its best endeavours to complete the above fencing prior to settlement but the parties acknowledge that circumstances beyond the control of the vendor (such as adverse weather or supplies of fencing materials to the vendor's nominated fencing contractor) may prevent the completion of all of the fencing by the settlement date. In that event the vendor will complete the fencing as soon as it is practicable to do so and the purchaser will not be entitled to delay settlement or to withhold any amount on settlement. General Term 7.1 will not apply.

### **24. SETTLEMENT AND PAYMENT OF PURCHASE PRICE**

- 25.1 The deposit shall be paid by one payment of \$32,500.00/ \$28,260.00 payable to Saunders & Co Trust Account (020865-0309680-03) on the date that this agreement is signed to be held as a stakeholder until the condition in General Term 9.7 is satisfied.
- 24.2 The balance of the purchase price, together with the other moneys payable by the purchaser under this agreement shall be paid five working days after the date that further terms of sale 25.1 and 25.2 have been confirmed.

### **25. PURCHASER'S CONDITIONS OF SALE**

- 25.1 This agreement is subject to the purchaser obtaining finance on terms and conditions acceptable to the purchaser within 10 working days of the date of this agreement.

25.2 This agreement is subject to the purchaser being satisfied, after taking such advice as the purchaser may wish, that the property is in all respects suitable to the purchaser. The purchaser (or their solicitor) shall notify the vendor's solicitor within 10 working days from the date of this agreement as to the fulfilment or otherwise of this condition. This condition is inserted for the sole benefit of the purchaser.