



**Decision Date**

30 September 2015

**Decision**

Consent has been granted to **Craigmore Farming NZ Limited Partnership** ("the Applicant") to give effect to an overseas investment in sensitive land, being the Applicant's acquisition of a freehold interest in approximately 43 hectares of land at 84 Waimea Drive, Te Puke.

("the Investment")

Consent is granted subject to the following conditions:

**Statutory Conditions of Consent**

Section 28 of the Overseas Investment Act 2005 ("the Act") provides that it is a condition of every consent, whether or not it is stated in the consent, that:

- (a) the information provided by each applicant to the Overseas Investment Office or the relevant Ministers in connection with the application was correct at the time it was provided; and
- (b) each consent holder must comply with the representations and plans made or submitted in support of the application and notified by the Overseas Investment Office as having been taken into account when the consent was granted, unless compliance should reasonably be excused.

For the purposes of section 28(1)(b), the representations and plans made or submitted in support of the application and taken into account when consent was granted are those contained in the correspondence listed in the statutory declaration of **Leslie Che Charteris** dated **8 September 2015** and in all attachments annexed to that correspondence.

**Special Conditions**

Consent is granted subject to the following conditions:

1. The consent will lapse if the Investment has not been acquired by and transferred to the Applicant within twelve months of the date of consent.
2. The Applicant must notify the Overseas Investment Office in writing as soon as practicable, and no later than twelve months from the date of consent, whether settlement of the acquisition of the Investment took place. If settlement of the acquisition of the Investment did take place, the notice must include:
  - (a) the date of settlement;
  - (b) final consideration paid (plus GST, if any);
  - (c) the structure by which the acquisition was made, and who acquired the Investment;
  - (d) where applicable, copies of transfer documents and settlement statements; and

- (e) any other information that would aid the Overseas Investment Office in its function to monitor conditions of consent.
3. The Applicant, or the individuals with control of the Applicant, must:
- (a) continue to be of good character; and
  - (b) not become an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009.
4. The Applicant must notify the Overseas Investment Office in writing within 20 working days if:
- (a) the Applicant, or (if the Applicant is not an individual) any individual with control of the Applicant:
    - (i) ceases to be of good character; or
    - (ii) commits an offence or contravenes the law (whether convicted or not); or
    - (iii) becomes aware of any other matter that reflects adversely on the Applicant's fitness to have the Investment; or
    - (iv) becomes an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009;
  - (b) any person in which the Applicant, or any individual with control of the Applicant has, or had at the time of the offence or contravention, a 25% or more ownership or control interest, commits an offence or contravenes the law (whether convicted or not); or
  - (c) the Applicant:
    - (i) ceases to be an overseas person; or
    - (ii) disposes of the Investment.

Ecological conditions

5. The Applicant must consult with the Department of Conservation ("DOC") to determine what the Applicant can reasonably do (having regard to the proposed use of the relevant land) to protect or enhance any existing areas of significant indigenous vegetation or significant habitats of indigenous fauna on the relevant land (such as the registration of new instruments) ("Environmental Protection"). The Applicant must:
- (a) Write to the Statutory Land Management National Advisor of DOC (Conservation House, 18-32 Manners Street, Te Aro, Wellington 6011) within 30 working days from the date of settlement, advising that the Applicant wishes to consult about Environmental Protection and enclose:
    - (i) a copy of the Public Decision Summary for this consent and any environmental consultant reports prepared in relation to this application; and
    - (ii) a copy of this condition together with information identifying and describing the relevant land including aerial photographs, maps and Certificate(s) of Title;
  - (b) Implement any Environmental Protection recommended by DOC ("DOC Recommendation") within two years from DOC making the DOC Recommendation, or such other timeframe as mutually agreed between the Applicant and DOC. The cost of any Environmental

Protection shall be borne by the Applicant up to a maximum of [REDACTED] excluding GST.

- (c) The Applicant must provide to the OIO a copy of any letter sent to DOC under condition 5(a) within 20 working days from the date of sending.
6. The Applicant must commission a biodiversity survey for the Land and develop a Management Plan as referred to in paragraph 9.2 (page 24) of the Application.
7. The Applicant must undertake the native replanting referred to in paragraph 9.2 (page 24) of the Application within one year of the date of consent.

WAC condition

8. The Applicant must consult with the New Zealand Walking Access Commission ("WAC") to determine what the Applicant can reasonably do (having regard to the proposed use of the relevant land) to provide, protect or improve public walking access over the relevant land or part of that land (such as the registration of new instruments) ("Walking Access"). The Applicant must:
  - (a) Write to the Operations Manager at WAC (PO Box 12348, Thorndon, Wellington 6144), within 30 working days from the date of settlement advising that the Applicant wishes to consult about Walking Access and enclose:
    - (i) a copy of the Public Decision Summary for this consent; and
    - (ii) a copy of this condition together with information identifying and describing the relevant land including aerial photographs, maps and Certificate(s) of Title;
  - (b) Implement any Walking Access recommended by WAC ("WAC Recommendation") within two years from WAC making the WAC Recommendation, or such other timeframe as mutually agreed between the Applicant and WAC. The cost of any Walking Access shall be borne by the Applicant up to a maximum of [REDACTED] excluding GST.
  - (c) Applicant must provide to the OIO a copy of the letter sent to WAC under condition 8(a) within 20 working days from the date of sending.
9. Should a dispute or difference arise between the Applicant and WAC or the Applicant and DOC in relation to conditions 5 or 8 ("Dispute"), then the Applicant must:
  - (a) Endeavor to resolve the Dispute by mediation;
  - (b) If the Dispute is not resolved through mediation within 60 working days from the Dispute arising, endeavor to have:
    - (i) the Dispute referred to and finally resolved in arbitration in Wellington, New Zealand;
    - (ii) the tribunal consist of a sole arbitrator appointed by agreement between the parties or, if the parties cannot agree, by the President of the New Zealand Law Society; and
    - (iii) the arbitral proceedings conducted in accordance with the Arbitration Act 1996 or any other statutory provision then relating to arbitration;

- (c) Share the cost of any arbitration and/or mediation equally with WAC or DOC as the case may be; and
- (d) Provide a copy of any award made by the arbitrator to the Overseas Investment Office within 15 working days of the award being made.

#### Development Plan Implementation condition

10. The Applicant must (unless otherwise varied by agreement with the Overseas Investment Office) implement the 4-year Development Plan as set out in Appendix 13 and 17 of the Application within the timeframes set out therein (and in particular the redevelopment of the canopy structure, vine replanting and native planting).

#### Reporting conditions

11. If requested in writing by the Overseas Investment Office, the Applicant must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:
- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent was granted; or
  - (b) the conditions of this consent.
12. The Applicant must report in writing to the Overseas Investment Office (on an annual basis on 31 December, with the first report being due on 31 December 2015 and the last on 31 December 2019) as to the progress of the Development Plan, and in particular details of:
- (a) any increased export receipts resulting from the overseas investment;
  - (b) any greater production or efficiencies resulting from the overseas investment;
  - (c) any progress with implementing conditions 5, 6, 7, 8 and 10 above.

#### **Monitoring Conditions of Consent**

For the purpose of monitoring conditions of consent, the Overseas Investment Office may, under section 38 of the Act, require the consent holder to provide information or documents, or both, that are specified in the notice. Under section 40 of the Act, the Overseas Investment Office may also require a consent holder to provide a statutory declaration verifying the extent to which the consent holder has complied with the conditions of consent, and, if the consent holder is in breach of a condition or conditions, the reasons for the breach and the steps the consent holder intends to take to remedy the breach.

#### **Sanctions**

The Act provides for civil and criminal sanctions for breaching the Act, failing to comply with the conditions of consent and failing to provide information required by the Overseas Investment Office. The Overseas Investment Office has an obligation to investigate and act upon alleged and suspected breaches of the Act.

**General**

A reference to the "Overseas Investment Office" in this Notice includes a reference to the regulator (as defined by the Act). A reference to the Applicant includes a reference to the consent holder.



Senior Solicitor  
Overseas Investment Office

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<b>Decision</b>	Consent granted Section 12(a) Overseas Investment Act 2005
<b>Decision Date</b>	30 September 2015
<b>Investment</b>	An overseas investment in sensitive land, being the Applicant's acquisition of a freehold interest in approximately 43 hectares of land at 84 Waimea Drive, Te Puke.
<b>Consideration</b>	\$5,918,960
<b>Applicant</b>	<b>Craigmore Farming NZ Limited Partnership</b> Western European Public (76%) Various overseas persons (18.6%) New Zealand Public (5.4%)
<b>Vendor</b>	<b>Lawrence (Gilbert Ian), Lawrence (Raewyn Esther) and Walkinton (Richard Bruce)</b> New Zealand (100%)
<b>Background</b>	<p>The Applicant, together with Trevelyan's Pack and Cool Limited, intends to carry out development of the Land to realise the full potential of its associated Kiwifruit Orchard operation.</p> <p>The overseas investment transaction has satisfied the criteria in section 16 of the Overseas Investment Act 2005. The 'substantial and identifiable benefit to New Zealand' criteria were satisfied by particular reference to the following factors:</p> <p><b>Overseas Investment Act 2005</b></p> <ul style="list-style-type: none"><li>17(2)(a)(iii) – Increased export receipts</li><li>17(2)(a)(iv) – Greater efficiency or productivity</li><li>17(2)(a)(v) – Additional investment for development purposes</li><li>17(2)(b) – Indigenous vegetation/fauna</li></ul> <p><b>Overseas Investment Regulations 2005</b></p> <ul style="list-style-type: none"><li>28(e) – Previous investments</li><li>28(f) – Advance significant Government policy or strategy</li><li>28(i) – Economic interests</li></ul>
<b>More information</b>	Michael Beck Duncan Cotterill PO Box 5 CHRISTCHURCH

Decision required under the Overseas  
Investment Act 2005: Craigmore Farming NZ Limited Partnership

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<b>Date</b>	30 September 2015
<b>Security Level</b>	Commercial: In Confidence
<b>Priority</b>	Medium
<b>Case Number</b>	201510067
<b>Consent Required By</b>	As soon as possible

Contact for Telephone Discussion

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<b>Name</b>	<b>Position</b>	<b>Telephone (wk)</b>	<b>Cellphone</b>	<b>First Contact</b>
	Team Manager			
	Senior Solicitor			

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## Annexures:

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1. Report of the Overseas Investment Office on the proposed overseas investment ("Report").
2. Application for consent with supporting material ("Application").

## Instructions:

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3. The regulator must grant consent to this overseas investment if it is satisfied that all of the criteria in section 16 of the Overseas Investment Act 2005 ("the Act") are met. It must decline to grant consent if it is not satisfied that all of the criteria in section 16 are met. The regulator must not take into account any criteria or factors other than those identified in sections 16 and 17, and regulation 28 of the Overseas Investment Regulations 2005 ("the Regulations").
4. In the attached Report the Overseas Investment Office identifies each of the criteria and factors under sections 16 and 17, and regulation 28 that the regulator is required to consider in this case.

### "Benefit to New Zealand criteria"

5. In this case, section 16 requires the regulator to decide, among other things, whether it is satisfied in relation to the following "benefit to New Zealand" criteria:
  - (a) the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders), as determined under section 17 (section 16(1)(e)(ii)); and
  - (b) that benefit will be, or is likely to be, substantial and identifiable (section 16(1)(e)(iii)).
6. The application of the benefit to New Zealand criteria involves the exercise of judgement and is a high-level decision with significant policy content. This is apparent from the language and content of the factors that must be considered, many of which require a high degree of evaluative judgement, and are not capable of quantification or calculation.
7. In applying the benefit to New Zealand criteria, the regulator is required to consider each of the factors in section 17(2), determine which of the factors are relevant to the investment, and have regard to the relevant section 17(2) factors. The relative importance to be given to each factor is a matter to be determined by the regulator. In particular, the Act does not require economic factors to be given more weight than non-economic factors, or vice versa. It is a matter for the regulator, in carrying out its overall evaluation, to decide what weight to give to each factor.
8. The decision concerning whether the benefit to New Zealand, or any part of it or group of New Zealanders, is substantial and identifiable under section 16(1)(e)(iii), involves a collective assessment of the relevant factors.



Justice Miller’s “with and without test”

*Economic factors*

9. The High Court in *Tiroa E and Te Hape B Trusts v Chief Executive of Land Information* [2012] NZHC 147 (“*Tiroa E*”) requires the “economic benefit” factors in section 17(2)(a) to be assessed on the basis of a “counterfactual test”. That is, the regulator must consider with respect to each section 17(2)(a) factor whether the overseas investment is likely to result in a benefit to New Zealand over and above any benefit that will or is likely to result even if the investment does not proceed. It is only the additional benefit from the overseas investment that is relevant when applying the “benefit to New Zealand” criteria.

*Non- economic factors*

10. Although the position is not free from doubt, the better view is that the same question – will this benefit be achieved even if the overseas investment does not occur – should be asked in relation to the other “non-economic” factors listed in section 17(2)(b)-(e). The High Court judgment suggested<sup>1</sup> that there could be a benefit in respect of the non-economic factors even if the same benefit would be achieved in the absence of the investment. But as the Court noted<sup>2</sup>, it is not easy to see how a benefit that will happen anyway could be regarded as substantial for the purposes of section 16(1)(e)(iii). We consider that the regulator should not treat benefits that are likely to be achieved in any event as contributing to the “substantial and identifiable benefit” criterion.

*Regulation 28 factors*

11. With regard to the factors in regulation 28 of the Overseas Investment Regulations 2005, Miller J noted that:

The criteria listed in reg 28 deal, for the most part, with benefits that only an overseas buyer could provide or what may be loosely described as strategic considerations, so they do not require a counterfactual analysis.<sup>3</sup>

12. Many of the factors in regulation 28 are incapable of having a counterfactual analysis applied to them. However, as recognised by Miller J, there are some factors that may require a counterfactual analysis. The Overseas Investment Office has applied a counterfactual analysis where appropriate.

Conditions

13. Conditions may be imposed on any consent that is granted, under section 25. The attached Report recommends some conditions that you may wish to consider imposing in this case.

Decision

14. The decision that you are required to make should be based on information available to you that you consider is sufficiently reliable for that purpose. The information that the Overseas Investment Office has taken into account in making its recommendation is summarised in the attached Report.

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<sup>1</sup> *Tiroa E* at [36].

<sup>2</sup> *Tiroa E* at [38].

<sup>3</sup> *Tiroa E* at [36].

## Decision:

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15. I have determined that:

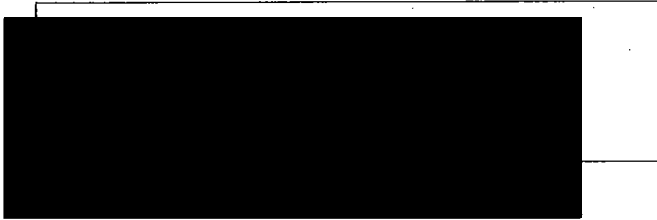
- (i) the 'relevant overseas person' is (collectively):
  - **Craigmore Farming NZ Limited Partnership** (the Applicant);
  - [REDACTED]
  - **Craigmore Farming GP Limited** (the GP of the Applicant);
  - **Trevelyans Pack and Cool Limited.**
- (ii) the 'individuals with control of the relevant overseas person' are (collectively):
  - the Board of the GP (as operational managers. The members of the Board are **Forbes Elworthy, Mark Cox, Che Charteris** and **Andrew Gibbs**); and
  - the individuals with control of the major overseas investor entities (being [REDACTED] and (now) [REDACTED] as the sole directors of [REDACTED]

\* During the processing of this Application, [REDACTED]

16. I am satisfied that the criteria for consent in section 16 have been met:

- (a) the relevant overseas person has, or (if that person is not an individual) the individuals with control of the relevant overseas person collectively have, business experience and acumen relevant to the overseas investment; and
- (b) the relevant overseas person has demonstrated financial commitment to the overseas investment; and
- (c) the relevant overseas person is, or (if that person is not an individual) all the individuals with control of the relevant overseas person are, of good character; and
- (d) the relevant overseas person is not, or (if that person is not an individual) each individual with control of the relevant overseas person is not, an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009; and
- (e) the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders) ; and
- (f) the benefit will be, or is likely to be, substantial and identifiable; and
- (g) the farm land or the securities to which the overseas investment relates have been offered for acquisition on the open market to persons who are not overseas persons in accordance with the procedure set out in regulations or that the overseas investment is exempt under section 20 of the Act.

17. Consent is granted to the Investment subject to the conditions in Appendix 1 of the Report.



Date

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Report of the Overseas Investment Office  
on the application for consent by  
Craigmore Farming NZ Limited Partnership  
Case: 201510067

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## Summary of Key Information

<b>Applicant</b>	<b>Craigmore Farming NZ Limited Partnership</b> (Western European 76%, Various 18.6%, New Zealand 5.4%)
<b>Vendor</b>	<b>Lawrence (Gilbert Ian), Lawrence (Raewyn Esther) and Walkinton (Richard Bruce)</b> (New Zealand 100%)
<b>Consideration</b>	\$5,918,960
<b>Recommendation</b>	Grant Consent

## Application

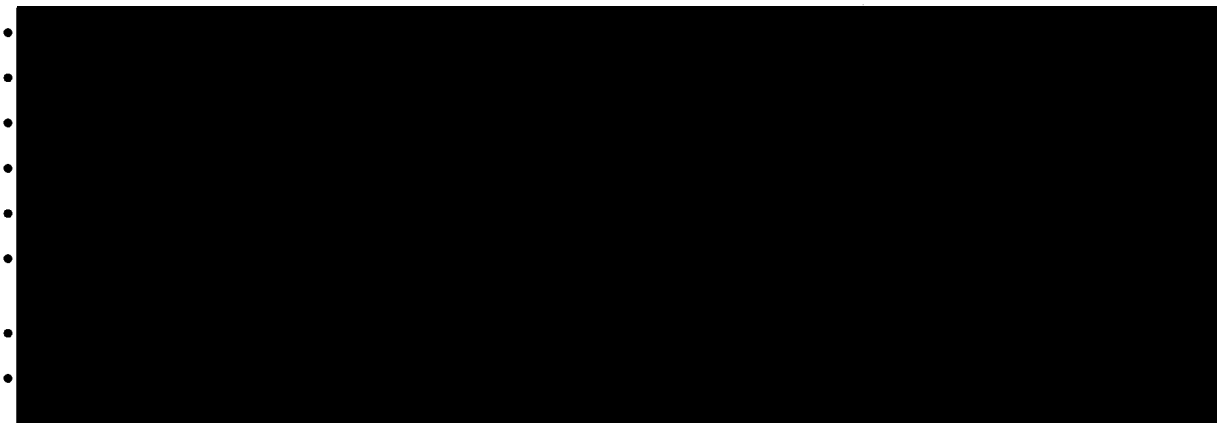
- For consent for the Applicant to give effect to an overseas investment in sensitive land, being the Applicant's acquisition of a freehold interest in approximately 43 hectares of land at 84 Waimea Drive, Te Puke.  
("the Investment")

## Applicant

- The Applicant is Craigmore Farming NZ Limited Partnership, an overseas person under the Act as it is more than 25% beneficially owned by overseas persons.
- The Applicant is a registered limited partnership incorporated in NZ in 2011 and is part of the Craigmore Farming Group (Craigmore).
- The Applicant was initially founded by NZ citizen Forbes Elworthy to combine his interests in finance, agriculture and environmentalism. Mr Elworthy seeded the Craigmore Farming Fund portfolio in 2008. After initially managing its own seed capital, Mr Elworthy partnered with Mark Cox and together they opened Craigmore's investment vehicles to outside investors in 2011.
- Forbes Elworthy and Mark Cox now manage Craigmore as joint founders and have committed to maintain [REDACTED] invested in the Applicant over its duration.
- The Applicant was formed to carry out farming activities in NZ and has acquired interests in farming subsidiary companies that own and/or operate farm land in NZ. Across both Farming and Forestry Funds Craigmore is now responsible for managing 30 farms and forestry blocks covering over 25,000ha and valued at over [REDACTED]. The Applicant has made 17 previously successful applications under the Act since 2012.

## Limited Partners

- The major limited partners of the Applicant as at the date of this Application are approximately:



- [REDACTED]
8. The respective partnership interests of each limited partner are subject to the initial **Farming Fund Application 201220039**, pursuant to which Craigmores Sustainables (Farming) N.V was granted consent to increase its partnership interest to up to [REDACTED] over the period from the date of the consent to 30 June 2016. As at the date of this Application, Craigmores Sustainables (Farming) N.V. holds a partnership interest in the Applicant of [REDACTED] % (down from [REDACTED] in the last batch of applications in mid-2014). The major change since the latter time is that Western European investors now hold an approximately [REDACTED] interest in Craigmores (and the interest of investors from Asia has dropped considerably).
  9. The limited partners are not permitted to take part in the management of the Applicant. Management is ultimately provided by the General Partner, Farm Manager and the Investment Manager (all being NZ controlled entities).
  10. The Applicant is currently approximately [REDACTED] owned by underlying NZ owners (not counting a joint NZ/Australian [REDACTED] interest in Craigmores Sustainables (Farming) NV) - down from [REDACTED] in the 2014 batch of applications.

#### Craigmores Sustainables (Farming) N.V

11. The major [REDACTED] overseas limited partner is Craigmores Sustainables (Farming) N.V (owned [REDACTED]). These entities are incorporated in the Netherlands.
12. [REDACTED] is currently owned approximately [REDACTED].

#### General Partner (GP)

13. The GP is Craigmores Farming GP Limited, which is ultimately solely owned by New Zealander Forbes Elworthy (through the GP's immediate parent Craigmores Sustainables NZ Limited and its parent Craigmores Farming Co Limited).
14. The GP has overall responsibility for the management and administration of the Applicant, and indirect control over the management and administration of each of the Applicant's subsidiary companies. The GP has responsibility for determining the investment objectives, policy and restrictions applicable to the Applicant.
15. The Board of the GP comprises Forbes Elworthy, Mark Cox, Che Charteris and Andrew Gibbs, who are all NZ citizens.

#### Management Control

16. The GP may delegate its authority and powers to one or more managers. The GP has currently delegated the operational management of the Applicant's assets to the Farm Manager and management of the Applicant's investments to the Investment Manager.

#### Investment Manager

17. The Investment Manager is Craigmores Sustainables LLP, a limited liability partnership incorporated and registered in England and Wales.
18. The Investment Manager makes decisions regarding investments and assets on behalf of the Applicant.
19. [REDACTED]

#### Farm Manager

20. The operational Farm Manager is Craigmore Sustainables NZ Limited, a NZ company appointed to manage the operations of the Applicant.
21. The Farm Manager provides operational management services and the Applicant has delegated to the Farm Manager full authority to carry out all of those services.
22. The Farm Manager is a NZ company ultimately 100% owned by Forbes Elworthy.

#### Craigmore Group

23. Together, all of the above entities form part of the Craigmore Farming Group (Craigmore). Various Craigmore related entities also hold forestry interests in NZ.

### Background to the Investment

24. The Vendors of the Land are Gilbert & Raewyn Lawrence and Richard Walkinton (as trustees of a Family Trust). The Vendors are not overseas persons under the Act.
25. The Vendors' usual business activity is the ownership of kiwifruit orchards (they currently own three orchards). The Vendors have owned the relevant Land for approximately 18 years.
26. The Orchard on the Land is managed by [REDACTED] which has managed it for the last 18 years. The property, currently growing green kiwifruit, totals 42ha with 19ha under canopy. Production has been affected in the past few years due to the PSA-V environment and sub-standard management practices.
27. The Vendors wish to downsize the amount of kiwifruit orchards they own as two of the trustees are now of retirement age. They intend to use the sale proceeds to fund general maintenance and upkeep of the two other kiwifruit orchards the Trust owns; to repay debt and fund their retirement.

### Outline of the Investment

28. Craigmore partnered with Trevelyan's Pack and Cool Limited (Trevelyan's) in October 2013 to co-invest alongside each other to build a kiwifruit orchard business in the Bay of Plenty. Trevelyan's is a NZ owned and operated company which currently owns and operates a packing and cool storage business in Te Puke, predominantly for kiwifruit. Trevelyan's has 3 packhouses and 25 coolstores, packing approximately 8 million trays of green, gold and gold organic kiwifruit from approximately 220 orchards, as well as 300,000 trays of avocados. They have 100 permanent staff, which grows to 1,400 employees during the kiwifruit harvest period.
29. In November 2014, consent was granted to the Applicant and Trevelyan's to purchase nearby Kirimini Orchard (40ha) as a [REDACTED] joint venture.
30. The relevant Land will be Craigmore's second kiwifruit orchard acquired around Te Puke and will expand their kiwifruit operations in the region.

### Rationale for the Investment

31. The Applicant intends to carry out development to realise the full potential of the Land and the associated Orchard operations.
32. The Applicant was established to be the investment vehicle for the Farming Fund which was formed to invest in farming assets. [REDACTED]  
[REDACTED] The original Craigmore Farming Fund Application contemplated the Applicant acquiring further interests and this acquisition is consistent with the business strategies and benefits outlined in the Farming Fund Application.

## Sensitive Land

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33. The Applicant is acquiring sensitive land. See Appendix 2.

## Assessment Process

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34. We have sought sufficient information from the Applicant for us to be assured about the accuracy of the information supplied and have sought sufficient evidence from the Applicant for us to be able to judge whether the criteria and factors that apply are met.

35. We did not consider it necessary to seek input from third parties in order to verify the information or evidence gathered.

36. We have determined that:

(i) the 'relevant overseas person' is (collectively):

- **Craigmore Farming NZ Limited Partnership** (the Applicant);

- [REDACTED]

- **Craigmore Farming GP Limited** (the GP of the Applicant);

- **Trevelyan's Pack and Cool Limited.**

(ii) the 'individuals with control of the relevant overseas person' are (collectively):

- the Board of the GP (as operational managers. The members of the Board are **Forbes Elworthy, Mark Cox, Che Charteris** and **Andrew Gibbs**); and

- the individuals with control of the major overseas investor entities ( [REDACTED] and (now) [REDACTED]

\* [REDACTED]

37. As a result of this transaction, the relevant overseas person will **not** own or control farm land that is more than ten times the average farm size for the principal farming activity (kiwifruit growing) that is proposed to be carried out. Therefore, in accordance with directions from Ministers, we have not treated the following factors as being of high relative importance:<sup>4</sup>

- (a) sections 17(2)(a)(i) to 17(2)(a)(vi), the "economic benefit" factors;
- (b) regulation 28(i), the "economic interests" factor; and
- (c) regulation 28(j), the "oversight and participation by New Zealanders" or "mitigating" factor.

## Counterfactual Analysis

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38. In *Tiroa E*, the Court made specific reference to the counterfactual assessment to be made. Miller J recognised that the statute's perspective is forward looking and that, "if it is to isolate the economic benefits attributable to the overseas investment, the counterfactual must similarly be forward looking, requiring that the OIO ask what will happen if the investment is not made".<sup>5</sup> Miller J also suggested that the "status quo may serve as the counterfactual under s 17(2)(a) only if Ministers think it likely that in the hands of another owner or owners, the farms will remain in their present state".<sup>6</sup>

<sup>4</sup> Ministerial Directive letter date 8 December 2010, paras 4-12.

<sup>5</sup> *Tiroa E* at [37].

<sup>6</sup> *Tiroa E* at [42].



39. The Land was originally advertised for sale on 6 February 2015 on several websites, followed by several newspapers during February and March 2015. In addition, email notice of the sale was sent out directly to 132 likely buyers. Tenders for the Land closed on 19 March and the *Agreement for Purchase* was entered into on 10 April. The OIO sought details of any other formal tenders received and received confirmation that no other tenders were received.
40. The advertising did attract a number of initial expressions of interest but, apart from the Applicant's formal tender, only one informal verbal offer for the Land was received from a local kiwifruit grower but this was considered too low. This offer (for \$5.5m) was over [REDACTED] less than that which the Applicant subsequently agreed to pay (\$5.91m) under the proposed transaction.
41. One of the other initially interested parties was a local grower who is also the Chairman of Zespri. This person lost interest when he realised that one block of the Orchard suffers from the *Armillaria* root fungus.
42. The Orchard is held in five separate computer registers/titles which can be sold separately. The Vendors have advised that, given their lack of success in attracting an alternative acceptable NZ purchaser for the entire Orchard to date, the Vendors will instead look to break up the Land and try to sell it off as individual parcels. Without the overseas investment therefore, the most likely counterfactual is that the Land will be broken up into its constituent separate titles and there is little likelihood that similar benefits from continuing to operate the Land as a single Orchard will arise.

### Criteria set out in section 16

43. s16(1)(a) Overseas Investment Act 2005

<b>Does the relevant overseas person, or (if that person is not an individual) do the individuals with control of the relevant overseas person collectively have business experience and acumen relevant to that overseas investment?</b>	✓
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The OIO is satisfied that the individuals with control of the relevant overseas person have business experience and acumen relevant to the investment. Craigmore is currently responsible for managing 30 NZ farms and forestry blocks covering over 25,000ha.

44. s16(1)(b) Overseas Investment Act 2005

<b>Has the relevant overseas person demonstrated financial commitment to the overseas investment?</b>	✓
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The OIO is satisfied that the relevant overseas person has demonstrated financial commitment to the overseas investment. Trevelyans has entered into an *Agreement for Sale and Purchase* for the Land, on the basis of a commitment by the Applicant to complete and fund the purchase. A deposit of \$591,896 was paid by the Applicant [REDACTED] and Trevelyan's [REDACTED] on 5 May 2015 and the Applicant is committed to funding the development set out below under the Introduction of Capital for Development factor.

## 45. s16(1)(c) Overseas Investment Act 2005

<b>Is the relevant overseas person, or (if that person is not an individual) are all the individuals with control of the relevant overseas person, of good character?</b>	✓
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The decision maker must be satisfied that the individuals with control are of good character. Section 19 of the Act specifies that the decision-maker must take the following factors into account (without limitation) in assessing whether a person is of good character:

- offences or contraventions of the law by the person, or by any person in which the person has, or had at the time of the offence or contravention, a 25% or more ownership or control interest (whether convicted or not); and
- any other matter that reflects adversely on the person's fitness to have the particular overseas investment.

The Applicant has recently provided a statutory declaration stating that the individuals with control are of good character, have not committed an offence or contravened the law as described above and know of no other matter that reflects adversely on their fitness to have the Investment. The OIO is satisfied that the statutory declaration can be relied on as it complies with the requirements of the Oaths and Declarations Act 1957. The OIO has also conducted open source background checks on the individuals with control and found nothing relevant to this criterion.

Therefore, the OIO is satisfied that the individuals with control are of good character.

## s16(1)(d) Overseas Investment Act 2005

<b>Is the relevant overseas person, or (if that person is not an individual) is each individual with control of the relevant overseas person, not an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009?</b>	✓
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Section 15 of the Immigration Act specifies that certain convicted or deported persons are not eligible for a visa or permission to enter or be in New Zealand. Section 16 provides a power to deny a visa or permission to enter New Zealand for other specified reasons, such as if the individual is likely to be a threat or risk to security or public order.

The Applicant has provided a statutory declaration stating that none of the individuals with control of the relevant overseas person are individuals of the kind referred to in section 15 or 16 of the Immigration Act 2009. The OIO is satisfied that the statutory declaration can be relied on as it complies with the requirements of the Oaths and Declarations Act 1957. The OIO has also conducted open source background checks on those individuals and found nothing relevant to this criterion.

Therefore, the OIO is satisfied that none of the individuals with control of the relevant overseas person are individuals of the kind referred to in section 15 or 16 of the Immigration Act 2009.

## 46. s16(1)(e)(ii) Overseas Investment Act 2005

<b>Will the overseas investment benefit, or is it likely to benefit, New Zealand (or any part of it or group of New Zealanders)?</b>	✓
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The proposed overseas investment will or is likely to benefit New Zealand (or any part of it or group of New Zealanders) having regard to the following factors:

**Overseas Investment Act 2005**

- 17(2)(a)(iii) - Increased export receipts
- 17(2)(a)(iv) - Greater efficiency and productivity
- 17(2)(a)(v) - Additional investment for development purposes
- 17(2)(b) - Indigenous vegetation/fauna

**Overseas Investment Regulations 2005**

- 28(e) - Previous investments
- 28(f) - Advance significant Government policy or strategy
- 28(i) - Economic interests

47. s16(1)(e)(iii) Overseas Investment Act 2005

<b>Will the benefit be, or is the benefit likely to be, substantial and identifiable?</b>	✓
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The OIO is satisfied that the benefits of the overseas investment are likely to be substantial and identifiable. The proposed development by the Applicant will ensure that the entire Orchard will be operated and developed to its maximum potential in the immediate future. In particular, the proposed development is likely to introduce additional capital for development, leading to increased production of kiwifruit, increased exports and greater efficiencies.

If the Applicant is successful in acquiring the property, then the Land will remain over ██████ NZ owned in the immediate future and the entire Orchard operation will become part of a significant local operation developed and run by the well established Trevelyans business, backed up by a very well funded overseas (and NZ managed) partner. The Applicant estimates a likely increase of approximately ██████ trays of kiwifruit per year from the Land within 4 years, nearly all of which will be exported. This represents a more than ██████ increase from the current ██████ trays.

Conditions of consent will ensure that the proposed development is carried out, which will ensure that the Orchard is developed to its full potential in the immediate future. In addition, the Applicant will be required to undertake native planting alongside the nearby stream and will be required to consult both DOC and WAC to ensure that any additional reasonably required ecological protective and public walking access mechanisms are put in place.

Without the overseas investment, the most likely counterfactual is that the Land will be broken up into its constituent separate titles and there is little likelihood that similar benefits from continuing to operate the Land as a single Orchard will arise.

48. s16(1)(f) Overseas Investment Act 2005

<b>Has the farm land, or have the farm land securities, been offered for acquisition on the open market to persons who are not overseas persons, in accordance with the Overseas Investment Regulations 2005?</b>	✓
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The OIO is satisfied that the farm land has been offered for acquisition on the Open Market to persons who are not overseas persons, in accordance with the Overseas Investment Regulations 2005. The Land was advertised:

- on the websites [www.trademe.co.nz](http://www.trademe.co.nz), [www.Professionals.co.nz](http://www.Professionals.co.nz), [www.nrgrealty.co.nz](http://www.nrgrealty.co.nz) [www.realestate.co.nz](http://www.realestate.co.nz) and [www.open2view.co.nz](http://www.open2view.co.nz) from 6.2.2015 to 13.4.2015.
- in the following newspapers including the: (a) *Sunday Star Times* on 22.2.2015 and 1.3.2015; (b) *Te Puke Times* on 19.2.2015, 26.2.2015 and 5.3.2015; (c) *Property Guide* on 20.2.2015, 27.2.2015, 6.3.2015 and 13.3.2015; and (d) *Farmer's Weekly* on 2.3.2015;
- on a signboard erected on 6.2.2015 (still on site as of (at least) 13.4.2015) along with external and internal Window Displays (first advertised on 6.2.2015 and still on site as of (at least) 13.4.2015);
- by direct mail out to database of 132 email recipients completed on 6.3.2015.

This advertising resulted in some initial interest in the Land but only one formal tender (from the Applicant).

### Factors Set Out in section 17

49. s17(2)(a)(i) Overseas Investment Act 2005

<b>Will the overseas investment result in, or is it likely to result in, the creation of new job opportunities in New Zealand or the retention of existing jobs in New Zealand that would or might otherwise be lost?</b>	<b>Not Relevant</b>
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The OIO accepts that the proposed investment is likely to result in the creation of a small number of new job opportunities in NZ (estimated by the Applicant to be approximately 0.15 new indirect full time equivalent positions) and the development will also require short term labour to plant new vines, native trees and to erect the new canopy. The OIO also recognises that the acquisition should help secure the positions of the many Trevelyan employees.

However, the OIO is not satisfied that the likely creation of new job opportunities or retention of existing jobs in NZ will be significant enough to satisfy this factor.

50. s17(2)(a)(ii) Overseas Investment Act 2005

<b>Will the overseas investment result in, or is it likely to result in, the introduction into New Zealand of new technology or business skills?</b>	<b>x</b>
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51. s17(2)(a)(iii) Overseas Investment Act 2005

<b>Will the overseas investment result in, or is it likely to result in, increased export receipts for New Zealand exporters?</b>	<b>✓</b>
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The OIO is satisfied that the overseas investment is likely to result in increased export receipts for NZ exporters. Development and other changes implemented by the Applicant is expected to significantly increase the volume of kiwifruit available for export (the Applicant has estimated an increase of [redacted] trays of kiwifruit per year from the Land within 4 years – this represents a more than [redacted] increase from the current [redacted] trays).

Trevelyan's has developed industry recognised sustainability programmes. Together with the Applicant, the plan is to enter into a *Service Level Agreement* with [REDACTED] to collaborate on developing supply arrangements with offshore customers who are willing to pay a premium for kiwifruit farmed in a sustainable manner. It is expected that this would add [REDACTED] premium to each tray of kiwifruit exported overseas, equating to approximately [REDACTED] per annum in additional export income within 2-3 years.

Without the investment, given no other tenders were received as a result of the tender process, the most likely counterfactual is that the Vendor will try to sell the Land by splitting it up into smaller pieces. If this sales process is successful, it is unlikely that new multiple smaller owners would implement a similar Business Plan to develop the entire Orchard in order to both increase the volume of exportable kiwifruit and to collaborate with [REDACTED] to target a specialist premium export market.

52. s17(2)(a)(iv) Overseas Investment Act 2005

<b>Will the overseas investment result in, or is it likely to result in, added market competition, greater efficiency or productivity, or enhanced domestic services, in New Zealand?</b>	✓
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*Greater Efficiency*

Trevelyan's will oversee management of all of the Applicant's Orchards, resulting in management and operational efficiencies. It is intended that Trevelyan's will provide management services pursuant to an *Orchard Management Agreement*, and be responsible for the day to day operations on the Land. Trevelyan's multiple management contracts will likely create efficiencies in the management of the Orchard operations as it is within a reasonable proximity of Kirimini Orchard which is already owned by the Applicant and Trevelyan's.

*Greater Productivity*

The overseas investment is likely to result in greater productivity as the number of trays of kiwifruit produced is expected to increase considerably (approximately [REDACTED] trays of kiwifruit per year from the Land within 4 years following development and the implementation of a more labour intensive vine-management regime – this represents a more than [REDACTED] increase over current production of [REDACTED] trays).

Without the investment, there is no certainty that similar productivity gains or efficiencies will arise, especially if the Orchard is broken up into smaller parcels (which is the Vendor's stated intention if the proposed investment does not proceed). The investment is unlikely to result in added market competition or enhanced domestic services.

53. s17(2)(a)(v) Overseas Investment Act 2005

<b>Will the overseas investment result in, or is it likely to result in, the introduction into New Zealand of additional investment for development purposes?</b>	✓
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In order to meet the requirements of this factor the Investment must be 'additional investment', 'introduced into New Zealand' and be for 'development purposes'. More particularly, the investment must:

- occur after the initial acquisition and be additional to the purchase price - The development is expected to cost between approximately [REDACTED] and [REDACTED] in the short term (four years). This funding will occur after the initial acquisition and will be additional to the purchase price;
- be funded in the form of foreign direct investment (including retained earnings) - The Applicant has received considerable additional commitments from investors (being almost 95% overseas persons at this time) since the submission of the original Craigmore Farming Fund Application in 2012. As at the date of this Application, the partners of the Applicant have contributed approximately [REDACTED] of capital (compared with [REDACTED] as at the date of the Farming Fund Application). Accordingly, no investment funds are being diverted from the implementation of the original *Business Case* as referred to in the Farming Fund Application; and
- have the effect of increasing the productive capacity of the assets being acquired - Proposed development is expected to help raise the volume of fruit grown by approximately [REDACTED] trays of kiwifruit per year from the Land within 4 years and will therefore have the effect of increasing the productive capacity of the assets being acquired. This amounts to an almost [REDACTED] increase over current production of [REDACTED] trays.

The Applicant intends to carry out substantial development of the Orchard to realise its full potential as a kiwifruit Orchard operation, including by:

- redeveloping the canopy structure - the current system is outdated and rundown. The JV intends to redevelop with the preferred [REDACTED] orchard system at a capital cost of approximately [REDACTED] total costs;
- vine replanting - to restore areas of vines through replanting and increasing the ratio of male to female to latest industry practice of a [REDACTED] ratio from the current [REDACTED] ratio. This replanting will cost approximately [REDACTED] and will be undertaken in future years after the canopy structure upgrade;
- native planting - the JV will seek to increase the biodiversity of regenerated areas along a neighbouring stream. The cost of these plantings is estimated to be [REDACTED]. The OIO does not believe that this particular improvement is likely to increase the productive capacity of the orchard and therefore should be discounted.

A condition of consent will require the Applicant to undertake the development set out in the *Business Plan*. The Applicant is motivated to undertake maximum development as the Orchard is intended to form part of a new cluster of orchards which the Applicant can use to grow suitable fruit for export to a specialist export market. Without the investment, there is no certainty that equivalent development will be invested into the Orchard, given the Vendors have failed to undertake similar development during their 18 years of ownership and the advertising to date failed to attract even a single tender from an alternative NZ purchaser.

54. s17(2)(a)(vi) Overseas Investment Act 2005

<b>Will the overseas investment result in, or is it likely to result in, increased processing in New Zealand of New Zealand's primary products?</b>	<b>x</b>
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This factor is not met as the nature of the industry involved is that most kiwifruit is sold in its picked state (and no processing occurs outside of packing).

## 55. s17(2)(b) Overseas Investment Act 2005

<b>Are there, or will there be, adequate mechanisms in place for protecting or enhancing existing areas of significant indigenous vegetation and significant habitats of indigenous fauna?</b>	✓
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The Applicant intends to plant native trees areas along a neighbouring stream to help increase biodiversity on the Orchard. The Applicant also intends to commission a biodiversity survey and develop a management plan, including considering putting in place legal protection where required. This policy will include an ecological audit of the Land.

The OIO is satisfied that there are adequate mechanisms in place for protecting or enhancing existing areas of significant indigenous vegetation and habitats of indigenous fauna and that this may be enhanced. A condition of consent will require the Applicant to undertake a biodiversity survey, along with the planting of natives as proposed and to consult with the Department of Conservation to ensure that any reasonably required additional ecological mechanisms are put in place. The Applicant has committed up to [REDACTED] excluding GST towards any such mechanisms.

## 56. s17(2)(c) Overseas Investment Act 2005

<b>Are there, or will there be, adequate mechanisms in place for protecting or enhancing existing areas of significant habitats of trout, salmon, protected wildlife and game, and providing, protecting or improving walking access to those habitats?</b>	Not Relevant
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## 57. s17(2)(d) Overseas Investment Act 2005

<b>Are there, or will there be, adequate mechanisms in place for protecting or enhancing historic heritage within the relevant land?</b>	Not Relevant
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## 58. s17(2)(e) Overseas Investment Act 2005

<b>Are there, or will there be, adequate mechanisms in place for providing, protecting, or improving walking access over the relevant land, or a relevant part of that land, by the public or any section of the public?</b>	Not Relevant
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There is no existing public walking access over the Land to be maintained or protected. A condition of consent will require the Applicant to consult with the NZ Walking Access Commission to ensure that any reasonable additional walking access is made available if required but there is nothing definite planned at this time. The Applicant has committed up to [REDACTED] excluding GST towards any such mechanisms.

## 59. s17(2)(f) Overseas Investment Act 2005

<b>Has any foreshore, seabed, riverbed, or lakebed been offered to the Crown?</b>	Not Relevant
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## 60. r28(a) Overseas Investment Regulations 2005

<b>Will the overseas investment result in, or is it likely to result in, other consequential benefits to New Zealand (whether tangible or intangible benefits (such as, for example, additional investments in New Zealand or sponsorship of community projects))?</b>	<b>x</b>
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The OIO is not satisfied that the overseas investment is likely to result in consequential benefits for NZ to an extent sufficient to satisfy this factor.

## 61. r28(b) Overseas Investment Regulations 2005

<b>Is the relevant overseas person a key person in a key industry of a country with which New Zealand will, or is likely to, benefit from having improved relations?</b>	<b>Not Relevant</b>
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## 62. r28(c) Overseas Investment Regulations 2005

<b>Will refusal adversely affect, or likely adversely affect, New Zealand's image overseas or its trade or international relations, or result in New Zealand breaching any of its international obligations?</b>	<b>Not Relevant</b>
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## 63. r28(d) Overseas Investment Regulations 2005

<b>Will granting the application for consent result in, or is it likely to result in, the owner of the relevant land undertaking other significant investment in New Zealand?</b>	<b>Not Relevant</b>
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## 64. r28(e) Overseas Investment Regulations 2005

<b>Has the relevant overseas person previously undertaken investments that have been, or are, of benefit to New Zealand?</b>	<b>✓</b>
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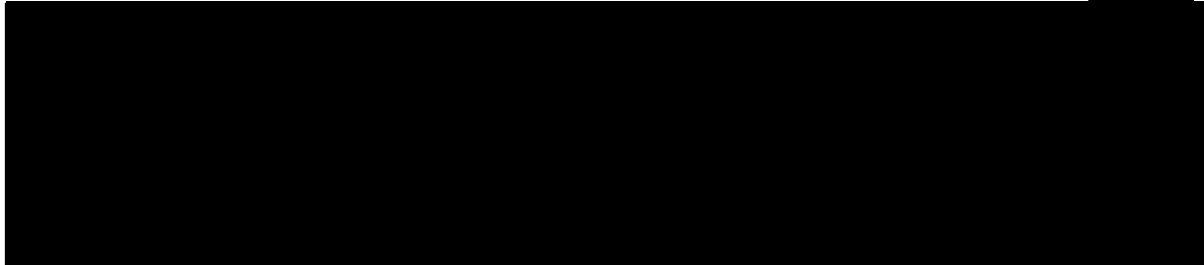
The OIO is satisfied that the relevant overseas person has previously undertaken investments which have been of benefit to NZ. The Applicant has previously undertaken development activities on other properties, including:

- a dairy conversion on the Wairepo property [REDACTED], including re-grassing paddocks, installation of pivot irrigation, re-fencing, tracking and building a dairy shed, excluding additional livestock and Fonterra shares;
- a dairy conversion on the Landsend property [REDACTED] including re-grassing paddocks, installation of pivot irrigation, re-fencing, tracking and building a dairy shed, excluding additional livestock and Fonterra shares. Planting of native trees and shrubs has also begun at Landsend;
- development of Te Puna Farm, including fencing, capital fertiliser, upgrading farm house and tracking systems;
- redevelopment of the Broadacres blackcurrant orchard, including installation of pivot irrigation and crop improvements [REDACTED]



- redevelopment of Pahau Dairy farm (██████████), including re-grassing, better irrigation and conversion of an additional area to milking, which are improving milk production, and an effluent system upgrade; and
- development at Te Moata Station (██████████), including new accommodation and fencing. The QEII National Trust has also been contacted in respect of areas of native bush that could be suitable for protection.

In September 2012, the Applicant, via one of its wholly owned subsidiaries ██████████



65. r28(f) Overseas Investment Regulations 2005

<p><b>Will the overseas investment give effect to or advance, or is it likely to give effect to or advance, a significant Government policy or strategy?</b></p>	<p style="text-align: center;">✓</p>
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The Applicant has claimed that its investment will, or is likely to, give effect to or advance significant Government policies and or strategies in the area of trade and primary sectors, including:

- *"Building our exports"* - the National Government has maintained a strong policy strategy of promoting growth in exports in order to build a stronger NZ economy (e.g. Hon. Steven Joyce's statement on lifting export as a share of GDP from 30 to 40%). The proposed development is expected to result in an additional ██████████ trays of kiwifruit per year produced from the Land within 4 years (which amounts to an almost ██████████ increase over current production of ██████████ trays).
- *Primary Sector* - *"Building a stronger Primary Sector"* - the Government recognises the primary sector as the backbone of the NZ economy, and is working to improve the economic performance of NZ's primary producers. The development to be undertaken will increase primary sector production by increased kiwifruit production as set out in the previous bullet point;
- *Wealth Enhancement* - the Government has a strategy of increasing NZ's wealth and increasing exports (both in volume and value). An overseas investment such as this, which makes NZ land more productive and results in significant increased export receipts from the Land, is likely to advance this strategy.
- *Opening Doors to China: NZ Inc. China Strategy* has been developed to strengthen NZ's economic, political and security relationships and to encourage people-to-people links and two-way investment with China. Last year ██████████ exported ██████████ trays of kiwifruit to China and is expecting that to grow at ██████████ trays a year for the next 3 or 4 years. This investment by the Applicant is expected to increase annual production of kiwifruit for export by over ██████████. Approximately ██████████ of total volumes is expected to be exported to China, based on information provided by Zespri.

The OIO is satisfied that the overseas investment is likely to give effect to or advance a significant Government policy or strategy, by increasing the supply of kiwifruit for export in particular.

## 66. r28(g) Overseas Investment Regulations 2005

<b>Will the overseas investment enhance, or is it likely to enhance, the ongoing viability of other overseas investments undertaken by the relevant overseas person?</b>	<b>x</b>
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The Applicant has not provided sufficient evidence that the investment will likely enhance the ongoing viability of other overseas investments undertaken by the relevant overseas person to an extent sufficient to satisfy this factor.

## 67. r28(h) Overseas Investment Regulations 2005

<b>Will the overseas investment assist, or is it likely to assist, New Zealand to maintain New Zealand control of strategically important infrastructure on sensitive land?</b>	<b>Not Relevant</b>
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## 68. r28(i) Overseas Investment Regulations 2005

<b>Will New Zealand's economic interests be adequately promoted by the overseas investment?</b>	<b>✓</b>
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The OIO is satisfied that NZ's economic interests will be adequately promoted by the overseas investment as the investment will ensure that the Land fulfils its maximum productive potential (this promotion will however be relatively small given the scale of the Orchard operation involved and the size of the NZ kiwifruit industry).

The 'Economic Interests' factor is relevant to all overseas investments in sensitive land. The factor has a broader focus than the economic factors already discussed and concerns the effect of the overseas investment on the wider New Zealand economy.

In assessing this factor, the OIO has considered the four matters referred to in regulation 28(i), along with the two specific concerns (vertical integration and aggregation) identified in the directive letter. The four matters referred to in regulation 28(i) are examples of matters that could be taken into account in assessing whether New Zealand's economic interests are adequately promoted by the overseas investment, however, Ministers may take into account other relevant matters such as vertical integration and aggregation.

- *New Zealand will become a more reliable supplier of primary products* - the development of the Land will result in increased and more reliable production and increase the supply of primary products from NZ. In addition to increased production of approximately [REDACTED] trays of kiwifruit per annum, the development will improve reliability of production from the Land as new vines are planted and the protective canopy structure is constructed;
- *Control by a Single Overseas Person* – ultimate underlying overseas ownership in the Applicant is widely disbursed amongst a number of non-associated overseas persons. Accordingly, the Applicant's acquisition will not result in NZ's ability to supply the global economy with a product that forms an important part of NZ's export earnings being controlled by a single overseas person or its associates;

- *New Zealand's key economic capacity will be improved* - given its relatively small scale, the investment is not likely to significantly improve NZ's key economic capacity. In a small way though, it should ensure that the Orchard operates to its maximum productive potential in the immediate future.

In terms of the two matters set out in the *Directive Letter*:

- *land aggregation* - the acquisition will not constitute a 'large farm' investment as referred to in the *Directive Letter* so there does not appear to be any significant kiwifruit land aggregation issue at this time;
- *vertical integration* - there is no vertical integration taking place as there is little processing of kiwifruit prior to sale/export and export of the kiwifruit from the Orchard will ultimately be controlled by [REDACTED]

69. r28(j) Overseas Investment Regulations 2005

<p><b>To what extent will New Zealanders be, or are likely to be, able to oversee or participate in the overseas investment and any relevant overseas person?</b></p>	<p><b>x</b></p>
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The OIO is not satisfied that New Zealanders will be likely to oversee or participate in the overseas investment to an extent sufficient to satisfy this benefit factor.

In this case, New Zealanders will have an approximate [REDACTED] ownership of the Land and Orchard Business and control of the overseas investment and the relevant overseas person will reside with New Zealanders. In addition, the Applicant has its principal place of business in NZ and its GP has four NZ directors.

The 'Oversight and Participation by New Zealanders' factor is relevant to all overseas investments in sensitive land. The factor applies to oversight and participation in the overseas investment or relevant overseas person at an ownership or control level.

In assessing this factor, the OIO has considered the six matters referred to in regulation 28(j):

- *Whether there is or will be any requirement that 1 or more New Zealanders must be part of a relevant overseas person's governing body* - the Applicant is a NZ limited partnership under the Limited Partnership Act 2008 and its business activities are controlled by the GP. All of the directors on the board of the GP are NZ citizens and the Land will be owned by an entity incorporated in NZ. That entity, the GP and the Farm Manager will be subject to NZ law, including the requirement for the limited partnership to have a NZ resident general partner.
- *Whether a relevant overseas person is or will be incorporated in New Zealand* - the Applicant is incorporated in NZ. The largest limited partner, [REDACTED] is a [REDACTED] entity;
- *Whether a relevant overseas person has or will have its head office or principal place of business in New Zealand* - the Applicant has its principal place of business in NZ. The largest limited partner, [REDACTED] is a [REDACTED] entity;
- *Whether a relevant overseas person is or will be a party to a listing agreement with NZX Limited or any other registered exchange that operates a securities market in New Zealand* - No, the Applicant is a privately held limited partnership;

- *The extent to which New Zealanders have or will have any partial ownership or controlling stake in the overseas investment or relevant overseas person - New Zealanders will have a 15% ownership stake in the overseas investment.*

Day-to-day management of the Farms will be carried out by NZ companies 100% owned by a NZ citizen and 100% managed by New Zealanders. While the Applicant is an overseas person, all overseas investors are limited partners. A limited partner is effectively a sleeping partner - they make capital contributions but are not permitted to take part in the management of the Applicant. In addition, Craigmores Farming GP Limited expressly forms part of the collective Relevant Overseas Person (ROP) for the purposes of the underlying overseas investment which is being granted consent to under the Act.

It is intended that NZ owned and controlled Trevelyan's will provide management services pursuant to an Orchard Management Agreement, and be responsible for day to day operations on the Land.

- *The extent to which ownership or control of the overseas investment or of a relevant overseas person is or will be dispersed amongst a number of non-associated overseas persons - the partnership interests held by overseas persons are effectively dispersed amongst a number of non-associated overseas persons.*

### Third Party Submissions

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70. No third party submissions were received.

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

## Appendix 1 – Conditions of Consent

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Consent is granted subject to the following conditions:

1. The consent will lapse if the Investment has not been acquired by and transferred to the Applicant within twelve months of the date of consent.
2. The Applicant must notify the Overseas Investment Office in writing as soon as practicable, and no later than twelve months from the date of consent, whether settlement of the acquisition of the Investment took place. If settlement of the acquisition of the Investment did take place, the notice must include:
  - (a) the date of settlement;
  - (b) final consideration paid (plus GST, if any);
  - (c) the structure by which the acquisition was made, and who acquired the Investment;
  - (d) where applicable, copies of transfer documents and settlement statements; and
  - (e) any other information that would aid the Overseas Investment Office in its function to monitor conditions of consent.
3. The Applicant, or the individuals with control of the Applicant, must:
  - (a) continue to be of good character; and
  - (b) not become an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009.
4. The Applicant must notify the Overseas Investment Office in writing within 20 working days if:
  - (a) the Applicant, or (if the Applicant is not an individual) any individual with control of the Applicant:
    - (i) ceases to be of good character; or
    - (ii) commits an offence or contravenes the law (whether convicted or not); or
    - (iii) becomes aware of any other matter that reflects adversely on the Applicant's fitness to have the Investment; or
    - (iv) becomes an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009;
  - (b) any person in which the Applicant, or any individual with control of the Applicant has, or had at the time of the offence or contravention, a 25% or more ownership or control interest, commits an offence or contravenes the law (whether convicted or not); or
  - (c) the Applicant:
    - (i) ceases to be an overseas person; or
    - (ii) disposes of the Investment.

### Ecological conditions

5. The Applicant must consult with the Department of Conservation ("DOC") to determine what the Applicant can reasonably do (having regard to the proposed use of the relevant land) to protect or enhance any existing areas of significant indigenous vegetation or significant habitats of indigenous fauna on the relevant land (such as the registration of new instruments) ("Environmental Protection"). The Applicant must:

(a) Write to the Statutory Land Management National Advisor of DOC (Conservation House, 18-32 Manners Street, Te Aro, Wellington 6011) within 30 working days from the date of settlement, advising that the Applicant wishes to consult about Environmental Protection and enclose:

(i) a copy of the Public Decision Summary for this consent and any environmental consultant reports prepared in relation to this application; and

(ii) a copy of this condition together with information identifying and describing the relevant land including aerial photographs, maps and Certificate(s) of Title;

(b) Implement any Environmental Protection recommended by DOC ("DOC Recommendation") within two years from DOC making the DOC Recommendation, or such other timeframe as mutually agreed between the Applicant and DOC. The cost of any Environmental Protection shall be borne by the Applicant up to a maximum of [REDACTED] excluding GST.

(c) The Applicant must provide to the OIO a copy of any letter sent to DOC under condition 5(a) within 20 working days from the date of sending.

6. The Applicant must commission a biodiversity survey for the Land and develop a Management Plan as referred to in paragraph 9.2 (page 24) of the Application.
7. The Applicant must undertake the native replanting referred to in paragraph 9.2 (page 24) of the Application within one year of the date of consent.

#### WAC condition

8. The Applicant must consult with the New Zealand Walking Access Commission ("WAC") to determine what the Applicant can reasonably do (having regard to the proposed use of the relevant land) to provide, protect or improve public walking access over the relevant land or part of that land (such as the registration of new instruments) ("Walking Access"). The Applicant must:

(a) Write to the Operations Manager at WAC (PO Box 12348, Thorndon, Wellington 6144), within 30 working days from the date of settlement advising that the Applicant wishes to consult about Walking Access and enclose:

(i) a copy of the Public Decision Summary for this consent; and

(ii) a copy of this condition together with information identifying and describing the relevant land including aerial photographs, maps and Certificate(s) of Title;

(b) Implement any Walking Access recommended by WAC ("WAC Recommendation") within two years from WAC making the WAC Recommendation, or such other timeframe as mutually agreed between the Applicant and WAC. The cost of any Walking Access shall be borne by the Applicant up to a maximum of [REDACTED] excluding GST.

(c) Applicant must provide to the OIO a copy of the letter sent to WAC under condition 8(a) within 20 working days from the date of sending.

9. Should a dispute or difference arise between the Applicant and WAC or the Applicant and DOC in relation to conditions 5 or 8 ("Dispute"), then the Applicant must:
  - (a) Endeavor to resolve the Dispute by mediation;
  - (b) If the Dispute is not resolved through mediation within 60 working days from the Dispute arising, endeavor to have:
    - (i) the Dispute referred to and finally resolved in arbitration in Wellington, New Zealand;

- (ii) the tribunal consist of a sole arbitrator appointed by agreement between the parties or, if the parties cannot agree, by the President of the New Zealand Law Society; and
- (iii) the arbitral proceedings conducted in accordance with the Arbitration Act 1996 or any other statutory provision then relating to arbitration;
- (c) Share the cost of any arbitration and/or mediation equally with WAC or DOC as the case may be; and
- (d) Provide a copy of any award made by the arbitrator to the Overseas Investment Office within 15 working days of the award being made.

Development Plan Implementation condition

10. The Applicant must (unless otherwise varied by agreement with the Overseas Investment Office) implement the 4-year Development Plan as set out in Appendix 13 and 17 of the Application within the timeframes set out therein (and in particular the redevelopment of the canopy structure, vine replanting and native planting).

Reporting conditions

11. If requested in writing by the Overseas Investment Office, the Applicant must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:
- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent was granted; or
  - (b) the conditions of this consent.
12. The Applicant must report in writing to the Overseas Investment Office (on an annual basis on 31 December, with the first report being due on 31 December 2015 and the last on 31 December 2019) as to the progress of the Development Plan, and in particular details of:
- (a) any increased export receipts resulting from the overseas investment;
  - (b) any greater production or efficiencies resulting from the overseas investment;
  - (c) any progress with implementing conditions 5, 6, 7, 8 and 10 above.

## Appendix 2 – Sensitive Land

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1. **84 Waimea Drive, Te Puke**

<b>Land Interest</b>	<b>Freehold Interest</b> (42.6284 hectares)
<b>CTs</b>	SA64A/121, SA64A/124, SA64A/125, SA64A/126, SA66A/428 (South Auckland)
<b>Sensitivity</b>	Is more than 5 hectares of non-urban land

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Our Ref: 201510067

2 September 2015

Duncan Cotterill (Christchurch)  
PO Box 5  
CHRISTCHURCH

**Overseas Investment Office**  
Radio New Zealand House  
155 The Terrace  
PO Box 5501  
Wellington 6145  
New Zealand  
+64 4 460 0110  
www.linz.govt.nz

**BY EMAIL**

Attention: Michael Beck

**Craigmore Farming NZ Limited Partnership – Draft Conditions**

1. We refer to the application letter dated 18 May 2015.

Relevant overseas person and individuals with control

2. Please note that for the purposes of this application, we consider the:

(a) 'relevant overseas person' is (collectively):

- **Craigmore Farming NZ Limited Partnership** (the Applicant);

- [REDACTED]

- **Craigmore Farming GP Limited** (the GP of the Applicant).

(b) 'individuals with control of the relevant overseas person' are (collectively):

- the Board of the GP (as operational managers. The members of the Board are **Forbes Elworthy, Mark Cox, Che Charteris and Andrew Gibbs**); and
- the individuals with control of the major overseas investor entities

[REDACTED]

Draft consent wording

3. Although we are still assessing the application, we note that if consent was to be granted, it would be granted to the Applicant (or an 80- 100% subsidiary of the Applicant) to give effect to an overseas investment in sensitive land, being the Applicant's acquisition (through a joint venture with **Trevelyan's Pack & Cool Limited**) of a freehold interest in approximately 42 hectares of land at 84 Waimea Drive, Te Puke

("the Investment")

Draft conditions

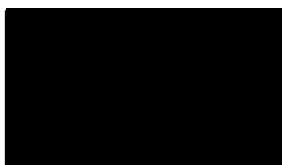
4. Before deciding the application, we invite the Applicant to review and comment on the current draft conditions of consent. The draft conditions are **attached** to this letter.

5. The Applicant should carefully review the draft conditions to ensure that they can be fully complied with. We monitor compliance with all consent conditions. **Failure to comply with the conditions of consent is a serious matter and may result in enforcement action.**
6. The delegated decision maker may not have seen the draft conditions, and may amend them prior to deciding whether or not to grant consent. If this was to occur, the Applicant may not necessarily be consulted further.
7. Please have the Applicant comment on the draft conditions of consent by **midday on 16 September 2015**, or if they do not wish to comment, tell us so as soon as possible.

Please provide further information

8. Please provide us with the following:
  - (a) Confirmation that the description of the Investment above is accurate and covers the proposed transaction;
  - (b) The Applicant's comments on the attached draft conditions, or the Applicant's confirmation that they do not wish to comment. If you comment, or advise that the Applicant does not wish to comment, on the Applicant's behalf, please include a statement confirming your authority to do so;
  - (c) A final statutory declaration in support of the application. This final declaration must specifically refer to all correspondence (including any emails and all attachments) provided in support of the application, including reference to the application letter.
9. Please ensure that the above statutory declarations comply with the form of statutory declarations **attached** to this letter and set out on our website. We suggest you email us draft declarations so that we can review them before they are signed.
10. It is important to note that we are still assessing the application and **this letter does not grant consent to the Investment**. Further, the draft conditions and draft consent wording are subject to change.
11. Please provide the information requested above by **midday on 16 September 2015**. Please contact me if you have any queries or wish to discuss.

Yours sincerely



Senior Solicitor  
Overseas Investment Office



## Appendix 1

Consent is granted subject to the following conditions:

1. The consent will lapse if the sensitive land has not initially been acquired by the Applicant/Trevelyan's Joint Venture within twelve months of the date of consent. Consent to the subsequent acquisition of Trevelyan's [REDACTED] share in the Joint Venture by the Applicant will lapse if that [REDACTED] share is not acquired by 30 June 2023.
2. The Applicant must notify the Overseas Investment Office in writing as soon as practicable, and no later than twelve months from the date of consent, whether settlement of the acquisition of the Investment took place. If settlement of the acquisition of the Investment did take place, the notice must include:
  - (a) the date of settlement;
  - (b) final consideration paid (plus GST, if any);
  - (c) the structure by which the acquisition was made, and who acquired the Investment;
  - (d) where applicable, copies of transfer documents and settlement statements; and
  - (e) any other information that would aid the Overseas Investment Office in its function to monitor conditions of consent.
3. The Applicant, or the individuals with control of the Applicant, must:
  - (a) continue to be of good character; and
  - (b) not become an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009.
4. The Applicant must notify the Overseas Investment Office in writing within 20 working days if:
  - (a) the Applicant, or (if the Applicant is not an individual) any individual with control of the Applicant:
    - (i) ceases to be of good character; or
    - (ii) commits an offence or contravenes the law (whether convicted or not); or
    - (iii) becomes aware of any other matter that reflects adversely on the Applicant's fitness to have the Investment; or
    - (iv) becomes an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009;
  - (b) any person in which the Applicant, or any individual with control of the Applicant has, or had at the time of the offence or contravention, a 25% or more ownership or control interest, commits an offence or contravenes the law (whether convicted or not); or
  - (c) the Applicant:
    - (i) ceases to be an overseas person; or
    - (ii) disposes of the Investment.

### Ecological conditions

5. The Applicant must consult with the Department of Conservation ("DOC") to determine what the Applicant can reasonably do (having regard to the proposed use of the relevant land) to protect or enhance any existing areas of significant indigenous vegetation or significant habitats of indigenous fauna on the relevant land (such as the registration of new instruments) ("Environmental Protection"). The Applicant must:
- (a) Write to the Statutory Land Management National Advisor of DOC (Conservation House, 18-32 Manners Street, Te Aro, Wellington 6011) within 30 working days from the date of settlement, advising that the Applicant wishes to consult about Environmental Protection and enclose:
    - (i) a copy of the Public Decision Summary for this consent and any environmental consultant reports prepared in relation to this application; and
    - (ii) a copy of this condition together with information identifying and describing the relevant land including aerial photographs, maps and Certificate(s) of Title;
  - (b) Implement any Environmental Protection recommended by DOC ("DOC Recommendation") within two years from DOC making the DOC Recommendation, or such other timeframe as mutually agreed between the Applicant and DOC. The cost of any Environmental Protection shall be borne by the Applicant as agreed with DOC.
  - (c) The Applicant must provide to the OIO a copy of any letter sent to DOC under condition 5(a) within 20 working days from the date of settlement.
6. The Applicant must commission a biodiversity survey for the Land and develop a Management Plan as referred to in paragraph 9.2 (page 24) of the Application.
7. The Applicant must undertake the native replanting referred to in paragraph 9.2 (page 24) of the Application within one year of the date of consent.

WAC condition

8. The Applicant must consult with the New Zealand Walking Access Commission ("WAC") to determine what the Applicant can reasonably do (having regard to the proposed use of the relevant land) to provide, protect or improve public walking access over the relevant land or part of that land (such as the registration of new instruments) ("Walking Access"). The Applicant must:
- (a) Write to the Operations Manager at WAC (PO Box 12348, Thorndon, Wellington 6144), within 30 working days from the date of settlement advising that the Applicant wishes to consult about Walking Access and enclose:
    - (i) a copy of the Public Decision Summary for this consent; and
    - (ii) a copy of this condition together with information identifying and describing the relevant land including aerial photographs, maps and Certificate(s) of Title;
  - (b) Implement any Walking Access recommended by WAC ("WAC Recommendation") within two years from WAC making the WAC Recommendation, or such other timeframe as mutually agreed between the Applicant and WAC. The cost of any Walking Access shall be borne by the Applicant as agreed with WAC.

- (c) Applicant must provide to the OIO a copy of the letter sent to WAC under condition 8(a) within 20 working days from the date of settlement.
9. Should a dispute or difference arise between the Applicant and WAC or the Applicant and DOC in relation to conditions 5 or 8 ("Dispute"), then the Applicant must:
- (a) Endeavor to resolve the Dispute by mediation;
  - (b) If the Dispute is not resolved through mediation within 60 working days from the Dispute arising, endeavor to have:
    - (i) the Dispute referred to and finally resolved in arbitration in Wellington, New Zealand;
    - (ii) the tribunal consist of a sole arbitrator appointed by agreement between the parties or, if the parties cannot agree, by the President of the New Zealand Law Society, and
    - (iii) the arbitral proceedings conducted in accordance with the Arbitration Act 1996 or any other statutory provision then relating to arbitration;
  - (c) Share the cost of any arbitration and/or mediation equally with WAC or DOC as the case may be; and
  - (d) Provide a copy of any award made by the arbitrator to the Overseas Investment Office within 15 working days of the award being made.

#### Development Plan Implementation condition

10. The Applicant must (unless otherwise varied by agreement with the Overseas Investment Office) implement the 4-year Development Plan as set out in Appendix 13 and 17 of the Application and the timeframes set out therein (and in particular the redevelopment of the canopy structure, vine replanting and native planting).

#### Reporting conditions

11. If requested in writing by the Overseas Investment Office, the Applicant must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:
- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent was granted; or
  - (b) the conditions of this consent.
12. The Applicant must report in writing to the Overseas Investment Office (on an annual basis on 31 December, with the first report being due on 31 December 2015 and the last on 31 December 2019) as to the progress of the Development Plan, and in particular details of:
- (a) any increased export receipts resulting from the overseas investment;
  - (b) any greater production or efficiencies resulting from the overseas investment;
  - (c) any progress with implementing conditions 5, 6, 7, 8 and 10 above.

### Form of "true and correct" statutory declaration

- This statutory declaration must be made by each applicant (refer to sections 23(2) of the Overseas Investment Act 2005). If the applicant is not an individual, please discuss with us who will be making the declaration before completing it.
- The list of correspondence in paragraph 1 must include all correspondence from you to us. You do not need to refer to our correspondence to you.
- The person witnessing the declaration must clearly print their name and why they are qualified to witness a statutory declaration (refer to sections 9(1), 11(1) and 11(2) of the Oaths and Declarations Act 1957).

I, [Name], of [place of abode and occupation], solemnly and sincerely declare that:

1. I have read the following:

- (a) The Application letter dated [date];
- (b) Letter from X to X dated X;
- (c) Email from X to X dated X (X.XX pm);
- (d) ; and
- (e) all attachments to the correspondence listed above;

which were submitted to the Overseas Investment Office in support of the application made by [Applicant] to acquire [Assets].

2. All of the information contained in the correspondence and the attachments was true and correct at the time it was submitted. Any information that has changed, or is no longer true and correct, has been amended in subsequent correspondence or attachments.
3. I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at <LOCATION>  
this <DAY> day of <MONTH>  
<YEAR>

)  
)  
)

\_\_\_\_\_  
Signature

Before me

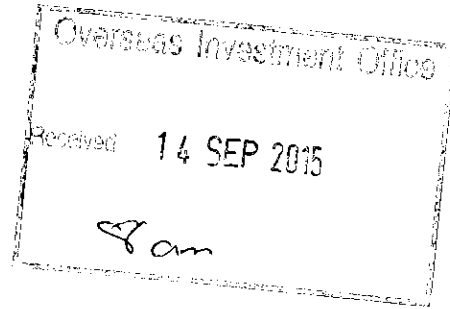
\_\_\_\_\_  
Witness signature

\_\_\_\_\_  
Witness name (print)

\_\_\_\_\_  
Witness qualification (print)

A person authorised to take statutory declarations  
by the Oaths and Declarations Act 1957

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10 September 2015

The Manager  
Overseas Investment Office  
Land Information New Zealand  
PO Box 5501  
Wellington 6145

Attention: [Redacted]

Dear [Redacted]

**OIO Application –Kiwifruit Orchard, 84 Waimea Drive, Te Puke – OIO Case number 201510067**

Please find **enclosed** the original statutory declaration also sent by email on 8 September 2015

Feel free to contact me if you have any queries.

Yours sincerely

**Michael Beck**  
Solicitor

d +64 3 372 6440  
michael.beck@duncancotterill.com

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OFFICIAL INFORMATION ACT



**In the matter** of the Overseas Investment Act

**And**

**In the matter** of the application by Craigmore Farming NZ Limited Partnership  
(Application 201510067)

---

**STATUTORY DECLARATION**

---

---

**Duncan Cotterill**  
Solicitor acting: Michael Beck  
PO Box 5, Christchurch

Phone +64 3 379 2430  
Fax +64 3 379 7097  
michael.beck@duncancotterill.com

I, Leslie Che Charteris, of Wellington, solemnly and sincerely declare that:

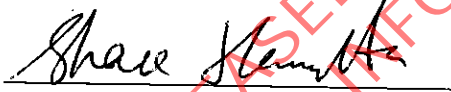
- 1 I have read the following:
  - 1.1 application letter dated 18 May 2015;
  - 1.2 email from Duncan Cotterill (Michael Beck) to the Overseas Investment Office [REDACTED] dated 10 July 2015; and
  - 1.3 all attachments to the correspondence listed above,

which were submitted to the Overseas Investment Office in support of the application made by Craigmore Farming NZ Limited Partnership to acquire an interest in approximately 42.6284 hectares more or less of land situated at 84 Waimea Drive, Te Puke.

- 2 All of the information contained in the correspondence and the attachments was true and correct at the time it was submitted. Any information that has changed, or is no longer true and correct, has been amended in subsequent correspondence or attachments.
- 3 I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

DECLARED at  
this 8 day of September 2015  
before me:

  
Leslie Che Charteris



Name:

Qualification: **Sharee Rose Hamilton**  
(E.g. Commonwealth representative/Notary public/Solicitor of the High Court of New Zealand)

City of Residence:

**Solicitor**  
**WELLINGTON**

20 May 2015

The Manager  
Overseas Investment Office  
Land Information New Zealand  
PO Box 5501  
Wellington 6145

Dear Sir

**Craigmore Farming NZ Limited Partnership (or subsidiary) - Application under the Overseas Investment Act 2005 ("Act") and Overseas Investment Regulations 2005 ("Regulations") - Consent to acquire interests in land**

**1 INTRODUCTION**

- 1 We act for Craigmore Farming NZ Limited Partnership (**Applicant**). This letter comprises the application of the Applicant for consent under the Act and Regulations to acquire (through an 80% - 100% owned subsidiary of the Applicant) land owned by Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence and Richard Bruce Walkinton as trustees of a Family Trust in Te Puke, comprising approximately 42.6284 hectares at 84 Waimea Drive, Te Puke (**Land**).
- 1.1 The Applicant is a registered limited partnership registered in New Zealand (Limited Partnership Number 2551520).
- 1.2 On 31 January 2013 Craigmore Sustainables (Farming) N.V. (an overseas person) was granted consent by the Overseas Investment Office (Application number 201220039) (the **Farming Fund Application**) to acquire up to 95% of the partnership interest in the Applicant by 30 June 2016.
- 1.3 As at the date of this Application, Craigmore Sustainables (Farming) N.V. holds a partnership interest in the Applicant of [REDACTED] and other overseas persons hold additional minority interests in the Applicant. Accordingly, the Applicant is an "overseas person" for the purposes of the Act under section 7(2)(d) of the Act, and any subsidiary of the Applicant is also an overseas person. Accordingly, settlement of the purchase of the Land by the Applicant's subsidiary will require consent.
- 1.4 On that basis, the Applicant is writing to seek consent pursuant to section 10(1)(a) of the Act in relation to the overseas investment in sensitive land under the proposed transaction. Further details of the Applicant, its limited partners and general partner, are contained in section 3 below.
- 1.5 We set out in this letter and its appendices the relevant information relating to the proposed investments.
- 1.6 The purchase of the Land is proposed in furtherance of the Applicant's and the Farming Fund's overall strategy. Accordingly, while this is a separate application, a substantial amount of the content of this letter and the supporting documentation reflects the content of the Farming Fund Application. Copies of all supporting documentation referred to in this application are contained in the Appendices. However, where originals have already been provided, only copies have been included with this application on the assumption that the OIO can verify their authenticity from the earlier application. Please advise if you require the Applicant to provide any further originals of the supporting documentation.

- 1.7 The Farming Fund Application contemplated the Applicant acquiring further interests in land. The Applicant believes that the acquisition of the Land is consistent with the business strategies and benefits outlined in the Farming Fund Application.
- 1.8 A full structure diagram showing the ownership and management of the Applicant is **attached** at Appendix 1.

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## 2 DEFINITIONS

2.1 In this Application:

- 2.1.1 **The Applicant** means Craigmore Farming NZ Limited Partnership, a limited partnership registered in New Zealand (Limited Partnership Number 2551520) owned by the Limited Partners.
- 2.1.2 **Craigmore Farming Co Limited** is a New Zealand company wholly owned by Forbes Elworthy (a New Zealand citizen). It is the ultimate parent company of Craigmore Farming GP Limited.
- 2.1.3 **Craigmore Farming GP Limited** is a New Zealand company wholly owned by Craigmore Sustainables NZ Limited, and is the General Partner of the Applicant.
- 2.1.4 **Craigmore Farming NZ Limited Partnership** is a New Zealand limited partnership and is the issuer of the securities that are the subject of the Farming Fund Application and the Applicant in this application.
- 2.1.5 [REDACTED]
- 2.1.6 **Craigmore Farming Group** means Craigmore Farming NZ Limited Partnership, Craigmore Sustainables (Farming) N.V., [REDACTED].
- 2.1.7 **Craigmore Sustainables (Farming) N.V.** is a Netherlands company that is a limited partner in the Applicant, and is the Applicant under the Farming Fund Application.
- 2.1.8 **Craigmore Sustainables NZ Limited** is a New Zealand company wholly owned by Craigmore Farming Co Limited. It is the parent company of Craigmore Farming GP Limited.
- 2.1.9 **Farm Manager** means Craigmore Sustainables NZ Limited, a New Zealand company appointed to manage the operations of the Applicant.
- 2.1.10 **Farming Fund** means the group comprising Craigmore Sustainables (Farming) N.V., [REDACTED].
- 2.1.11 **Farming Fund Application** means the application for OIO consent dated 28 March 2012 made by Craigmore Sustainables (Farming) N.V. for consent to the acquisition of securities in the Applicant that will increase the interests held by Craigmore Sustainables (Farming) N.V., an overseas person, to 25% or more resulting in the Applicant becoming an overseas person under section 7(2)(d) of the Act – OIO Case No 201220039.
- 2.1.12 **General Partner** means Craigmore Farming GP Limited.
- 2.1.13 **Investment Manager** means Craigmore Sustainables LLP, a limited liability partnership registered in England and Wales, appointed as the investment manager to the Applicant.
- 2.1.14 **The Land** means the land under contract by Trevelyan's with the Vendor, as described in Section 6.
- 2.1.15 **Limited Partners** means the limited partners of the Applicant, as described in paragraph 3.4.
- 2.1.16 [REDACTED]

- 2.1.17 **Trevelyan's** means Trevelyan's Pack and Cool Limited, a New Zealand company that is currently named as the purchaser under the Agreement for Sale and Purchase for the Land, and that will be a joint venture shareholder in the entity that acquires the Land. Further detail about Trevelyan's and the joint venture is set out in Section 5.
- 2.1.18 **Vendors** means Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence and Richard Bruce Walkinton (as trustees of a Family Trust) as the vendors of the Land.

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### 3 THE APPLICANT

#### Incorporation

3.1 The Applicant is a New Zealand limited partnership registered pursuant to the Limited Partnerships Act 2008 under registered number 2551520. Copies of the Certificate of Registration and Companies Office details for the Applicant are **attached** at Appendix 2.

#### Partners/Ownership

3.2 The general partner of the Applicant is Craigmores Farming GP Limited. Craigmores Farming GP Limited is a New Zealand company incorporated with registered number 3689657. Craigmores Farming GP Limited is the 100% subsidiary of Craigmores Sustainable NZ Limited (New Zealand registered company 3410092), which is a wholly owned subsidiary of Craigmores Farming Co Limited (New Zealand registered company 124829). Craigmores Farming Co Limited is 100% owned by Forbes Elworthy, a New Zealand citizen.

3.3 Copies of the Certificates of Incorporation and Companies Office details for Craigmores Farming GP Limited and its parent companies are **attached** at Appendix 2.

3.4 The limited partners of the Applicant as at the date of this Application are:

Limited Partner	Partnership Interest	Overseas Person?
[REDACTED]	[REDACTED]	No - NZ owned & controlled
[REDACTED]	[REDACTED]	No – NZ citizens
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	Yes
[REDACTED]	[REDACTED]	No – NZ citizens
[REDACTED]	[REDACTED]	Yes

- 3.5 The respective partnership interests of each Limited Partner are subject to the Farming Fund Application, pursuant to which Craigmores Sustainable (Farming) N.V. has been granted consent to increase its partnership interest to up to 95% over the period from the date of the consent to 30 June 2016.
- 3.6 The Limited Partners are not permitted to take part in the management of the Applicant. Management is ultimately provided by the General Partner and the Farm Manager (also a New Zealand owned and controlled entity) and Investment Manager.
- 3.7 Craigmores Sustainable (Farming) N.V. is principally owned by [REDACTED] which is in turn wholly owned by [REDACTED].
- 3.8 As at the date of this application, the nationalities of the investors in SACF are as follows:

Country	Number of Investments	% of Total N.V. units
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
<b>Total</b>		<b>100.0%</b>

**Investments**

- 3.9 The Applicant was formed to carry out farming activities in New Zealand. The Applicant has acquired interests in farming subsidiary companies that own and/or operate farm land in New Zealand (diary, sheep, beef, venison, horticulture) or provide horticultural services.
- 3.10 The Applicant has the following current interests in land in New Zealand:
- 3.10.1 A 100% shareholding in Te Moata Station Limited (company number 2152842), which owns the land described in section 6 of the Farming Fund Application.
  - 3.10.2 A 100% shareholding in Broadacres Cropping Limited (company number 3153545), which owns the land described in section 6 of the Farming Fund Application.
  - 3.10.3 A 100% shareholding in Wairepo Dairy Limited (company number 3671042), which owns the land described in section 6 of the Farming Fund Application. The issue of shares to the farm manager of the land held by Wairepo Dairy Limited is currently in progress, which will result in Dion and Kristie Gordon acquiring a 9% equity interest in that company.
  - 3.10.4 A 100% shareholding in Pahau Flats Dairy Limited (company number 3669133), which owns the land described in section 6 of the Farming Fund Application including the "Landsend" property described in that application.



- 3.10.5 A 100% shareholding in Craigmore (Te Puna) Limited (company number 3744375), which owns the land described in section 6 of the Farming Fund Application.
- 3.10.6 A 100% shareholding in Coxco Apples (HB) Limited (company number 4138298) which owns the land described in OIO Application 201220089.
- 3.10.7 A 70.6% shareholding in Arnmore Dairy Limited (company number 4427043), which owns the land described in OIO Application 201320052.
- 3.10.8 A 100% shareholding in Windsor Dairy Farming Limited (company number 4520960) which owns the land described in OIO Application 201320042.
- 3.10.9 A 100% shareholding in Waiareka Dairy Limited (company number 4521258) which owns the land described in OIO Applications 201320036 and 201410084.
- 3.10.10 An 88% shareholding in Ardwell Dairy Limited (company number 1893485) which owns the land described as Ardwell Farm in OIO Application 201320109.
- 3.10.11 An 88% shareholding in Cairndale Dairy Limited (company number 4521620) which owns the land described as Cairndale Farm in OIO Application 201320109.
- 3.10.12 A 100% shareholding in Corriedale Dairy Limited (company number 4521463) which owns the land described in OIO Application 201320103.
- 3.10.13 A 100% shareholding in Abercairney Dairy Limited (company number 4521498) which owns the land described in OIO Application 201410010.
- 3.10.14 A 100% shareholding in Caithness Dairy Limited (company number 4521418) which owns the land described in OIO Application 201410034.
- 3.10.15 A 100% shareholding in Taieri Lake Grazing Limited (company number 4521380) which owns the land described in OIO Application 201410044.
- 3.10.16 A 90% shareholding in Kirimiri Orchard Limited (company number 4521698) which owns the land described in OIO Application 201410087.
- 3.10.17 A 100% shareholding in Kirikiri Dairy Limited (company number 4521503) which owns the land described in OIO Application 201410080.
- 3.10.18 An Agreement for Sale and Purchase dated 27 January 2015 (currently conditional on OIO approval) for the purchase of 83.8988 hectares more or less situated at 371 New Park Road. This acquisition is the subject of an OIO Application number 201510021.
- 3.10.19 An Agreement for Sale and Purchase dated 12 December 2014 (currently conditional on OIO approval) for the purchase of 300.7 hectares more or less situated at Pareora River Road, Pareora. This acquisition is the subject of an OIO application number 201510025.
- 3.10.20 An Agreement for Sale and Purchase dated 12 December 2014 (currently conditional on OIO approval) for the purchase of 200.1 hectares more or less situated at 577 Pareora Road, Pareora, RD 2, Timaru. This acquisition is the subject of an OIO application number 201510025.
- 3.10.21 an Agreement for Sale and Purchase dated 10 April 2015 (currently conditional on the OIO approval), between the Vendor and Trevelyan's (or nominee) as purchaser, for approximately 42.6284 hectares at 84 Waimea Drive, Te Puke. The transaction under this agreement is the subject of this application.

- 3.11 Copies of the Certificates of Incorporation and Companies Office details for the Applicant's 80% - 100% owned subsidiaries are **attached** at Appendix 2.

### **Structure Diagram**

- 3.12 A Diagram showing the current ownership and control structures of the Applicant is **attached** at Appendix 1.

### **Financial Accounts**

- 3.13 The audited 2013/14 financial statements of the Applicant are **attached** at Appendix 5.

### **Persons in charge of the Applicant**

#### Structural Control

- 3.14 The General Partner has overall responsibility for the management and administration of the Applicant, and indirect control over the management and administration of each of the Applicant's subsidiary companies. The General Partner has responsibility for determining the investment objectives, policy and restrictions applicable to the Applicant.

- 3.15 The Board of the General Partner comprises:

- 3.15.1 Forbes Elworthy;
- 3.15.2 Mark Cox;
- 3.15.3 Che Charteris; and
- 3.15.4 Andrew Gibbs,

who are all New Zealand citizens. The General Partner is a wholly owned subsidiary of Craigmores Sustainables NZ Limited. The board of Craigmores Sustainables NZ Limited comprises Forbes Elworthy, Mark Cox and Che Charteris and Craigmores Sustainables NZ Limited is wholly owned by Craigmores Farming Co Limited. Forbes Elworthy is the sole director and shareholder of Craigmores Farming Co Limited.

#### Management Control

- 3.16 The General Partner of the Applicant may delegate its authority and powers to one or more managers. The General Partner has currently delegated the operational management of the Applicant's assets to the Farm Manager and management of the Applicant's investments to the Investment Manager.
- 3.17 The Farm Manager provides operational management services and the Applicant has delegated to the Farm Manager full authority to carry out all of those services (subject to the below). The Farm Manager is a New Zealand company incorporated with registered number 3410092. The Farm Manager is the 100% subsidiary of Craigmores Farming Co Limited, which is 100% owned by Forbes Elworthy. The Farm Manager is not an overseas person for the purposes of the Act.
- 3.18 The Investment Manager makes decisions regarding investments and assets on behalf of the Applicant. The Investment Manager is a limited liability partnership registered in England and Wales with registered number OC355106. [REDACTED]
- 3.19 The General Partner/Applicant have limited control over the actions of the Farm Manager and Investment Manager. The Applicant or its advisory committee may direct the Managers in the performance of their obligations, and the General Partner remains responsible and liable for

the performance of its obligations under the Limited Partnership Agreement and the Limited Partnerships Act.

- 3.20 The Farm Manager and Investment Manager have discretionary control of Applicant's investments and operations, although the Applicant may terminate their appointment in certain limited circumstances (including insolvency/liquidation).
- 3.21 Copies of the Certificate of Incorporation and Companies Office details for the Farm Manager, Investment Manager, the General Partner and Craigmore Farming Co Limited are **attached** at Appendix 2.
- 3.22 We attach in Appendix 4 copies of the relevant pages of the passports for each of the persons referred to above.

**Contact details for the Applicant**

- 3.23 The contact details for the Applicant in relation to this application are its solicitors, Duncan Cotterill, whose details are set out at section 11.1.

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#### 4 VENDOR

- 4.1 The Vendors of the Land are Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence and Richard Bruce Walkinton (as trustees of a Family Trust)
- 4.2 The Vendors have confirmed that Overseas Investment Office consent was not required by the Vendors to purchase the Land (see the letter from the Vendor's solicitor at Appendix 6).

#### Business activities of the Vendor

- 4.3 The Vendors' usual business activity is the ownership of kiwifruit orchards. The Vendors have owned the Land for approximately 18 years. The orchard on the Land is managed by [REDACTED], who has managed the orchard for the last 18 years.

#### Circumstances for selling

- 4.4 The Vendors wish to downsize the amount of kiwifruit orchards they own as two of the trustees, being Raewyn and Ian Lawrence are now of retirement age. They intend to use the sale proceeds from the Land to fund general maintenance and upkeep of the two other kiwifruit orchards they own, to repay debt and fund their retirement.
- 4.5 **Attached** at Appendix 6 is a copy of the letter from the Vendors' solicitor confirming the Vendors' reasons for selling.

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## 5 NATURE OF INVESTMENT

### Details relating to proposed acquisition

- 5.1 The Applicant intends to acquire the Land in order to carry out development to realise the full potential of the Land and the associated orchard operations.
- 5.2 Further detail on the Applicant's overall strategy and its strategy for its investment in and the proposed development of the Land is set out in section 7 and in the Business Case for the Land **attached** at Appendix 13.

### Nature of the Transaction – Trevelyan's Joint Venture

- 5.3 In October 2013, the Applicant entered into a Heads of Agreement with Trevelyan's Pack & Cool Limited (**Trevelyan's**) recording the key terms of an agreement to co-invest to develop a kiwifruit orchard business. A copy of the Heads of Agreement is **attached** at Appendix 8.
- 5.4 On 11 November 2014, consent was granted to the Applicant, to give effect to the acquisition [REDACTED] subsidiary/Joint venture with Trevelyan's) of a freehold interest in Kirimini Orchard, being approximately 40ha of land located at No1 Road, Te Puke.
- 5.5 Trevelyan's currently owns and operates a packing and cool storage business in Te Puke, predominantly for kiwifruit. Trevelyan's has 3 packhouses and 25 coolstores, packing approximately 8 million trays of green, gold and gold organic kiwifruit from approximately 22 orchards, as well as 300,000 trays of avocados. They have 100 permanent staff, which grows to 1,400 employees during the kiwifruit harvest period.
- 5.6 The directors of Trevelyan's (and the persons that exercise control over Trevelyan's) are:
  - 5.6.1 Kate Anderson (nee Trevelyan);
  - 5.6.2 Fiona Catherine Couch (nee Trevelyan);
  - 5.6.3 Alister John Hawkey;
  - 5.6.4 Jonathan Irving Mayson;
  - 5.6.5 Andrew John Trevelyan; and
  - 5.6.6 James Edward Trevelyan.
- 5.7 The current shareholders of Trevelyan's are:

	Shareholder	Shares	%
1	Andrew John Trevelyan and James Edward Trevelyan	500	50%
2	Fiona Catherine Couch and Katrin Elizabeth Trevelyan	500	50%
	<b>Total</b>	<b>1,000</b>	<b>100%</b>

- 5.8 Copies of the Certificate of Incorporation and Companies Office extract for Trevelyan's are **attached** at Appendix 7.
- 5.9 An information brochure entitled "An Introduction to Trevelyan's", which is available on the Trevelyan's website ([www.trevelyan.co.nz](http://www.trevelyan.co.nz)) is **attached** at Appendix 7.
- 5.10 Pursuant to the Heads of Agreement, Trevelyan's has entered into an agreement for sale and purchase with the Vendor. A copy of the agreement for sale and purchase for the Land (**the Agreement**) is **attached** at Appendix 9.

- 5.11 If OIO approval is obtained then:
- 5.11.1 The OIO condition in the Agreement will be confirmed as being satisfied;
  - 5.11.2 Trevelyan's and the Applicant will form a new company, which will be [REDACTED] owned by the Applicant and [REDACTED] of owned by Trevelyan's;
  - 5.11.3 Trevelyan's and the Applicant will enter into a Shareholders' Agreement in respect of the operation and management of the new company which will, among other things, provide for a Board of four directors – three appointed by the Applicant and one appointed by Trevelyan's; and
  - 5.11.4 Trevelyan's will nominate the new company as the purchaser under the Agreement.
- 5.12 The Applicant requires consent to be given as, on the basis that a new company [REDACTED] owned by the Applicant will be nominated as the purchaser under the Agreement, the Agreement is conditional on the Applicant receiving Overseas Investment Office consent to the transaction by 17 August 2015.
- 5.13 Settlement of the purchase is to take place five working days after the OIO condition is confirmed as being satisfied.

#### **Why the acquisition of an interest in the Land requires consent**

##### Sensitive Land

- 5.14 The acquisition of the Land requires consent pursuant to section 10(1)(a) of the Act, being an overseas investment in sensitive land under section 12(a) of the Act. The Land is sensitive as the Land:
- 5.14.1 is non-urban land exceeding 5 hectares in area.
- 5.15 The Certificate from Grayson Neal Limited (Geoffrey Neal) for the purposes of Schedule 1 of the Act (**attached** at Appendix 11) in respect of the Land confirms that the Land is not, and does not contain land that is, sensitive land for any other reason listed in tables 1 and 2 in Schedule 1 of the Act.

#### **Consideration and financing relating to the acquisition**

- 5.16 The purchase price for the Land is \$5,918,960 plus GST (if any). A deposit of \$591,896 was paid by the Applicant ([REDACTED]) and Trevelyan's ([REDACTED]) on 5 May 2015.
- 5.17 The purchase of the Land will be financed by the Applicant and Trevelyan's in proportion to their shareholdings in the purchasing entity and approximately [REDACTED].

#### **Consent sought**

- 5.18 The Applicant seeks consent to acquire the Land via a 80% - 100% owned subsidiary pursuant to section 10(1)(a) of the Act, being overseas investments in sensitive land under section 12(a) of the Act.
- 5.19 As noted above, the purchasing entity will be [REDACTED] owned by Trevelyan's. The Applicant intends to hold its interest in the Land for the long term, and is seeking a long term partnership with Trevelyan's. However, it is expected that the Shareholders' Agreement will give Trevelyan's, as the minority shareholder, some early exit rights. Application of the dispute resolution mechanisms in the Shareholders Agreement, in the event of a dispute between the parties, may also result in the exit of Trevelyan's.
- 5.20 If Trevelyan's exercises its early exit rights, or otherwise exits the company, the Applicant will likely acquire Trevelyan's interest, making it a [REDACTED] shareholder in the purchasing entity.

5.21 Accordingly, the Applicant also seeks consent to acquire up to 100% of the shares in the purchasing entity between the date of the consent and 30 June 2023 (being an overseas investment in sensitive land under section 12(b)(ii) of the Act). We note that the proposed date of 30 June 2023 aligns with the period within which the Applicant may:

5.21.1 acquire a 100% interest in Kirimini Orchard Limited (per OIO Consent 201410087);

5.21.2 acquire a 100% interest in Arnmore Dairy Limited (per OIO Consent 201320051); and

5.21.3 re-acquire shares from farm managers in its other subsidiary companies (per OIO Consent 201220039).

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## 6 Land the subject of the application

### Details of Land that is the subject of the application

6.1 Details of the sections comprising the Land are set out below:

Certificate of Title	SA64A/121
Land Area	3.6790 hectares more or less
Legal Description	Lot 1 Deposited Plan South Auckland 79784
Estate	Fee Simple

Certificate of Title	SA64A/124
Land Area	21.6650 hectares more or less
Legal Description	Lot 4 Deposited Plan South Auckland 79784
Estate	Fee Simple

Certificate of Title	SA64A/125
Land Area	7.5200 hectares more or less
Legal Description	Lot 5 Deposited Plan South Auckland 79784
Estate	Fee Simple

Certificate of Title	SA64A/126
Land Area	7.1050 hectares more or less
Legal Description	Lot 6 Deposited Plan South Auckland 79784
Estate	Fee Simple

Certificate of Title	SA66A/428
Land Area	2.6594 hectares more or less
Legal Description	Lot 2 Deposited Plan South Auckland 83133 and Lot 3 Deposited Plan South Auckland 79784
Estate	Fee Simple

6.2 We **attach** in Appendix 10:

- 6.2.1 maps of the locales and the approximate positions of the Land;
- 6.2.2 aerial photo identifying the approximate area of the Land;
- 6.2.3 a copy of the current certificate of title for each of the parcels comprising the Land.



6.3 We **attach** at Appendix 11 a certificate from Grayson Neal Limited (Geoffrey Neal), a LINZ accredited Crown Property Supplier, attesting as to whether the Land is captured by each element of tables 1 and 2 in Schedule 1 of the Act and whether the Land is or includes the foreshore, sea bed, or the bed of a river or lake.

**Current and proposed use of the Land**

6.4 A table showing the current and proposed use of the Land is set out below:

<b>Land Use</b>	<b>Current (hectares)</b>	<b>Proposed (hectares)</b>
Kiwifruit orchard (in canopy)	19.28 ha	19.28 ha
Storage yard & vegetation	22.3282 ha	22.3282 ha
<b>Total</b>	42.6284 ha	42.6284 ha

**Farm Land – if the relevant land is farm land as defined in section 6(1) of the Act**

6.5 The Land is 'farm land' as defined under the Act because the Land is used principally for agricultural purposes.

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## 7 RATIONALE FOR THE INVESTMENT

- 7.1 The Applicant was established to be the investment vehicle for the Farming Fund which was formed to invest in farming assets. Its primary investment objective is the investment in or financing of farm land and other farming-related assets.
- 7.2 The strategic objective of the Applicant is to generate superior long-term risk-adjusted returns by financing, acquiring, developing and/or improving management of farming operations in New Zealand. This may include participation in land, livestock and other assets utilised to facilitate or improve the farms themselves (including agricultural supply and processing interests, related infrastructure projects, and interests relating to the marketing of farm produce).
- 7.3 Returns to the Applicant's investors are to be generated by debt repayments or sale of farming produce, for example milk, sheep and beef meat, wool, vegetables, crop and the delivery of related farming activities.
- 7.4 The Applicant considers that the purchase of the Land is in alignment with and supports the Applicant's overall Business Case. The Land is a strong investment proposition for the Applicant, in terms of risk-adjusted returns, and investment in the Land will enhance and diversify the farming portfolio and enable continued expansion and development of the Applicant's activities. In general, the Applicant seeks to purchase land rather than to lease it. This best ensures that the Applicant retains capitalised value from specific development, rather than such value accruing to another land owner as lessor.
- 7.5 As recorded in the Heads of Agreement, the Applicant and Trevelyan's intend to co-invest alongside each other to build a kiwifruit orchard business. The acquisition of the Land is the second purchase being made pursuant to the Heads of Agreement. The acquisition of further kiwifruit orchards in furtherance of the joint venture will allow the Applicant and the Farming Fund to benefit from efficiencies and economies of scale from a second kiwifruit orchard and as the size of the kiwifruit orchard business continues to expand.
- 7.6 Further detail is contained in the Business Case for the Land and the Applicant's wider Business Case, **attached** in Appendices 12 and 13.

## 8 INVESTMENT CRITERIA

### ***Business experience and acumen – section 16(1)(a)***

8.1 The Applicant's interests in the Land will be controlled by the General Partner, the Farm Manager and the Investment Manager. Forbes Elworthy, Mark Cox, Che Charteris and Andrew Gibbs are the directors of the General Partner. Forbes Elworthy, Mark Cox and Che Charteris are the directors of the Farm Manager. [REDACTED] are the principal partners of the Investment Manager:

- 8.1.1 **Mr Forbes Elworthy** (NZ Passport holder) founded the Applicant to combine his interests in finance, agriculture and environmentalism. Forbes Elworthy is:
- (a) the sole shareholder of the founding partners of the Applicant;
  - (b) a director of the Farm Manager;
  - (c) a director of Craigmore Farming GP Ltd, the general partner of the Applicant;
  - (d) a director of Craigmore Farming Co Limited; and
  - (e) a partner of the Investment Manager.

Forbes seeded the Craigmore Farming Fund portfolio in 2008. After initially managing its own seed capital, Forbes Elworthy partnered with Mark Cox and together they opened Craigmore's investment vehicles to outside investors in 2011. Mark and Forbes now manage the Craigmore group as joint founders. Across both Farming and Forestry Funds Craigmore is now responsible for managing 30 farms and forestry blocks covering over 25,000 hectares and valued at over [REDACTED].

Forbes had previously taken over the family business, Craigmore Station, farmed by his family for 150 years, in 2005 when it was running 15,000 Stock Units (sheep equivalent). He grew the business into a 4,000 hectare dairy, sheep, deer and beef farming operation running 30,000 Stock Units. Craigmore Station is managed as a business entirely distinct from Craigmore Farming Group.

Forbes worked as a shepherd after leaving school. He learned to shear sheep, muster with dogs, plant and harvest crops and maintain machinery. He then trained in Agricultural Economics at Lincoln University in New Zealand where he was student president. He went up to Oxford as a Rhodes Scholar. After joining Goldman Sachs as a research analyst he went on to obtain an MBA from Harvard Business School. Forbes worked as a credit trader at Merrill Lynch from 1992 to 1999 where he headed a convertibles trading desk. [REDACTED]

[REDACTED] Forbes returned to New Zealand from the UK in 2005 to live on and manage Craigmore Station and he and his family now live between Craigmore Station in New Zealand and Oxfordshire in the UK.

Craigmore Farming Co Limited (Forbes' personal investment vehicle which is an investor in the Applicant) was formed in the 1960's by Sir Peter Elworthy. Sir Peter served as President of NZ Federated Farmers and on the Board of the Reserve Bank of NZ in the 1980's and 1990's. Craigmore Farming Company's other principal asset is Craigmore Station.

- 8.1.2 **Mr Mark Cox** (NZ passport holder) has filled executive roles in forestry and farming. Within the Applicant, Mark Cox is currently a director of:
- (a) Craigmore Farming GP Limited, the general partner of the Applicant;
  - (b) the Farm Manager; and
  - (c) each of the subsidiaries listed in paragraph 3.10.

Mark was raised on a sheep, beef and cropping farm before studying agriculture at Massey University. Employed under the then Fletcher Challenge graduate scheme he worked through their group of companies before being posted to Wrightsons. He moved to Cedenco Foods where he served 6 years as Fresh Crops Manager. During the restructuring of Cedenco he purchased their fresh divisions assets and formed Coxco Holdings Limited. Coxco Holdings Limited is now a vertically integrated company supplying vegetables to the Asian market.

8.1.3 **Mr (Leslie) Ché Charteris** (NZ passport holder) is currently a director of:

- (d) Craigmores Farming GP Ltd, the general partner of the Applicant;
- (e) the Farm Manager; and
- (f) each of the subsidiaries listed in paragraph 3.10.

Ché is employed as the 'Head of Risk and Control' for the Farm Manager. Before joining the NZ Manager, Ché worked for Forestry NZ Limited developing a forestry estate for timber and carbon production. Prior to this, he was a senior advisor in NZ's Ministry of Agriculture and Forestry (MAF). At MAF he focused on trade relations and agricultural cooperation (including implementation of agricultural aspects of the NZ-China Free Trade Agreement and managing NZ's programme of agricultural cooperation with trading partners). He also had roles in three other central government departments (covering environmental regulation, competition regulation, and funding infrastructure projects). Ché brings Craigmores a strong understanding and network of regulatory contacts. Like other NZ partners he is from a family farm and has extensive personal experience of pastoral farming in NZ.

8.1.4 **Mr Andrew Gibbs** (NZ passport holder) is currently a director of Craigmores Farming GP Limited (appointed 4 March 2014). Andrew is a Partner in the Wellington office of Deloitte. Andrew joined Deloitte in 1986 and his work experience includes long term postings with their international firm in London, Poland, the former Soviet Union and the Middle East. Andrew has been based in Wellington for the last 16 years and has wide experience in investigation, project management and advisory work performed in connection with outsourcing, feasibility studies, business change, improvement and planning in the public and leads a multi-disciplined team that has as one of its focuses the agri-business and fisheries sectors. Andrew is also the agriculture lead partner for Deloitte. Andrew also provides services to small and medium enterprises. Services include the traditional accounting and taxation advice but more frequently a range of services focussed on assisting these businesses to grow and achieve their potential through having clearly executable plans and performance management frameworks. Andrew has also sat on a number of Programme Management Boards for large complex assignments and recent examples include the strategic review of the fisheries sector in Yemen and the successful PGP application for the Red Meat and private sectors.

8.1.5 **Nick Tapp (UK Citizen)** is Head of Client Advisory as well as a partner of the Investment Manager. Nick Tapp has wide ranging experience across farm management and farmland investment, the food supply chain, renewable energy and the politics of land ownership. Nick spent 25 years with St. Nicholas Court Farms Ltd, farming 800 hectares of intensive cereals, vegetables and potatoes, and packing potatoes for a number of major supermarkets. Nick joined Bidwells as Head of Agribusiness in 2010, delivering management and consultancy advice to farmers, landowners and investors in agriculture in the UK and around the world. Nick has also served on the Boards of Kent Veg Ltd, the British Association for Bio-fuels and Oils, the Oxford Farming Conference and on the Policy Committee of the Country Land and Business Association. He continues as Chairman of Grain Harvesters Ltd, a grain storage and marketing business; as a Director of Magyar Farming, a company farming over 5,000ha of cereals, potatoes and dairy in three countries in central Europe; and as a Director of the Potato Council, Chairing the Market Information Committee. Nick is a Nuffield Farming Scholar and a Fellow of the Royal Agricultural Societies.

## Advisory Board

- 8.2 The Farm Manager also has an Advisory Board which reviews the Farm Manager's operational and acquisition strategy, and includes leading NZ agricultural professionals.
- 8.2.1 **Mr. John Donkers** (NZ passport holder): Since graduating from Lincoln University in 1981 with a Degree in Agriculture Science, John has spent the majority of his career working in the dairy industry in New Zealand. For the last 16 years he has provided specialist dairy business consultancy services to mainly large scale dairy farming businesses in the Canterbury region. John also jointly established the Camden Group of Companies in 1994 which now owns five properties comprising 1,500 hectare (mostly irrigated), with three dairy units milking 2,700 cows and an investment in a further 2,700 cows. John has been an active participant in representing irrigated agriculture since the late 1990's. He helped found the Dunsandel Groundwater Users Association in 1997, is Chairperson of the Board of Irrigation NZ, and is a member of the Regional Committee of the Canterbury Water Management Strategy (a working committee of local government advising on management of irrigation in Canterbury). John is also a director of Central Plains Water Ltd, which will in the next year commence construction of stage one of the largest irrigation schemes to be built in NZ.
- 8.2.2 **Mr. Pete Morrison** (NZ passport holder) has a predominantly farming background. He grew up on the family farm near Darfield, Canterbury, and purchased his own farm after tertiary study at Lincoln University. While he remains farming in the Darfield (Canterbury, New Zealand) area he has diversified his portfolio by purchasing and operating/directing numerous dairy, forestry, high country and commercial properties on the West Coast and in Canterbury. He also owns and operates a gold mining operation on the West Coast and a helicopter business in Canterbury. Pete is a major shareholder and a director of a successful public listed computer company which operates out of Christchurch.

## Other relevant employee profiles

- 8.3 **Mr Hamish Blackman** (NZ passport holder) is Director of Commercial Development leading the structuring of funds and investments managed by Craigmore, through the provision of legal, financial and other advice and outputs. Prior to joining Craigmore, Hamish spent eight years in London as an investment management professional before returning to New Zealand in 2010 to join a boutique investment bank, Murray & Co, as a Director in the Corporate Finance division. Immediately before leaving the UK, Hamish was a Director at Aladdin Capital Management where he structured funds and advised on investor issues relating to private equity and hedge fund vehicles. Hamish previously spent four years in the fund of hedge funds industry, working for Auda International and F&C Partners. Hamish is a Chartered Alternative Investment Analyst (CAIA). He holds a Bachelor of Laws and Bachelor of Commerce from the University of Canterbury and was admitted as a Barrister and Solicitor of the High Court of New Zealand in 1999. He is also admitted as a Solicitor of the Supreme Court of England and Wales.
- 8.4 **Mr Barry Donaldson** (NZ passport holder) is employed as the Financial Controller of the NZ Manager and the Applicant. Barry joined Craigmore in 2011 and brings more than 10 years of senior management experience in the dairy industry working in both the co-operative and post-Fonterra corporate structures. Barry's roles as Financial Controller for Westland Milk Products and Marlborough Cheese provide a solid basis for understanding dairying and dairy markets. In his most recent position with Synlait Milk Limited, Barry was responsible for the creation of systems and reporting design for the new dairy company. During a break from the dairy industry Barry was Financial Controller for Animates, where he led the due diligence for the merger of two companies which formed New Zealand's first nationwide chain of pet retail stores. Barry is a chartered accountant and member of the NZ Institute of Chartered Accountants with a degree from the University of Otago, NZ. While working full time Barry completed his MBA through Massey University, NZ.

- 8.5 **Mr Reginald Brown** (UK Citizen) is Chief Administrative Officer of the Investment Manager as well as a partner of the Investment Manager. In this role Reg manages investor relationships and has overall responsibility for business support and development. Prior to joining the Investment Manager, Reg served as Principal at Bank of America's Capital Markets Strategies division. At Bank of America he focused on originating, structuring and executing cross-border structured financing solutions. Reg began his career at NatWest Markets' Global Structured Finance division where he rose to the position of Assistant Director. Reg has a Bachelor's degree in Mathematics and Management Studies obtained from King's College, University of London.

#### Management of the Orchard

- 8.6 It is intended that Trevelyan's will provide management services pursuant to an Orchard Management Agreement, and be responsible for day to day operations on the Land. Trevelyan's is a New Zealand owned and operated company. Trevelyan's provides orchard management services through a wholly owned subsidiary company (Trevelyan's Management Services Limited), so has experience in orchard management and advising on orchard practices.

#### ***Demonstrated financial commitment – section 16(1)(b)***

- 8.7 Trevelyan's has entered into an Agreement for Sale and Purchase for the Land, on the basis of a commitment by the Applicant to form a new entity to complete and fund the purchase. The total purchase price for the Land is \$5,918,960 plus GST (if any). The purchase price will be funded by the Applicant (from existing cash reserves and commitments by investors) and Trevelyan's in proportion to their shareholdings in the purchasing entity, and approximately [REDACTED]. A deposit of \$591,896 was paid by the Applicant [REDACTED] and Trevelyan's ([REDACTED]) on 5 May 2015.
- 8.8 The Applicant has received sufficient additional commitments from new direct investors and from Craigmere Sustainables (Farming) N.V. through commitments made by the N.V. investors since the submission of the Farming Fund Application. As at the date of this application, the partners of the Applicant have contributed approximately [REDACTED] of capital (compared with [REDACTED] as at the date of the Farming Fund Application). Accordingly, no investment funds are being diverted from the implementation of the original Business Case as referred to in the Farming Fund Application.
- 8.9 The cost of implementing the Business Case for the Land will require investment from the Applicant and the Applicant is committed to making that investment to realise the benefits from the development.

#### ***Persons controlling the Applicant of good character – sections 16(1)(c) and (d)***

- 8.10 We note that the OIO no longer requires statutory declarations as to the good character of the individual(s) with control of the Applicant to be provided at the time an application for consent is made, and that the OIO will request such declarations at the time it requests the "true and correct" statutory declaration near the end of the assessment process.

#### ***Citizenship/Residency – section 16(1)(e)(i)***

- 8.11 Forbes Elworthy, Mark Cox, Che Charteris and Andrew Gibbs, being persons who exercise control over the Applicant, are all citizens of New Zealand.

#### ***Benefit to New Zealand – section 16(1)(e)(ii) and (iii)***

- 8.12 Refer section 9 below.

#### ***Farm land advertising – section 16(1)(f)***

- 8.13 In accordance with the Act the Land was advertised for sale on the open market by the Vendor.

8.14 The Land has been advertised as follows:

8.14.1 Internet: The Land has been advertised on the following websites:

- (a) [www.trademe.co.nz](http://www.trademe.co.nz) from 6.2.2015 to 13.4.2015;
- (b) [www.Professionals.co.nz](http://www.Professionals.co.nz) from 6.2.2015 to 13.4.2015;
- (c) [www.nrgrealty.co.nz](http://www.nrgrealty.co.nz) from 6.2.2015 to 13.4.2015;
- (d) [www.realestate.co.nz](http://www.realestate.co.nz) from 6.2.2015 13.4.2015;
- (e) [www.open2view.co.nz](http://www.open2view.co.nz) from 6.2.2015 13.4.2015

8.14.2 Newspapers: The Land was advertised in the:

- (a) Sunday Star Times on 22.2.2015 and 1.3.2015;
- (b) Te Puke Times on 19.2.2015, 26.2.2015 and 5.3.2015;
- (c) Property Guide on 20.2.2015, 27.2.2015, 6.3.2015 and 13.3.2015; and
- (d) Farmer's Weekly on 2.3.2015.

8.14.3 Signboard: A signboard advertising the Land for sale was erected on 6.2.2015 and was still on site as of (at least) 13.4.2015.

8.14.4 External and internal Window Display: The Land was first advertised on 6.2.2015 and was still on site as of (at least) 13.4.2015.

8.14.5 Direct mail out to database of 132 email recipients completed on 6.3.2015.

8.15 **Attached** at Appendix 14 are:

- 8.15.1 a copy of the letter from the Real Estate Agent confirming the advertising details and containing copies of some of the advertisements;
- 8.15.2 copies of print outs of the website listings; and
- 8.15.3 the results of the advertising in a letter from the real estate agent.

**9 BENEFIT TO NEW ZEALAND - SECTION 16(1)(E)(II) AND (III)**

9.1 The Applicant submits that its investment in the Land will, or is likely to, benefit New Zealand as a whole, and in particular the Bay of Plenty and Canterbury regions.

9.2 Information relevant to the investment in the Land is included in:

9.2.1 the Business Case of the Craigmere Farming Group, which was included with the Farming Fund Application; and

9.2.2 the Business Case relating to the Land, copies of which are **attached** at Appendices 12 and 13.

**Factors to assess benefit of investment to New Zealand – section 17 of the Act**

<p><b>Section 17(2)(a)(i)</b> Whether the investment will, or is likely to, result in the creation of new job opportunities in NZ or the retention of existing jobs in New Zealand that would or might otherwise be lost.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application. The investment will result in both the retention of existing jobs in New Zealand and the creation of new job opportunities. The orchard is currently managed by [REDACTED]. The increased development and production resulting from the Applicant's investment, and ongoing management of the Land will result in the creation of approximately 0.15 new indirect full time equivalent positions. Additional jobs are also likely to be created during the development of the Land.

Details are set out in the Business Case for the Land (Appendix 13).

This benefit will not likely occur without the Applicant's investment.

<p><b>Section 17(2)(a)(ii)</b> Whether the investment will, or is likely to, result in the introduction into New Zealand of new technology or business skills.</p>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application.

<p><b>Section 17(2)(a)(iii)</b> Whether the investment will, or is likely to, result in increased export receipts for New Zealand exporters.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance. Development of the Land, better management of the orchard operations and premiums resulting from the use of industry recognised sustainability programmes will lead to an increase in NZ export receipts.



Further details are set out in the Business Case for the Land (Appendix 13) and the Report at Appendix 15.

This benefit will not likely occur without the Applicant's investment.

<p><b>Section 17(2)(a)(iv)</b> Whether the investment will, or is likely to, result in added market competition, greater efficiency or productivity, or enhanced domestic services, in New Zealand.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance.

The purchase of the Land by the Applicant and additional development will enable greater productivity from the Land resulting from a programme of enhanced vine management.

The investment will also enable continued expansion and development of the Applicant's activities by the increase and diversification of its asset portfolio.

Further details are set out in the Business Case for the Land (Appendix 13) and the Report at Appendix 16.

The benefits arising from the development of the Land are unlikely to occur without the Applicant's investment.

<p><b>Section 17(2)(a)(v)</b> Whether the investment will, or is likely to, result in the introduction into New Zealand of additional investment for development purposes.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance. The Applicant intends to carry out substantial development of the Land to realise its full potential as a kiwifruit orchard operation, including:

- redeveloping the canopy structure;
- vine replanting; and
- native planting.

The additional investment for development of the Land and orchard operations will cost between [REDACTED] in the short term (four years).

The Applicant also believes that this investment will provide it with additional scale and commercial momentum to raise further funds to then deploy into future farming / agricultural development opportunities.

Additional detail on the potential further developments is set out in the Business Case for the Land (Appendix 13) and the Report at Appendix 17.

In the opinion of the Applicant, it is unlikely that such investment would occur without the Applicant's investment.

<p><b>Section 17(2)(a)(vi)</b> Whether the investment will, or is likely to, result in increased processing in New Zealand of New Zealand's primary products.</p>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application. While the investment will result in increased production of primary products, those primary products will not be processed in a “value-add” manner.

The increased production will result in more supply through export packhouses and coolstores in New Zealand.

<p><b>Section 17(2)(b)</b></p> <p>Whether there are or will be adequate mechanisms in place for protecting or enhancing existing areas of significant indigenous vegetation and significant habitats of indigenous fauna, for example, any 1 or more of the following:</p> <ul style="list-style-type: none"> <li>– conditions as to pest control, fencing, fire control, erosion control, or riparian planting;</li> <li>– covenants over the land.</li> </ul>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance.

The Applicant intends to plant native trees areas along a neighbouring stream. The plantings will help increase the biodiversity on the orchard.

The Applicant also intends to commission a biodiversity survey for the Land and develop a management plan, including considering putting in place legal protection where required. This policy will include an ecological audit of the Land.

The Applicant would also be prepared to accept conditions to the OIO consent that require the Applicant to consult with the Department of Conservation on the possible registration of instruments against the land titles of the Land to protect areas of ecological value.

This benefit will not likely occur without the Applicant’s investment.

<p><b>Section 17(2)(c)</b></p> <p>Whether there are or will be adequate mechanisms in place for:</p> <ul style="list-style-type: none"> <li>– protecting or enhancing existing areas of significant habitats of trout, salmon, wildlife protected under section 3 of the Wildlife Act 1953, and game as defined in sections 2(1) of that Act (for example, any 1 or more of the mechanisms referred to in paragraph (b)(i) and (ii)); and</li> <li>– providing, protecting, or improving walking access to those habitats by the public or any section of the public.</li> </ul>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application.

The Applicant does not believe that the Land includes existing areas of significant habitats of trout, salmon or wildlife protected under section 3 of the Wildlife Act 1953 and game under section 2(1) of that Act.

<p><b>Section 17(2)(d)</b></p> <p>Whether there are or will be adequate mechanisms in place for protecting or enhancing historic heritage within the relevant land, for example, any 1 or more of the following:</p> <ul style="list-style-type: none"> <li>– conditions for conservation (including maintenance and restoration) and access;</li> <li>– agreement to support registration of any historic place, historic area, wahi tapu, or wahi tapu area under the Historic Places Act 1993;</li> <li>– agreement to execute a heritage covenant;</li> <li>– compliance with existing covenants.</li> </ul>	<p><i>Not Applicable</i></p>
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The Applicant is not aware of any historic heritage elements relating to the Land that require protection or enhancement. The Land Information Memorandum obtained for the Land indicates that there are no buildings, structures, sites or trees on the Land that are subject to heritage or archaeological protection.

The Certificate from Grayson Neal Limited for the purposes of Schedule 1 of the Act confirms that the Land does not include an historic place or historic area, or a registered Wahi Tapu or Wahi Tapu Area under the Historic Places Act 1993.

<p><b>Section 17(2)(e)</b></p> <p>Whether there are or will be adequate mechanisms in place for providing, protecting, or improving walking access over the relevant land or a relevant part of that land by the public or any section of the public.</p>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application.

There is no existing public walking access over the Land to be maintained or protected.

However, the Applicant would be prepared to accept conditions to the OIO consent that require the Applicant to consult with the Walking Access Commission regarding possible public access (subject to safety and operational concerns).

<p><b>Section 17(2)(f)</b></p> <p>If the relevant land is or includes foreshore, seabed, or a bed of a river or lake, whether that foreshore, seabed, riverbed, or lakebed has been offered to the Crown in accordance with regulations.</p>	<p><i>Not Applicable</i></p>
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The Certificate from Grayson Neal Limited confirms that the Land is not, and does not include, any foreshore, seabed or the bed of a river or lake.

#### **REGULATION 28**

<p><b>Regulation 28(a)</b></p> <p>Whether the overseas investment will, or is likely to, result in other consequential benefits to New Zealand (whether tangible or intangible benefits (such as, for example, additional investments in New Zealand or sponsorship of community projects)).</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application. A report containing detail of the likely consequential benefits of the overseas investment is **attached** as Appendix 18.

These benefits will not likely occur without the Applicant's investment.

<p><b>Regulation 28(b)</b> Whether the relevant overseas person is a key person in a key industry of a country with which New Zealand will, or is likely to, benefit from having improved relations.</p>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application

<p><b>Regulation 28(c)</b> Whether refusing the application for consent will, or is likely to:</p> <ul style="list-style-type: none"> <li>– adversely affect New Zealand's image overseas or its trade or international relations;</li> <li>– result in New Zealand breaching any of its international obligations.</li> </ul>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application.

<p><b>Regulation 28(d)</b> Whether granting the application for consent will, or is likely to, result in the owner of the relevant land undertaking other significant investment in New Zealand.</p>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application.

The letter from the Vendors' solicitor at Appendix 6 confirms that the Vendors intend to use the sale proceeds from the Land to fund general maintenance and upkeep of the two other kiwifruit orchards they own, to repay debt and fund their retirement.

<p><b>Regulation 28(e)</b> Whether the relevant overseas person has previously undertaken investments that have been, or are, of benefit to New Zealand.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance.

A report detailing the Applicant's previous investments is **attached** at Appendix 19.

<p><b>Regulation 28(f)</b> Whether the overseas investment will, or is likely to, give effect to or advance a significant Government policy or strategy.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance.

A report detailing how the investment will, or is likely to, give effect to or advance a significant Government policy or strategy is **attached** as Appendix 20.

These benefits will not likely occur without the Applicant's investment.

<p><b>Regulation 28(g)</b></p> <p>Whether the overseas investment will, or is likely to, enhance the ongoing viability of other overseas investments undertaken by the relevant overseas person.</p>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance. The investment will strengthen the balance sheet of the Applicant, improving the diversification of the investment in the existing farms owned by the Applicant and its subsidiaries and increasing cashflow for further development and non-commercial activities such as environmental protection.

<p><b>Regulation 28(h)</b></p> <p>Whether the overseas investment will, or is likely to, assist New Zealand to maintain New Zealand control of strategically important infrastructure on sensitive land.</p>	<p><i>Not Applicable</i></p>
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The Applicant does not believe that this factor is relevant to the application. The Land does not contain strategically important infrastructure.

<p><b>Regulation 28(i)</b></p> <p>Whether New Zealand's economic interests will be adequately promoted by the overseas investment, including, for example, matters such as all or any of the following:</p> <ul style="list-style-type: none"> <li>– whether New Zealand will become a more reliable supplier of primary products in the future;</li> <li>– whether New Zealand's ability to supply the global economy with a product that forms an important part of New Zealand's export earnings will be less likely to be controlled by a single overseas person or its associates;</li> <li>– whether New Zealand's strategic and security interests are or will be enhanced;</li> <li>– whether New Zealand's key economic capacity is or will be improved.</li> </ul>	<p><i>Applicable</i></p>
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The Applicant believes that this factor is relevant to the application and is of high importance. The Applicant's investment in the Land and the associated development will result in increased and more reliable production from the Land, and New Zealand's key economic capacity in orcharding will be improved by the additional investment.

Further detail is set out in the Business Case for the Land in Appendix 13 and the Report in Appendix 21.

These benefits will not likely occur without the Applicant's investment.

<p><b>Regulation 28(j)</b></p> <p>The extent to which persons who are not overseas persons (New Zealanders) will be, or are likely to be, able to oversee, or participate in, the overseas investment and any relevant overseas person, including, for example, matters such as all or any of the following:</p> <ul style="list-style-type: none"> <li>– whether there is or will be any requirement that 1 or more New Zealanders must be part of a relevant overseas person's governing body;</li> <li>– whether a relevant overseas person is or will be incorporated in New Zealand;</li> <li>– whether a relevant overseas person has or will have its head office or principal place of business in New Zealand;</li> </ul>	<p><i>Applicable</i></p>
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<ul style="list-style-type: none"> <li>– whether a relevant overseas person is or will be a party to a listing agreement with NZX Limited or any other registered exchange that operates a securities market in New Zealand;</li> <li>– the extent to which New Zealanders have or will have any partial ownership or controlling stake in the overseas investment or in a relevant overseas person;</li> <li>– the extent to which ownership or control of the overseas investment or of a relevant overseas person is or will be dispersed amongst a number of non-associated overseas persons.</li> </ul>	
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The Applicant believes that that this factor is relevant to the application and is of high importance. A report containing detail of the extent to which persons who are not overseas persons will be, or are likely to be, able to oversee, or participate in, the overseas investment and any relevant overseas person is attached as Appendix 22

### THE COUNTERFACTUAL TEST

9.3 Following the High Court decision in *Tiroa E and Te Hape B Trusts v Chief Executive of Land Information* (CIV-2012-484-000101, Miller J), we set out below an analysis of the application of the counterfactual test to this application, i.e. “what will happen without the investment?”

9.4 We have considered two possible scenarios in respect of the Land:

9.4.1 Purchase by an alternative purchaser; and

9.4.2 Retention of the Land by the Vendor, due to there being no alternative purchaser, or due to the Vendor’s price expectations not being met for a sale of the Land.

9.5 The letter from the Vendors’ solicitor (Appendix 6) and the letter from the Vendors’ real estate agent (Appendix 14) note that:

9.5.1 While there were a number of expressions of interest as a result of the advertising, only one other verbal offer for the Land was received from a local kiwifruit grower that was not accepted; and

9.5.2 The Vendors’ view is that if OIO consent is not granted to the Applicant, the Vendor would in the short term retain the property, while continuing to look for a purchaser of the Land as five smaller lots.

Accordingly, the likely counterfactual is that the Vendors will retain the Land, although it may continue to be marketed for sale as five smaller lots.

9.6 Accordingly, the Applicant’s view is that the likely counterfactual would be that the Land would be retained by the Vendors (at least in the short to medium term, depending on how long it takes for a successful sale of the Land to be achieved), but no capital investment in development to improve the productivity of the Land or the sustainability of its produce would occur, given the Vendors’ current intention to sell the Land.

9.7 Therefore, the Applicant submits that none of the benefits set out in this application would likely occur if the Applicant did not acquire the Land.

9.8 Should the OIO take a more conservative view of the counterfactual and consider that the purchase by an alternative purchaser should be used as the counterfactual, the Applicant submits that its purchase of the Land would bring the following benefits in addition to any that might result from the purchase by an alternative purchaser:

9.8.1 The Applicant is prepared to commit to development of the Land. While another purchaser may also carry out some development, there is no certainty that any development would take place, or as to the scale or level of investment in the

development, and no guarantee as to the timing of the capital works. The Applicant already has access to the funds required for the development and has an intention to carry out the development. Also, by virtue of the Applicant's status as an overseas person and requiring OIO approval, its compliance with its plans to develop the Land can be monitored by the OIO, such that the likelihood of it taking place is much more certain.

- 9.8.2 The Applicant is likely to undertake a higher level and quality of development than the average New Zealand kiwifruit farmer. This is evidenced by the quality of the initial conversion work already carried out on the Landsend and Wairepo properties.
- 9.8.3 The above factors mean that there is no guarantee that if the Land was acquired by another purchaser the same level of development and associated products/export and employment benefits specific to the Land described in the Business Case attached to this application will occur over the four year timeframe proposed by the Applicant.
- 9.8.4 Other benefits claimed by the Applicant in relation to the Land would not occur, or would be less likely to occur, including:
- (a) The natural efficiencies that will arise from the scale of the Applicant's existing land holdings and farming/agricultural operations, and the inclusion of the Land in the Applicant's wider business plan, especially if the land is sold to five separate owners as smaller kiwifruit orchards.
  - (b) The purchase of the Land by the Applicant will support the Applicant's wider business plan and the benefits must be assessed in the context of the overall business plan as well as on a property-by-property basis. The purchase and successful development of properties that support the Applicant's business plan will help to attract more investors to the Farming Fund, resulting in further capital that will be available for investment by the Applicant in further development opportunities.
  - (c) The Applicant is committed to sustainability and will be undertaking its own biodiversity studies of each property within its portfolio now that approval under the Farming Fund Application has given the Applicant the additional financial stability to implement a more robust environmental policy. The Applicant is willing to accept conditions to an OIO consent that will require the Applicant to engage with the Department of Conservation and the Walking Access Commission on the possible registration of instruments against relevant land titles to protect areas of ecological value and provide reasonable walking access. No New Zealand purchaser can be expected or required to undertake equivalent measures.
  - (d) If the land was purchased by a New Zealander, any investment for development purposes is less likely to be sourced from overseas, i.e. it would not result in the "introduction into New Zealand of additional investment for development purposes" (section 17(2)(a)(v)).
  - (e) In addition, a potential New Zealand under-bidder is more likely to divert funding from other potential New Zealand development opportunities in order to fund development on the Land. Therefore, the Applicant's investment is more likely to generate 'additional' overall development benefits for New Zealand than the potential domestic under-bidder.
- 9.9 We also note that this was a voluntary sale of land by the Vendor. It is not a receivership/liquidation scenario under which the land must be sold. The investment is the result of the Vendor exercising its freedom of choice to contract with its preferred purchaser.

## 10 DECLARATION IN SUPPORT OF APPLICATION – SECTION 23(1)(D)

- 10.1 Pursuant to section 23(1)(d) of the Act we attach an unsigned copy of the draft statutory declaration from a director of the General Partner of the Applicant, verifying that the information contained in this application is true and correct. The signed declaration will be provided once we have received confirmation from the Overseas Investment Office that there are no further documents or particulars required by the Overseas Investment Office for its consideration of this application.

## 11 GENERAL

### Notices to be sent to the Applicant's solicitors

- 11.1 The address for service of the Applicant is the Applicant's solicitors:

Duncan Cotterill  
PO Box 5  
Christchurch 8140

Attn: Michael Beck

Phone: (03) 379 2430

Fax: (03) 379 7097

Email: michael.beck@duncancotterill.com

### Application fee – section 23(1)(f)

- 11.2 Enclosed is a cheque for \$19,524.44 being the fee for this application.

### Information for public release

- 11.3 The proposed investment by the Applicant and the information provided by the Applicant is commercially sensitive information. Accordingly, the Applicant seeks confidentiality for:

11.3.1 all information contained in or attached to this application, the fact of the proposed investment, and the identity of the parties; and

11.3.2 immediately following any public announcement, all information contained in this application.

- 11.4 Consistent with the Overseas Investment Office's usual practice, we request on behalf of the Applicant that we be consulted before the form of any consent notification is finalised.

- 11.5 We would be grateful if you would notify us of any request you receive under the Official Information Act 1982 for the disclosure of any of the information contained in this application.

### Date for determination

- 11.6 The purchase of the Land is conditional upon the Overseas Investment Office consenting to the overseas investment by 17 August 2015.



**Further information**

11.7 Should you have any questions in relation to this application please contact us on the contact details shown above.

Yours faithfully

**Michael Beck**  
Solicitor

[michael.beck@duncancotterill.com](mailto:michael.beck@duncancotterill.com)

Signed for and on behalf of Craigmore  
Farming NZ Limited Partnership by its  
General Partner Craigmore Farming GP  
Limited, as Applicant

\_\_\_\_\_  
[Authorised officer]

\_\_\_\_\_  
Name

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

**DOCUMENT  
WITHHELD  
UNDER THE  
OFFICIAL  
INFORMATION  
ACT 1982**


being a copy of Limited Partnership Structure


Pursuant to Section 9(2)(b)(ii) of the Official Information Act 1982


APPENDIX 4

PERSONS WHO CONTROL THE APPLICANT  
COPIES OF PASSPORTS OF PERSONS WHO CONTROL THE APPLICANT

Persons who control Craigmores Farming NZ Limited Partnership

Craigmores Farming GP Limited		
Name of Director	Nationality	Place of Residence
Forbes Herbert Elworthy	New Zealand	 77 Craigmores Hill Road, RD 2, Timaru 7972, New Zealand
Mark William Cox	New Zealand	209 Bells Road, Rd 1 Christchurch, New Zealand
Leslie Che Charteris	New Zealand	183 Darlington Road, Miramar, Wellington 6022, New Zealand
Andrew Brian Gibbs	New Zealand	127 Karori Road, Karori, Wellington 6012, New Zealand

Craigmores Sustainables NZ Limited		
Name of Director	Nationality	Place of Residence
Forbes Herbert Elworthy	New Zealand	 77 Craigmores Hill Road, RD 2, Timaru 7972, New Zealand
Mark William Cox	New Zealand	209 Bells Road, Rd 1 Christchurch, New Zealand
Leslie Che Charteris	New Zealand	183 Darlington Road, Miramar, Wellington 6022, New Zealand

Craigmores Farming Co Limited		
Name of Director	Nationality	Place of Residence
Forbes Herbert Elworthy	New Zealand	

		77 Craigmores Hill Road, RD 2, Timaru 7972, New Zealand
--	--	--

[REDACTED]		
Name of Partner	Nationality	Place of Residence
[REDACTED]	[REDACTED]	[REDACTED]

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

30 April 2015

Sharp Tudhope  
Solicitors  
DX HP40049  
**TAURANGA 3143**

**Attention**     **Kylie Van Heerden**

**By Email**     

**WHANGANUI OFFICE**  
Third Floor, Wairere House  
Corner Somme Parade & Bates Street  
PO Box 4084, Whanganui 4541  
DX PA87505

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12 Kuku Street,  
PO Box 23, Taihape 4742

Tel. (06) 388 0612, Fax. (06) 388 1769

www.treadwellgordon.co.nz

## **WAIMEA DRIVE, TE PUKE**

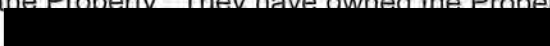
1.0 We refer to the Agreement for Sale and Purchase dated 10 April 2015 between our respective clients in relation to the sale and purchase of approximately 42 hectares at 84 Waimea Drive, Te Puke (*Property*). The Property is comprised in the following computer freehold registers:

- SA64A/121;
- SA66A/428;
- SA64A/124;
- SA64A/125; and
- SA64A/126.

2.0 We understand your client is required to get consent to the purchase of the Property under the Overseas Investment Act. You have asked our clients, Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence and Richard Bruce Walkinton (*Vendors*) to provide certain information to you. This information is to be passed on to the Overseas Investment Office.

3.0 The Vendors confirm the following to the best of their knowledge and belief:

### **3.1 Vendors' Usual Business Activities**

The Vendors are trustees of a family trust. Their usual business activity is the ownership of kiwifruit orchards. They currently own three, including the Property. They have owned the Property for approximately 18 years.  manages the orchards on the Vendors' behalf. This management arrangement in respect of the Property has been in place for 18 years.

### **3.2 Vendors' Reason for Selling**

The Vendors' want to sell the Property as two of the trustees of the trust, Raewyn and Ian (Gilbert) Lawrence are now of retirement age. They wish to downsize.

### 3.3 Appropriation of Sale Proceeds

The sale proceeds from the Property will be used to fund the general maintenance and upkeep of the other two kiwifruit orchards they own. They also plan to use the sale proceeds to repay debt and fund their retirement.

### 3.4 Prior Overseas Investment Office Consent?

The consent of the Overseas Investment Office was not required when the Vendors purchased the Property.

### 3.5 Counterfactual

If the Property was not acquired by your client, it is most likely that:

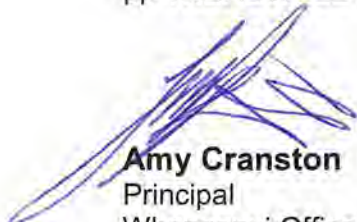
- In the short term, the Vendors would harvest the kiwifruit crop growing on the Property around May 2015, and retain ownership of the Property. It is now too close to harvest time to negotiate, and settle, another sale agreement.
- After the harvest of the 2014/2015 crop, the Vendors would market smaller parts of the Property for sale. It is likely that the Vendors would sell the Property as five smaller lots (as it is held in five computer freehold registers), rather than sell the Property as one unit. The management arrangement with [REDACTED] would continue until the Property is sold.

### 4.0 Advertising

We will forward to you separately details of the advertising which has been carried out, and the expressions of interest received, in respect of the sale of the Property by the Vendors.

5.0 Please let us know if you require any further information.

pp TREADWELL GORDON



**Amy Cranston**  
Principal  
Whanganui Office

Direct Dial: (06) 349 0575  
E-mail: [apc@treadgord.co.nz](mailto:apc@treadgord.co.nz)

# GRAYSON NEAL LIMITED

New Zealand Wide Land Information Services, LINZ Accredited

PO Box 1284, Hamilton, 3240

Unit B, 55 Lake Rd, Hamilton

Ph 07 846 2424

Fx 07 846 2929

info@graysonneal.com

www.graysonneal.com



THINKING FOR YOU  
IN LAND MATTERS

## Report

To **Duncan Cotterill**  
**PO Box 5**  
**Christchurch 8140**  
**Attn: Michael Beck**

Date  
Page  
Our Ref  
Your Ref

**21 April 2015**  
**1 of 4**  
**1508801**

### Overseas Investment Certificate Part 84 Waimea Drive, Te Puke

Dear Michael

Please find attached documentation for an Overseas Investment Certificate in terms of your request.

I have obtained information from the Land Information New Zealand, Department of Conservation, Heritage New Zealand, New Zealand Archaeological Association and the relative Council(s) records for this certificate.

The land subject to this certificate is **Sensitive land** as defined in the Overseas Investment Act 2005.

I attach my certificate and schedule pursuant to the Overseas Investment Act/Regulations.

Yours Sincerely

  
John Neal  
johnneal@graysonneal.com  
For GRAYSON NEAL LIMITED

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

# CERTIFICATE FOR THE PURPOSES OF SCHEDULE ONE OF THE OVERSEAS INVESTMENT ACT 2005

I, John Neal, LINZ Accredited Crown Property Supplier certify that:

PART A: The land the subject of this certificate is: (see attached schedule)

PART B:

	YES	NO	REF
1. The land the subject of this certificate is or includes:			
(a) non-urban land (larger than 5 hectares)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1-5
(b) land on islands specified in Part 2 of Schedule 1 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(c) land on other islands (other than North or South Island, but including the islands adjacent to the North or South Island)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(d) the foreshore or seabed	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(e) the bed of a lake (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(f) land held for conservation purposes under the Conservation Act 1987 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(g) land that a district plan or proposed district plan under the Resource Management Act 1991 provides is to be used as a reserve, as a public park, for recreation purposes, or as open space (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(h) land subject to a heritage order, or a requirement for a heritage order, under the Resource Management Act 1991 or by Heritage New Zealand Pouhere Taonga under the Heritage New Zealand Pouhere Taonga Act 2014 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(i) land that includes a historic place, historic area, wahi tapu, or wahi tapu area that is entered on the New Zealand Heritage List/Rārangi Kōrero or for which there is an application that is notified under section 67(4) or 68(4) of the Heritage New Zealand Pouhere Taonga Act 2014 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
2. The land the subject of this certificate is greater than 0.2 hectares and adjoins:			
(a) the foreshore	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
The land the subject of this certificate is greater than 0.4 hectares and adjoins:			
(b) the bed of a lake	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(c) land held for conservation purposes under the Conservation Act 1987 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(d) any scientific, scenic, historic, or nature reserve under the Reserves Act 1977 that is administered by the Department of Conservation (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(e) any regional park created under the Local Government Act 1974	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(f) land that is listed, or in a class listed, as a reserve, a public park, or other sensitive area by the regulator under section 37	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—



	YES	NO	REF
(g) land that adjoins the sea or a lake and is one of the following types of land: (larger than 0.4 hectares) <ul style="list-style-type: none"> <li>• an esplanade reserve or esplanade strip (within the meaning of section 2(1) of the Resource Management Act 1991); or</li> <li>• a recreation reserve under the Reserves Act 1977; or</li> <li>• a road (as defined in section 315(1) of the Local Government Act 1974); or</li> <li>• a Maori reservation to which section 340 of Te Ture Whenua Maori Act 1993 applies</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(h) land subject to a heritage order, or a requirement for a heritage order, under the Resource Management Act 1991 or by Heritage New Zealand Pouhere Taonga under the Heritage New Zealand Pouhere Taonga Act 2014 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(i) land that includes a historic place, historic area, wahi tapu, or wahi tapu area that is entered on the New Zealand Heritage List/Rārangī Kōrero or for which there is an application that is notified under section 67(4) or 68(4) of the Heritage New Zealand Pouhere Taonga Act 2014 (larger than 0.4 hectares)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—

PART C:

	YES	NO	REF
3. The land the subject of this certificate is or includes:			
(a) foreshore	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(b) seabed	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(c) bed of a river	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
(d) bed of a lake	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—

PART D:

4. The items marked 'yes' above are: (see attached schedule)

Dated at Hamilton, 21 April 2015



John Neal, LINZ Accredited Crown Property Supplier

Notes:

1. The term land in this certificate includes any associated land, if any.
2. The terms "bed", "foreshore or seabed", "lake", "non-urban area" and "river" are defined in the Overseas Investment Act 2005.
3. The Overseas Investment Office does not require this certificate to address land unless it is *relevant land* (as defined in the Overseas Investment Act 2005).

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

#	Map	Land District	Regional Council	Local Council	District Plan Zoning	Proprietor	Legal Description	Area	CT Number	Status	Interest	Non-Urban Land?	Contains	Comments	Adjoins Targets	Adjoins Others	Sensitive land	#	
Part 84 Waimea Drive, Te Puke																			
1	1	South Auckland	Bay of Plenty Regional	Western Bay of Plenty District	Rural	Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence, Richard Bruce Walkinton	Lot 1 Deposited Plan South Auckland 79784	3.6790	SA64A121	Live	Fee Simple	Non-Urban Land			1-5	No	Yes	1	
2	1	South Auckland	Bay of Plenty Regional	Western Bay of Plenty District	Rural	Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence, Richard Bruce Walkinton	Lot 4 Deposited Plan South Auckland 79784	21.6650	SA64A124	Live	Fee Simple	Non-Urban Land				1-5	No	Yes	2
3	1	South Auckland	Bay of Plenty Regional	Western Bay of Plenty District	Rural	Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence, Richard Bruce Walkinton	Lot 5 Deposited Plan South Auckland 79784	7.5200	SA64A125	Live	Fee Simple	Non-Urban Land				1-5	No	Yes	3
4	1	South Auckland	Bay of Plenty Regional	Western Bay of Plenty District	Rural	Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence, Richard Bruce Walkinton	Lot 6 Deposited Plan South Auckland 79784	7.1050	SA64A126	Live	Fee Simple	Non-Urban Land				1-5	No	Yes	4
5	1	South Auckland	Bay of Plenty Regional	Western Bay of Plenty District	Rural	Gilbert Ian Lawrence, Raewyn Esther Jane Lawrence, Richard Bruce Walkinton	Lot 2 Deposited Plan South Auckland 83133 and Lot 3 Deposited Plan South Auckland 79784	2.6594	SA66A428	Live	Fee Simple	Non-Urban Land				1-5	No	Yes	5
								<b>Total</b>	<b>42.6284</b>										

RELEASED UNDER THE OFFICIAL INFORMATION ACT



23rd April 2015

Ian & Raewyn Lawrence  
Maungarangi Road  
Te Puke  
Western Bay Of Plenty 3118

Dear Ian & Raewyn,

Further to our letter of 21 April regarding copies of advertising etc, please find attached:

1. Copy of Listing Form
2. Copy of the TradeMe report for Monday 16.02 which shows it was listed on the site 6.02.15. It was also listed on the other websites the same day.
3. Withdrawal from these websites followed the date of the agreement. TradeMe reports (attached) show it was still being advertised on 13.04 but was not in the following report for week of 20.04.15

Kind Regards,

**Ben Carter**

**"Your Rural Professional"**

Licensed Real Estate Salesperson REAA 2008

**Professionals | NRG Realty Ltd**

MREINZ Licenced Real Estate Agent REAA 2008

160c Jellicoe St | PO Box 483 Te Puke, 3153

b. (07) 573 3955 | f. (07) 573 3977 | m. (0274) 972 728 | e. ben@nrgrealty.co.nz

Ben Carter

Agency ref#	TIM ID#	Property type	Title	Street address	Suburb	Price	Views	Watchers	Enquires	Open homes	Featured	Listed	Expires
PTP10446		For sale: Horticulture	SMALL & AFFORDABLE	716 Maungarangi Road	Paengaroa	\$495,000	7054	88	10	0	No	25/03/2010 08:50	13/05/2015 09:30
TPE10066		For sale: Lifestyle bare land	Te Puke Lifestyle Section, No 3 Road	25 Bayless Rd	Te Puke	\$300,000	3614	30	0	0	No	01/11/2012 04:33	30/06/2015 13:45
TPE10066		For sale: Lifestyle dwelling	TRADESMEN - WORK FROM HOME	678 Roydon Downs Road	Paengaroa	\$1,100,000	1358	15	0	0	No	21/01/2015 10:35	22/05/2015 16:40
TPE10076		For sale: Horticulture	ISLAND SEAFOOD & AVOCADOS ANYONE?	127s-	Paparoa	\$4,000,000	7745	54	5	0	No	22/02/2013 15:44	05/07/2015 10:45
TPE10094		For sale: Lifestyle dwelling	THE BEAUTY OF YESTERYEAR	53 Homewood Drive	Te Puke	\$650,000	5421	46	4	0	No	11/05/2013 04:12	05/07/2015 10:45
TPE10117		For sale: Industrial	PENTHOUSE, RETAIL & OFFICE SPACE	41 Jellicoe Street	Te Puke	\$620,000	1138	11	2	0	No	13/08/2013 08:48	05/07/2015 10:45
TPE10180		For sale: Sheep/Beef	IT'S A STEAL!	695 Maungarangi Road	Te Puke	\$1,100,000	3378	43	1	0	No	08/02/2014 04:10	10/06/2015 11:40
TPE10249		For sale: Horticulture	WaterView Downs	155 Wairua South Road	Waikarama	Price by negotiation	1032	17	3	0	No	19/12/2014 10:20	17/05/2015 10:55
TPE10231		For sale: Lifestyle bare land	Lifestyle Sections in the City!	Maddison Pt and Waitaha Rd	Waikarama	Enquires over \$200,000	4143	123	12	0	No	17/12/2014 16:00	28/04/2015 13:20
TPE10237		For sale: Horticulture	3.21 canna - with an extra 42 trays/ha	569 Rangiruru Road	Te Puke	\$1,620,000	847	15	0	0	No	30/01/2015 15:40	02/06/2015 10:00
TPE10238		For sale: Lifestyle dwelling	Magnificent Home and Grazing	920 No 2 Road	Te Puke	\$1,900,000	1207	16	0	0	No	13/02/2015 14:15	28/04/2015 09:00
TPE10242		For sale: Horticulture	20,000 Golden Nuggets	878 No 3 Road	Te Puke	\$1,400,000	677	11	0	0	No	13/02/2015 14:15	19/05/2015 12:40
TPE10246		For sale: Horticulture	THINK O.G.R NOT TRAYS/HA	636B No.1 Road	Te Puke	\$1,600,000	731	11	0	0	No	13/03/2015 13:30	04/06/2015 13:15
TPE10247		For sale: Lifestyle dwelling	FOR the HORSE, of COURSE or	10 Kelly Road	Te Puke	\$675,000	1089	32	0	0	No	13/03/2015 14:50	11/06/2015 09:50
TPE10249		For sale: Horticulture	No 3 Road Production Block	37 Demeter Road	Te Puke	\$1,400,000	176	2	0	0	No	17/04/2015 10:50	12/06/2015 16:15

OPEN FOR INFORMATION ACT

Ben Carter

Agency ref#	TM ID#	Property type	Title	Street address	Suburb	Price	Views	Watchers	Enquiries	Open homes	Featured	Listed	Expires
✓	PTP10446	For sale: Horticulture	SMALL & AFFORDABLE	716 Maungarangi Road	Paengaroa	\$495,000	6992	88	10	0	No	25/03/2010 08:50	13/05/2015 09:30
✓	TPE10085	For sale: Lifestyle	Te Puke Lifestyle Section - No 3	43 Bayliss Rd	Te Puke	\$300,000	3543	32	0	0	No	01/11/2012 04:33	30/06/2015 13:15
✓	TPE10066	For sale: Lifestyle	TRADESMEN - WORK FROM HOME dwelling	678 Roydon Downs Road	Paengaroa	\$1,100,000	1250	16	0	0	No	21/01/2015 10:35	22/05/2015 16:40
✓	TPE10076	For sale: Horticulture	ISLAND SEAFOOD & AVOCADOS ANYONE?	1275=	Papamoa	\$4,000,000	7615	85	5	0	No	22/02/2013 15:44	05/07/2015 10:45
✓	TPE10094	For sale: Lifestyle	THE BEAUTY OF YESTERYEAR dwelling	53 Homewood Drive	Te Puke	\$650,000	5305	46	4	0	No	11/05/2013 04:12	05/07/2015 10:45
✓	TPE10117	For sale: Industrial	PENTHOUSE, RETAIL & OFFICE SPACE	41 Jellicoe Street	Te Puke	\$620,000	1116	11	2	0	No	13/08/2013 08:48	05/07/2015 10:45
✓	TPE10160	For sale: Sheep/Beef	IT'S A STEAL	695 Maungarangi Road	Te Puke	\$1,100,000	3301	43	1	0	No	08/02/2014 04:10	25/06/2015 14:20
✓	TPE10228	For sale: Horticulture	Waterview Downs	259 Wainui South Road	Whakamarua	Price by negotiation	990	16	3	0	No	19/12/2014 13:20	17/05/2015 10:55
✓	TPE10231	For sale: Lifestyle	Lifestyle Sections in the City!	Maddison Pl and Waitaha Rd	Welcome Bay	Enquiries over \$200,000	3912	119	12	0	No	17/12/2014 16:00	28/04/2015 13:24
✓	TPE10257	For sale: Horticulture	3.21 can ha with an av. 12,109 trays/ha	569 Rangitū Road	Te Puke	\$1,620,000	795	13	0	0	No	30/01/2015 13:40	02/06/2015 10:00
✓	TPE10238	For sale: Lifestyle	Magnificent Home and Grazing dwelling	920 No 2 Road	Te Puke	\$1,900,000	1107	17	0	0	No	13/02/2015 14:15	28/04/2015 09:00
✓	TPE10239	For sale: Horticulture	19.28 CANDEX HECTARES HW	84 Waimea Drive	Te Puke	Price by negotiation	914	8	0	0	No	06/02/2015 14:00	02/06/2015 15:50
✓	TPE10240	For sale: Bare Land	UNBELIEVABLY CLOSE	40 Bell Road	Papamoa	\$600,000	902	37	2	0	No	09/02/2015 13:00	22/05/2015 11:35
✓	TPE10242	For sale: Horticulture	20,000 Golden Nuggets	378 No 3 Road	Te Puke	\$1,400,000	627	12	0	0	No	13/02/2015 14:15	19/05/2015 12:40
✓	TPE10245	For sale: Horticulture	10,000 TRAY-AVERAGE!	804 No 3 Road	Te Puke	\$1,300,000	749	11	0	0	No	13/03/2015 12:20	15/05/2015 10:25
✓	TPE10246	For sale: Horticulture	THINK O.G. R NOT TRAYS/HK	656B No 1 Road	Te Puke	\$1,600,000	622	9	0	0	No	13/03/2015 13:30	04/06/2015 13:15
✓	TPE10247	For sale: Lifestyle	FOR the HORSE, of COURSE, or .....	10 Kelly Road	Te Puke	\$675,000	955	27	0	0	No	13/03/2015 14:50	22/05/2015 13:10

REFLECTED INFORMATION ACT



Ben Carter

Agency ref#	TIM ID#	Property type	Title	Street address	Suburb	Price	Views	Watchers	Enquiries	Open homes	Featured	Listed	Expires
PTR10446		For sale: Horticulture	SMALL & AFFORDABLE	716 Maungarangi Road	Paengaroa	\$495,000	6474	80	9	0	No	25/03/2010 08:50	13/05/2015 08:30
TPE10065		For sale: Lifestyle, bare land	The Puke Lifestyle Section, No 3 Road	43 Bayliss Rd	Te Puke	\$300,000	3032	25	0	0	No	01/11/2012 04:33	01/04/2015 13:15
TPE10066	EDJ995	For sale: Lifestyle dwelling	TRADESMEN - WORK FROM HOME	678 Roydon Downs Road	Paengaroa	\$1,100,000	478	8	0	0	No	21/01/2015 10:35	18/03/2015 10:35
TPE10076		For sale: Horticulture	ISLAND SEAFOOD & AVOCADOS ANYONE?	1275=	Paparoa	\$4,000,000	6641	46	5	0	No	22/02/2013 15:44	06/04/2015 10:45
TPE10094		For sale: Lifestyle dwelling	THE BEAUTY OF YESTERYEAR	53 Homewood Drive	Te Puke	\$650,000	4597	36	2	0	No	11/05/2013 04:12	06/04/2015 10:45
TPE10117		For sale: Industrial	PENTHOUSE, RETAIL & OFFICE SPACE	41 Jellicoe Street	Te Puke	\$620,000	966	12	2	0	No	13/08/2013 08:48	06/04/2015 10:45
TPE10160		For sale: Sheep/Beef	IT'S A STEAL!	695 Maungarangi Road	Te Puke	\$1,100,000	2801	35	1	0	No	08/02/2014 04:10	27/03/2015 14:20
TPE10204		For sale: Section	Land With Space To Move	28a Maddison Place	Welcome Bay	\$275,000	975	25	1	0	No	27/08/2014 12:20	20/04/2015 13:45
TPE10205		For sale: Section	Country Living In The city	28b Maddison Place	Welcome Bay	\$285,000	1043	31	0	0	No	27/08/2014 12:20	20/04/2015 13:45
TPE10206		For sale: Section	Lifestyle With Estuary Views	28c Maddison Place	Welcome Bay	\$250,000	988	33	0	0	No	27/08/2014 12:25	20/04/2015 13:45
TPE10207		For sale: Section	Best Value Lifestyle Section	158 Waitaha Road	Welcome Bay	\$255,000	1342	43	3	0	No	27/08/2014 12:25	20/04/2015 16:00
TPE10217		For sale: Horticulture	SO MUCH CHARACTER!	468 No 2 Road	Te Puke	\$1,300,000	1618	26	1	0	No	14/11/2014 10:36	19/06/2015 11:40
TPE10221		For sale: Horticulture	Wow! What An Opportunity!	299 Waitao Road	Welcome Bay	\$1,200,000	1764	37	3	0	No	19/11/2014 10:10	18/03/2015 17:05
TPE10228		For sale: Horticulture	STUNNING PRODUCER	350 No 2 Road	Te Puke	\$1,800,000	834	17	1	0	No	15/12/2014 10:10	10/05/2015 11:00
TPE10229		For sale: Horticulture	Waterview Downs	259 Wainui South Road	Whakarama	Price by negotiation	871	10	2	0	No	19/12/2014 13:20	16/02/2015 10:55
TPE10231		For sale: Lifestyle, bare land	Lifestyle Sections in the City	Maddison Pl and Waitaha Rd	Welcome Bay	Enquiries over \$200,000	2297	82	4	0	No	17/12/2014 16:00	16/03/2015 15:15
TPE10237		For sale: Horticulture	3.21 can.ha. with an av. 12,109 trays/ha	569 Rangiora Road	Te Puke	\$1,620,000	348	8	0	0	No	30/01/2015 13:40	30/03/2015 14:20
TPE10238	EEF772	For sale: Lifestyle dwelling	Magnificent Home and Grazing	920 No 2 Road	Te Puke	\$1,900,000	229	5	0	0	No	13/02/2015 14:15	10/04/2015 14:15
TPE10239		For sale: Horticulture	19.28 CANOPY HECTARES HW	84 Waimea Drive	Te Puke	For sale by tender	336	6	0	0	No	06/02/2015 14:00	10/04/2015 11:05
TPE10240		For sale: Cropping	UNBELIEVABLY CLOSE	40 Bell Road	Paparoa	\$600,000	230	12	0	0	No	09/02/2015 13:00	09/04/2015 14:00
TPE10242	EEF774	For sale: Horticulture	20,000 Golden Nuggets	878 No 3 Road	Te Puke	\$1,400,000	110	2	0	0	No	13/02/2015 14:15	10/04/2015 14:15

OFFER INFORMATION FILE ACT



## Ian & Raewyn Lawrence - 84 Waimea Drive

### Marketing Schedule for O.I.A Reference (Clause 7.5 Farm Land Advertising - Section 16 (1) (f))

#### Newspaper Advertising:

Publication	Date:	Size:
Te Puke Times	19.2	1/2 Page
Propert Guide	20.2	1/2 Page
Sunday Star Times	22.2	1/4 Page
Te Puke Times	26.2	1/2 Page
Property Guide	27.2	Composite
Sunday Star Times	1.3	1/4 Page
NZ Farmers Weekly	2.3	1/8 Page
Te Puke Times	5.3	Composite
Property Guide	6.3	1/2 Page
Te Puke Times	12.3	1/4 Page
Property Guide	13.3	Composite

#### **Direct Mail:**

Mail-out to database of 132 e-mail recipients (buyers and advocates) completed on 6.2.15.

#### **E-marketing:**

On-going Advertising via websites:

[www.professionals.co.nz](http://www.professionals.co.nz) #TPE10239

[www.nrgrealty.co.nz](http://www.nrgrealty.co.nz) #TPE10239

[www.realestate.co.nz](http://www.realestate.co.nz) #TPE10239

[www.trademe.co.nz](http://www.trademe.co.nz) #843924228

**DOCUMENT  
WITHHELD  
UNDER THE  
OFFICIAL  
INFORMATION  
ACT 1982**

being a copy of Business Case

Pursuant to Section 9(2)(b)(ii) of the Official Information Act 1982

1st May 2015

Ian & Raewyn Lawrence  
Maungarangi Road  
Te Puke  
Western Bay Of Plenty 3118

Dear Ian & Raewyn,

Amy Cranston has requested the following table for the advertising of 84 Waimea Drive. This letter will be sent to you and copied to her as per her request.

Media	Date From	Date To	Publication Dates
www.TradeMe.co.nz	6.2.15	13.4.15	
www.Professionals.co.nz	6.2.15	13.4.15	
www.nrgrealty.co.nz	6.2.15	13.4.15	
www.realestate.co.nz	6.2.15	13.4.15	
www.open2view.co.nz	6.2.15	13.4.15	
Sunday Star Times			22.2.15, 1.3.15
Te Puke Times			19.2.15, 26.2.15, 5.3.15
Property Guide			20.2.15, 27.2.15, 6.3.15, 13.3.15
Farmer's Weekly			2.3.15
External Office Window	6.2.15	13.4.15	
Internal Office Display	6.2.15	13.4.15	
Entrance Display	6.2.15	13.4.15	

If you have any questions, please do not hesitate to contact us.

Kind Regards,

**Ben Carter**

**"Your Rural Professional"**

Licensed Real Estate Salesperson REAA 2008

**Professionals | NRG Realty Ltd**

MREINZ Licenced Real Estate Agent REAA 2008

160c Jellicoe St | PO Box 483 Te Puke, 3153

b. (07) 573 3955 | f. (07) 573 3977 | m. (0274) 972 728 | e. ben@nrgrealty.co.nz

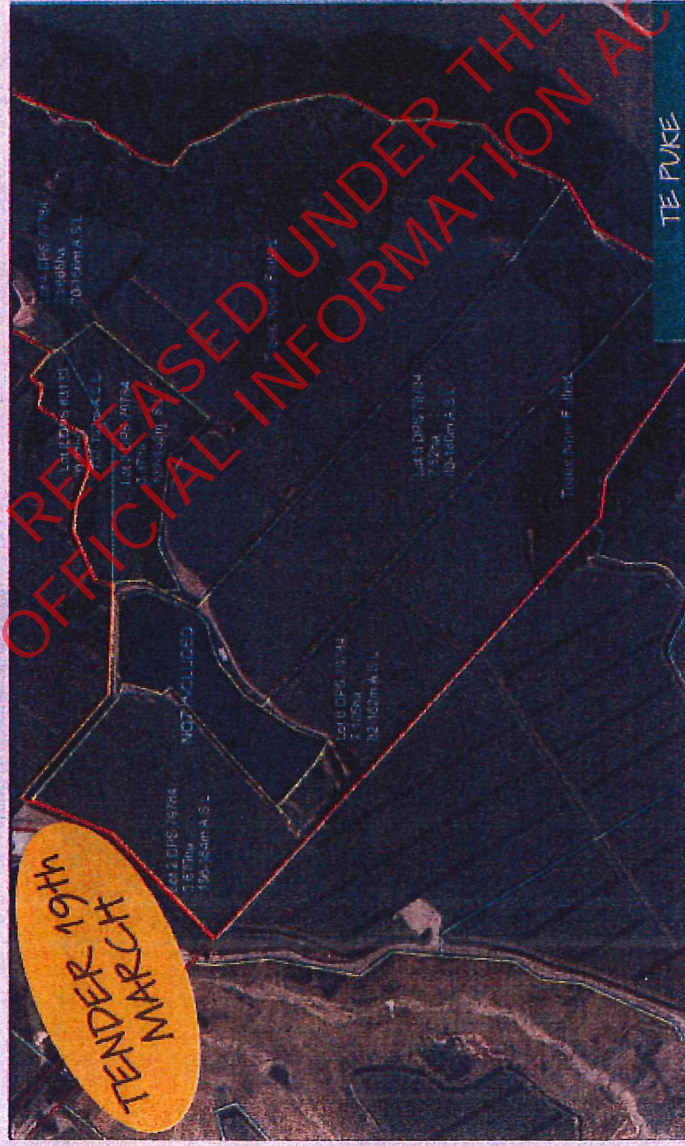


# Professionals

## NRG Realty Ltd

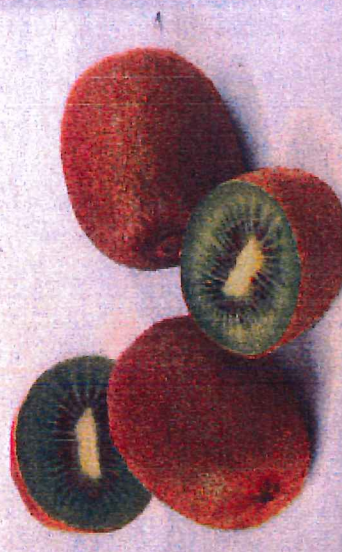
MREINZ - licensed real estate agent REAA 2008

TPT 19.2



**19.28 CANOPY HECTARES HW - Tenders Over \$315,000/can.ha**

After 17 years, the owners of this excellent block are down-scaling and so now offer it to market. The six year average production is +/- 171,500 trays, with a crop estimate for this coming harvest at 1,000/can.ha, that is 200,000 trays or better, the proceeds of which are likely to return around \$1.2m to the buyer. A bit under 10ha has been re-structured using the wire suspension system. With 5 separate titles (to be sold as one unit) there are obvious opportunities for syndication or future sales.



**Tender closes Thursday 19th March 2015 at 4:00 pm**  
**Open By appointment**  
**Address 84 Waimea Drive**  
View online [www.nrgrealty.co.nz/TPE10239](http://www.nrgrealty.co.nz/TPE10239)



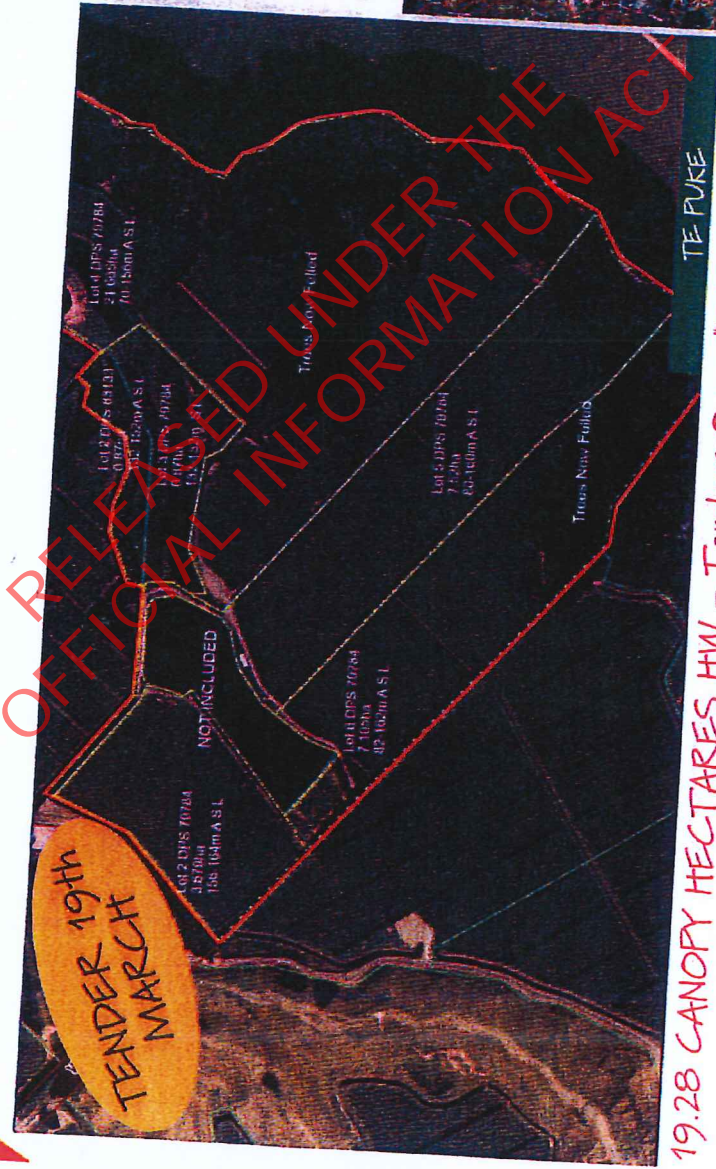
Contact



**Ben Carter**  
mob 0274 972 728 ah 07 573 7488

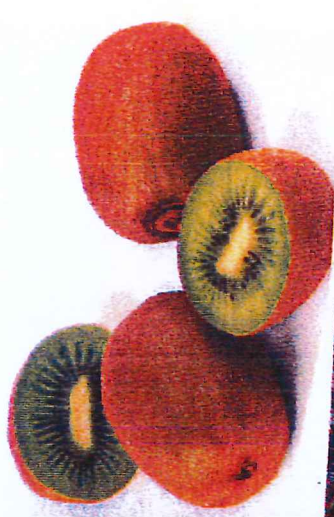


**NRG Realty Ltd**  
 MREINZ - licensed real estate agent REAA 2008



**19.28 CANOPY HECTARES HW - Tenders Over \$315,000/can.ha**

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**Tender closes Thursday 19th March 2015 at 4:00 pm**  
**Open By appointment**  
**Address 84 Waimea Drive**  
 View online [www.nrgrealty.co.nz/1PE10239](http://www.nrgrealty.co.nz/1PE10239)

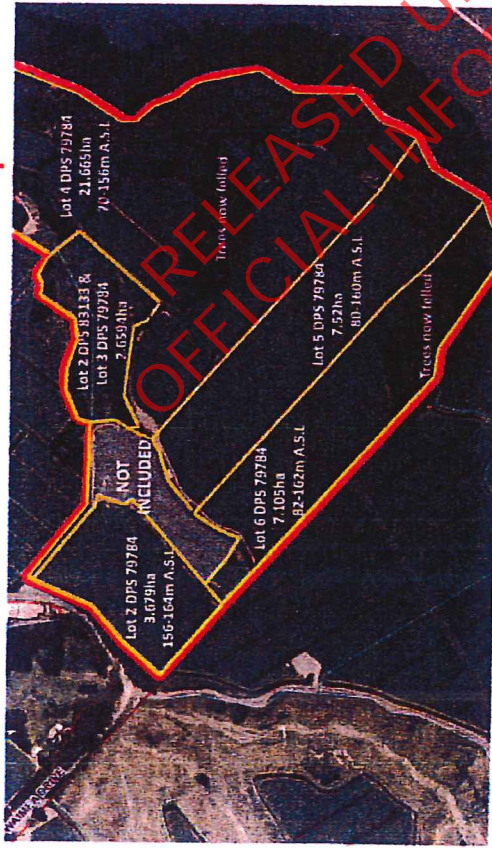


Contact



**Professionals** | nrg realty limited  
 licensed real estate agent REAA 2008

## 19.28canha Green Kiviifruit



After 17 years, the owners of this excellent block are down-scaling and so now offer it to market. The six year average production is +/- 171,500 trays, with a crop estimate for this coming harvest at 11,000/can.ha, that is 200,000 trays or better, the proceeds of which are likely to return around \$1.2m to the buyer. A bit under 10ha has been re-structured using the wire suspension system. With 5 separate titles (to be sold as one unit) there are obvious opportunities for syndication or future sales.

**Price:** TENDERS OVER \$315,000/CAN.HA + GST (if any)  
 Closing 4.00pm 19th March 2015  
**Address:** 84 Waimea Drive, Te Puke  
**View Online:** www.nrgrealty.co.nz  
**Web ID:** TPE10239

**Ben Carter**

m: 0274 972 728 | p: 07 573 3955 | a/h: 07 573 7488  
 e: ben@nrgrealty.co.nz



www.nrgrealty.co.nz  
 190c Jellicoe Street, Te Puke

SST 22.2.15



**Professionals** | nrg realty limited  
 licensed real estate agent REAA 2008

## Magnificent home and grazing



Yes! This is something special. 14.6 hectares of clean, almost flat grazing on 2 titles, sub-divided into 11 or 12 paddocks with conventional and electric fencing. Would run 100 steers right through the year. Then there's the magnificent home with equally magnificent 180 degree views from the Papamoa Hills to the coast and Motiti Island, and around to Otumokau.

It's the ultimate lifestyle grazing block.

**Price:** \$1,900,000 + GST (if any)  
**Address:** 902 No 2 Road, Te Puke  
**View Online:** www.nrgrealty.co.nz  
**Web ID:** TPE10238

**Ben Carter**

m: 0274 972 728 | p: 07 573 3955 | a/h: 07 573 7488  
 e: ben@nrgrealty.co.nz



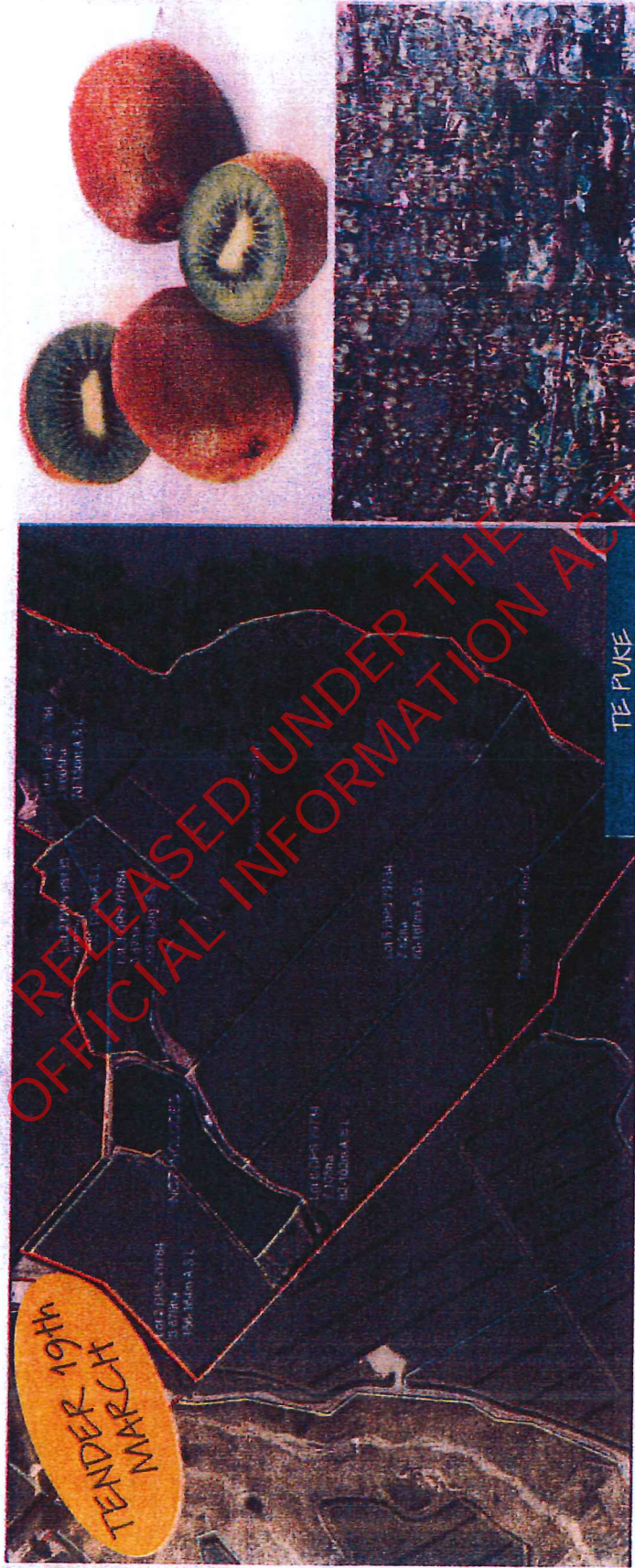
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26.2.15

# Professionals

## NRG Realty Ltd

MREINZ - licensed real estate agent REAA 2008



### 19.28 CANOPY HECTARES HW - Tenders Over \$315,000/can.ha

After 17 years, the owners of this excellent block are down-scaling and so now offer it to market. The six year average production is +/- 171,500 trays, with a crop estimate for this coming harvest at 1,000/can.ha, that is 200,000 trays or better, the proceeds of which are likely to return around \$1.2m to the buyer. A bit under 10ha has been re-structured using the wire suspension system. With 5 separate titles (to be sold as one unit) there are obvious opportunities for syndication or future sales.

Tender closes **Thursday 19th**

**March 2015 at 4:00 pm**

**Open By appointment**

**Address 84 Waimea Drive**

View online [www.nrgrealty.co.nz/TPE10239](http://www.nrgrealty.co.nz/TPE10239)



Contact



**Ben Carter**

mob. 0774 077 798 ab. 07 573 7488



### PUKEHINA BEACH

**Your Opportunity to Strike - Offers**  
First time on the market in over 20 years one of Pukehina Beach's only beaches, 3 bedrooms, lounge dining opens to great beach and ocean views. This home has seen great holidays with lots more to come. Great opportunity to enjoy or build at a later date. 840m<sup>2</sup> with flat section at the ocean's edge.  
**Open Sunday 1.00-2.00pm. Address 17 Pukehina Parade**  
**View online** [www.nrgreality.co.nz/IPE10216](http://www.nrgreality.co.nz/IPE10216)  
**Contact** Alex White mob 0274 839 250 ah 07 533 3699



### PUKEHINA BEACH

**A Hidden Secret - \$679,000**  
Excellent 3 bedroom home nestled in a hidden garden with beach access. This is beachfront but offers privacy with large decks for entertaining. There is nothing to do here but enjoy, the single garage completes the picture.  
**Open Sunday 2:00-3:00pm. Address 293 Pukehina Parade**  
**View online** [www.nrgreality.co.nz/IPE10276](http://www.nrgreality.co.nz/IPE10276)  
**Contact** Alex White mob 0274 839 250 ah 07 533 3699



### PAPAMOA

**Unbelievably Close - \$600,000 + GST (if any)**  
Just look at the location of this 10 acre block. The Paritoti Rd off-ramp from the New Eastern Arterial is just around the corner, whilst Papamoa Beach, the Kaitiara River, Bayfair and The Mount etc will all be just minutes away. You've gotta invest here for your family.  
**Open by appointment. Address 40 Bell Road**  
**View online** [www.nrgreality.co.nz/IPE10240](http://www.nrgreality.co.nz/IPE10240)  
**Contact** Ben Carter mob 0274 972 728 ah 07 573 7488



### TE PUKE

**20,000 Golden Nuggets - \$1.1M + GST (if any)**  
1.7cansha of G3 on agreement with an estimated 21,000 traps this harvest, yours if you buy now. Flat quite full canopy so potential there. 0.5ha grazing, lovely rural & coastal views, a very dry 4 km home with potential for a downsizers flat or garage/workshop if desired.  
**Open by appointment. Address 8/8 Bk 3 Road**  
**View online** [www.nrgreality.co.nz/IPE10242](http://www.nrgreality.co.nz/IPE10242)  
**Contact** Ben Carter mob 0274 972 728 ah 07 573 7488



### PUKEHINA BEACH

**Beachfront Holiday Fun - \$610,000**  
Enjoy the beachfront in this funky 3 bedroom beach, great front lawn at beach and ocean's edge, plus a sleepout for the kids to enjoy as is or extend, plus internal entry garage. Fully fenced 517m<sup>2</sup> section.  
An investment and opportunity not to be missed.  
**Open by appointment. Address 527 Pukehina Parade**  
**View online** [www.nrgreality.co.nz/IPE10234](http://www.nrgreality.co.nz/IPE10234)  
**Contact** Alex White mob 0274 839 250 ah 07 533 3699



### PUKEHINA BEACH

**Ambience & Beachfront - \$649,000**  
When you enter this beachfront holiday home you feel the warmth. Raised lounge leading to golden beach, 3 bedrooms, 2 bathrooms & garaging. Private decks. What a great way to start the day, watching the sunrise. We have met the market, this is ready to enjoy.  
**Open by appointment. Address 221 Pukehina Parade**  
**View online** [www.nrgreality.co.nz/IPE10024](http://www.nrgreality.co.nz/IPE10024)  
**Contact** Alex White mob 0274 839 250 ah 07 533 3699



### TE PUKE

**Magnificent Home & Grazing - \$1,900,000 + GST (if any)**  
This is something special! 14.6 ha of clean, flat grazing on 2 titles, sub-divided into 11/12 paddocks with conventional + electric fencing. A magnificent home with equally magnificent 180 degree views.  
**Open by appointment. Address 970 Bk 2 Road**  
**View online** [www.nrgreality.co.nz/IPE10236](http://www.nrgreality.co.nz/IPE10236)  
**Contact** Ben Carter mob 0274 972 728 ah 07 573 7488



### TE PUKE

**\$2.1 cansha - \$1,620,000 + GST (if any)**  
Good block, consisting 5.1 G.P. soil + new vines, with 4 yr av. of 12,109 trays, CS 33.3 and a 1/2 of 0.615. All accompanied with strip - titles, about 600 A.S.L. Bush, mature avocado, recently 110m<sup>2</sup> high stud shed for heat, carpenter + orchard machinery.  
**Open by appointment. Address 369 Kaitiara Road**  
**View online** [www.nrgreality.co.nz/IPE10237](http://www.nrgreality.co.nz/IPE10237)  
**Contact** Ben Carter mob 0274 972 728 ah 07 573 7488



### PUKEHINA BEACH

**Fabulous Beachfront - \$740,000**  
Built for the sun with privacy and entertaining, 3 bedrooms absolute beachfront, master bedroom and lounge overlooking the ocean. Watch the sunrise from the decks or enjoy a spa. This beach home can be offered fully furnished if required. Double garaging and security completes the picture.  
**Open by appointment. Address 169 Pukehina Parade**  
**View online** [www.nrgreality.co.nz/IPE10214](http://www.nrgreality.co.nz/IPE10214)  
**Contact** Alex White mob 0274 839 250 ah 07 533 3699



### PUKEHINA BEACH

**Lifestyle Living at the Beach - \$259,000**  
1130m<sup>2</sup> site with private gardens awaiting your enjoyment. Adding to the lifestyle is a 3 bedroom, 2 toilet home with rustic addition. For all year round living, the open the built for entertaining. A large sleepout or games room with facilities. This has everything!  
**Open by appointment. Address 314 Pukehina Parade**  
**View online** [www.nrgreality.co.nz/IPE10082](http://www.nrgreality.co.nz/IPE10082)  
**Contact** Alex White mob 0274 839 250 ah 07 533 3699



### TE PUKE

**It's A Steal! - \$1.1M + GST (if any)**  
There are so many extras here. Approx 22ha of clean grazing with excellent fencing & yards, currently leased as a dairy run-off, at Paengaroa. 3+ bedroom home with 2 ensuite, 1 bedroom, self-contained cottage (ideal for guests or holiday), 3 excellent sheds and security completes the picture.  
**Open by appointment. Address 695 Maungakarangi Road**  
**View online** [www.nrgreality.co.nz/IPE10160](http://www.nrgreality.co.nz/IPE10160)  
**Contact** Ben Carter mob 0274 972 728 ah 07 573 7488



### TE PUKE

**\$9.25cansha HW - Tenders over \$575K (+GST)**  
After 17yrs, the owners of this excellent block are downsizing & so now offer it to market. The 6 yr average production is 17,171,500 trays, with a crop estimate for this coming harvest at 11,000/cansha, over 200,000 trays.  
**Tender closes Thursday 19th March 2015 at 4:00 pm.**  
**Open by appointment. Address 84 Waiania Drive**  
**View online** [www.nrgreality.co.nz/IPE10239](http://www.nrgreality.co.nz/IPE10239)  
**Contact** Ben Carter mob 0274 972 728 ah 07 573 7488



**Mt Maunganui**  
(07) 575 9428

**Papamoa**  
(07) 542 3208

**Tauranga**  
(07) 578 8887

**Te Puke**  
(07) 573 3955

**Waihi**  
(07) 863 8864

**Waihi Beach**  
(07) 863 4464

**www.nrgreality.co.nz**

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**WHAREHINE**  
9 Grice Road  
Magnificent Waterfront  
Cattle farm

- Kaipara waterfront close to Auckland
- 320 acres of rolling to flat contour
- Excellent condition with new fencing and races
- Attractive 3 bedroom home in landscaped grounds
- Enjoy the lifestyle with unspoilt water sports access from your own beach



ID 6517

View more at:  
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John Angus  
Mobile 021 344 125  
A/h: 09 425 7553  
john@prestigerealty.co.nz

PRESTIGE

LAND FOR SALE

**PAPAITI STATION**  
608 Upper Retaruka Road, Kaioke

A slice of paradise located in the warm, fertile Retaruka Valley. Wintersing 7,000 m from 770 ha, selective with a good mix of contour. Over 100% fishing capability country with balance medium to steep hill. Easy to use with a central alleyway system to 11 paddocks, strategically placed satellite yards throughout and abundant natural spring water. Massive tourism and recreational opportunities with pig and deer hunting and over 1000 m river boundary providing quality trout fishing. Executive 4 bedroom home plus office, 1 other homes, out turning complex, stand woolshed and covered yards.

**988 hectares**  
nzfarmers.co.nz/1048028

**Offers invited**  
Apr, Thu 26 Mar 2015  
1758 Pakihi Rd, Chukunui 1691  
(unless sold prior)  
**Jamie Proud**  
Cell 385 4793 | 027 448 5162  
NZR Farm Ltd | Licensed REAA 2008

**19.28 CANOPY HECTARES HAYWARD**

**84 Waiimea Drive, Te Puke**  
19.28 canopy production block in 3 sites, now for sale as tender as one lot. Estimate for \$200,000 export trays next harvest, included in the sale!

**PRICE:** Tenders over \$15,000/can ha closing 19th March 2015 at 4:00pm

**VIEW:** www.nrgreality.co.nz/TFE10239

**Ben Carter**  
Licensed under REAA 2008  
0274 972 728  
07 573 3955  
ben@nrgreality.co.nz

**PARAPARAUMU, KAPITI COAST**

**CITY RETREAT - COUNTRY SECLUSION.** Fully restored this home allows the owner to be at one with the environment. Be drawn to the outdoors through walls of glass that simply slide away, let your imagination be captured as you sit on the Summer House watching the sun descend over the far south. Take a dip in the pool before moving to the evening buffet to enjoy seclusion and serenity as the day moves to night. The tranquillity of this property is easily found, the spacious open layout of the interior brings the views to you. Set amongst 1.2 acres of gardens and regenerating native flora, recharge your soul as you take a stroll along the boardwalk, find a diverse array of birds creating a song throughout the day. Neutral tones throughout, the home allows the new owner the opportunity to add their own touches of colour and personality through artwork and styling. Three double bedrooms and study, spacious internal access two car garaging in Greenlane Park this is an outstanding property that should be viewed. Realistic value \$550,000.

**Leaders**  
0416 222555

**ADDRESS:** 7 Grand Poppa Way, Paraparaumu  
**DEADLINE SALE DATE:** 19th March 2015  
**VIEW:** www.bonzairealestate.co.nz/114703

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20 Te Puke Times

TPT 5.3.15

Thursday, March 5, 2015

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 Papamoa 07 542 3208  
 Waihi 07 863 8864  
 Waihi Beach 07 863 4464  
 www.nrgrealty.co.nz



# Professionals

NRG Realty Ltd

MREINZ - licensed real estate agent REAA 2008

**OPEN HOME SUNDAY**

**PUKEHINA BEACH**

Enjoy the beachfront in this lovely 3 bedroom beach-front home with ocean views, plus a sleepout for the kids to enjoy as is or extend, plus internal entry garage, fully fenced 871m<sup>2</sup> section.

**Open By Appointment** Address 293 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10226](http://www.nrgrealty.co.nz/PE10226)  
 Contact Alex White mob 0274 859 250 or 07 533 3699  
 email [alex@nrgrealty.co.nz](mailto:alex@nrgrealty.co.nz)

**A Hidden Secret - \$679,000**

Excellent 3 bedroom home nestled in a hidden garden with beach access. This is beachfront but offers privacy with large decks for entertaining. There is nothing to do here but enjoy the single garage completes the picture.

**Open Sunday 2:00-3:00pm** Address 293 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10226](http://www.nrgrealty.co.nz/PE10226)  
 Contact Alex White mob 0274 859 250 or 07 533 3699  
 email [alex@nrgrealty.co.nz](mailto:alex@nrgrealty.co.nz)

**MAKETU**

**Enchanting Tropical Oasis - \$377,000**

For the enthusiast with this 3 bedroom home large lounge dining open-plan kitchen with sea views. The double garage has a separate suite for the kids. All this along on 1145m<sup>2</sup> of fenced tropical island paradise.

**Open By Appointment** Address 12 Whenuapai Place  
 View online [www.nrgrealty.co.nz/PE10241](http://www.nrgrealty.co.nz/PE10241)  
 Contact Alex White mob 0274 859 250 or 07 533 3699

**PUKEHINA BEACH**

**Beachfront Holiday Fun - \$670,000**

Enjoy the beachfront in this lovely 3 bedroom beach-front home with ocean views, plus a sleepout for the kids to enjoy as is or extend, plus internal entry garage, fully fenced 871m<sup>2</sup> section.

**Open By Appointment** Address 293 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10226](http://www.nrgrealty.co.nz/PE10226)  
 Contact Alex White mob 0274 859 250 or 07 533 3699

**PUKEHINA BEACH**

**Fabulous Beachfront - \$740,000**

Built for the sun with privacy and entertaining, 3 bedrooms absolute beachfront, master bedroom and lounge overlooking the ocean, watch the sunrise from the decks or enjoy a spa. This beach home can be offered fully furnished if required. Double garaging.

**Open By Appointment** Address 10 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10214](http://www.nrgrealty.co.nz/PE10214)

**PUKEHINA BEACH**

**Amnesia & Beachfront - \$649,000**

When you enter this beachfront holiday home you feel the warmth of a beachfront leading to golden beach, 3 bedrooms, 2 baths & garaging. Private decks. What a great way to start the day watching the sunrise. We have met the market, this is ready to go!

**Open By Appointment** Address 221 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10024](http://www.nrgrealty.co.nz/PE10024)

**TE PUKE**

**Magnificent Home & Grounds - \$1,900,000 + GST (if any)**

This is something special! 1.6 ha of clean, flat grazing on 2 titles, subdivided into 17/12 paddocks with excellent electricity connections. A magnificent home with equally magnificent 1800 degree views.

**Open By Appointment** Address 2510 St 2 Road  
 View online [www.nrgrealty.co.nz/PE10100](http://www.nrgrealty.co.nz/PE10100)  
 Contact Ben Carter mob 0274 972 728 or 07 573 7488

**TE PUKE**

**192acres of HWY 6 Tenders over \$3,900,000**

After 1705 the owners of this excellent block are downsizing & so now offer it to market. The 6000m<sup>2</sup> section has a production of 17,500 tons, with a crop estimate for this coming harvest at 1,000,000 lbs. Call for more info.

**Open By Appointment** Address 64 Waiwaea Drive  
 View online [www.nrgrealty.co.nz/PE10239](http://www.nrgrealty.co.nz/PE10239)  
 Contact Ben Carter mob 0274 972 728 or 07 573 7488

**PAPAMOA**

**Unbelievably Close - \$600,000 + GST (if any)**

Just look at the location of this 10 acre block. The Pukehina Rd off the corner of the highway is just around the corner, which means the Pukehina Beach, Pukehina Bay and the Mount St. will all be just minutes away. You've got a great view for your family.

**Open By Appointment** Address 40 Bell Road  
 View online [www.nrgrealty.co.nz/PE10213](http://www.nrgrealty.co.nz/PE10213)

**WELCOME BAY**

**Bargain - \$1,200,000 + GST (if any)**

7 beds in total, comprising of 43 built kitchen, about 4 1/2 ha of land, a little grazing, large shed & medical room. Preschool, 1000sqm of the block is all 1/12 build graded 2012 at about 75% full capacity of the total 3 ha.

**Open By Appointment** Address 259 Waiwaea Road  
 View online [www.nrgrealty.co.nz/PE10221](http://www.nrgrealty.co.nz/PE10221)  
 Contact Ben Carter mob 0274 972 728 or 07 573 7488

**PAENGAROA**

**Truckeean, Work From Home - \$1.1M (incl GST)**

Being central to Rotonga, Whakatane & Tauranga, this Te Puke build works where ever the jobs are, using the 17 ha shed as the support & living in the 5 yr old finished stone home, set by the stream on a 2nd hand reserve. Also includes 7/12 hectares of forestry.

**Open By Appointment** Address 6/8 Rowdon Downs Road  
 View online [www.nrgrealty.co.nz/PE10060](http://www.nrgrealty.co.nz/PE10060)  
 Contact Ben Carter mob 0274 972 728 or 07 573 7488

**TE PUKE**

**It's A Steal - \$1.1M + GST (if any)**

There are so many extras here. Approx 22ha of clean grazing with excellent fencing & yards, started as a dairy run off a Papamoa 3-4 bedroom home with 2 creature 1 bathroom self contained cottage (ideal for guests or business), 3 excellent sheds, swimming pool, 2000sqm of the block is all 1/12 build graded 2012.

**Open By Appointment** Address 609, Hahuri (Gungah) Road  
 View online [www.nrgrealty.co.nz/PE10215](http://www.nrgrealty.co.nz/PE10215)

**Telemarketers Thursday 26th March 2015 at 4:00 pm**  
**Open Saturday and Sunday 1:00-2:00pm**; Address **8 Fleet Street**  
 View online [www.nrgrealty.co.nz/PWA10963](http://www.nrgrealty.co.nz/PWA10963)  
 Contact Richard Jordan mob 021 957 111  
 email [richard@nrgrealty.co.nz](mailto:richard@nrgrealty.co.nz)

separate lounge, huge stand up storage in ceiling, mainmth sized laundry + boiler  
 • Housing for 5 cars + extra shedding and loads of off street parking/turning room  
**Open By appointment**; Address **657 Minden Road**  
 View online [www.nrgrealty.co.nz/IGAT12857](http://www.nrgrealty.co.nz/IGAT12857)  
 Contact Linda McLean mob 0274 221 040 ah 07 548 1699  
 email [linda@nrgrealty.co.nz](mailto:linda@nrgrealty.co.nz)



**PUKEHINA BEACH**  
**Your Opportunity to Strike - Offers**  
 Just time on the market in over 20 years one of Pukehina Beach's early houses. 3 bedrooms, large dining aspects to great beach and ocean views. This house has been great holiday with lots more to come. Your opportunity to own a great holiday home in a prime location. This section of the ocean side is built at a later date building. View online [www.nrgrealty.co.nz/PE10216](http://www.nrgrealty.co.nz/PE10216)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699

**PUKEHINA BEACH**  
**A Hidden Secret - \$679,000**  
 Excellent 3 bedroom home nestled in a hidden garden with beach access. This is beachfront but offers privacy. It has large decks for entertaining. There is nothing to do here but enjoy the single wide complete the picture. Open Sunday 2:00-3:00pm; Address 293 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10226](http://www.nrgrealty.co.nz/PE10226)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699

**PUKEHINA BEACH**  
**Beachfront Holiday Fun - \$670,000**  
 Enjoy the beachfront in this lovely 3 bedroom beach house. Great front beach and ocean edge, plus a steepout for the kids to enjoy on. Large outdoor, plus internal entry garage. Fully fenced 5/1/1/2 section, estate, plus internal entry garage. Fully fenced. This is an investment and opportunity not to be missed. Open By appointment; Address 221 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10024](http://www.nrgrealty.co.nz/PE10024)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699

**PUKEHINA BEACH**  
**Ambience & Beachfront - \$679,000**  
 When you enter this beachfront holiday home you feel the warmth of a relaxed lounge leading to a large beach 3 bays, 2 patios & 2 garages. Private decks. What a great way to start the day, watching the sunrise. We have met the market, this is ready to go. Open By appointment; Address 221 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10024](http://www.nrgrealty.co.nz/PE10024)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699

**PUKEHINA BEACH**  
**Fabulous Beachfront - \$740,000**  
 Built for the sun with privacy and entertaining. 3 bedrooms absolute beachfront, master bedroom and lounge overlooking the ocean. Watch the sunrise from the decks or enjoy a glass of wine and sea can be enjoyed fully furnished if required. Double garage. Open By appointment; Address 161 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10214](http://www.nrgrealty.co.nz/PE10214)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699

**PUKEHINA BEACH**  
**Lifestyle Living at the Beach - \$299,000**  
 11,500sqm site with private gardens awaiting your enjoyment. Adding to the lifestyle is the kitchen, 2 toilet home with rustic addition. For all year round living, the open fire built for entertaining. A large sleepout or games room with facilities. This has everything! Open By appointment; Address 314 Pukehina Parade  
 View online [www.nrgrealty.co.nz/PE10082](http://www.nrgrealty.co.nz/PE10082)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699

**PAFAMOA**  
**Unbelievably Close - \$600,000 + GST (if any)**  
 Just back at the location of this 10 acre block. The Porton Rd off ramp from the New Lynn arterial is just around the corner, with Pafamoa beach, the Kaituma river, Dayflat and the abundant etc etc all just minutes away. You've gotta invest here for your family. Open by appointment; Address 40 Bell Road  
 View online [www.nrgrealty.co.nz/PE10240](http://www.nrgrealty.co.nz/PE10240)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488

**TE PUKE**  
**Magnificent Home & Grazing - \$1,900,000 + GST (if any)**  
 This is something special in a lot of clean flat grazing on 2 titles, landscaped into 11/12 paddocks with conventional 3 titles, 1000sqm magnificent home with equally magnificent 180 degree view. Open by appointment; Address 920 Mt. Road  
 View online [www.nrgrealty.co.nz/PE10242](http://www.nrgrealty.co.nz/PE10242)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488

**TE PUKE**  
**It's A Steal! - \$1.1M + GST (if any)**  
 There are so many extras here. Approx 22ha of clean grazing with excellent fencing & yards, currently leased as a 3 bedroom self contained house with 2 ensuite, 3 bedrooms self contained. We are seeking a buyer for this property. 3 excellent titles. Open By appointment; Address 695 Maungatangi Road  
 View online [www.nrgrealty.co.nz/PE10160](http://www.nrgrealty.co.nz/PE10160)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488

**TE PUKE**  
**20,000 Golden Nuggets - \$1.4M + GST (if any)**  
 1/2 acre of 53 on adjacent with an estimated 21,000 trays this harvest, yours if you buy now. That means full canopy so potential for 1.5m grading, lovely final & coastal views, a very tidy farm with potential for a downstate flat or garage/workshop if Open by appointment; Address 6/11 H. 3 Road  
 View online [www.nrgrealty.co.nz/PE10247](http://www.nrgrealty.co.nz/PE10247)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488

**TE PUKE**  
**3.21 canha - \$1,620,000 + GST (if any)**  
 Good block, containing 3 1/2 GP's, 4 new vines, with 4 yr old 12, 189 trays, C5 333 and a 120 of 6/15, all appointed with 1/4 hr high speed steel for local salmon. 500 mature avocado trees. Open by appointment; Address 569 Rangitapu Road  
 View online [www.nrgrealty.co.nz/PE10237](http://www.nrgrealty.co.nz/PE10237)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488

**TE PUKE**  
**19.28c-aha HW - Tenkers over \$315k/c-aha**  
 After 17yrs, the owners of this excellent block are down scaling & so may offer it to market. The 6 yr average production is 4.7 171,500 trays, with a 1000 estimate for this coming harvest at 17,000/c-aha, over 200,000 trays. Open by appointment; Address 6/11 H. 3 Road  
 View online [www.nrgrealty.co.nz/PE10239](http://www.nrgrealty.co.nz/PE10239)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



**www.nrgrealty.co.nz**

**Mt Maunganui**  
 (07) 575 9428

**Papamoa**  
 (07) 542 3208

**Tauranga**  
 (07) 578 8887

**Te Puke**  
 (07) 573 3955

**Waihi**  
 (07) 863 8864

**Waihi Beach**  
 (07) 863 4164

view online [www.nrgreality.co.nz/TGA12857](http://www.nrgreality.co.nz/TGA12857)  
 Contact **Linda McLean** mob 0274 221 040 ah 07 548 1699  
 email [linda@nrgreality.co.nz](mailto:linda@nrgreality.co.nz)

beginning  
 Open by appointment, Address 420 Minden Road  
 View online [www.nrgreality.co.nz/IGA12804](http://www.nrgreality.co.nz/IGA12804)  
 Contact Durrice Green mob 027 949 3725

Open by appointment, Address 69 Francis Road  
 View online [www.nrgreality.co.nz/IGA12841](http://www.nrgreality.co.nz/IGA12841)  
 Contact Linda McLean mob 0274 221 040 ah 07 548 1699



**PUKEHINA BEACH**

**Your Opportunity to Strike - Offers**

First time on the market in over 20 years one of Pukehina Beach's early beaches, 3 bedrooms, lounge dining opens to great beach and ocean views. This home has seen great holidays with lots more to come. Your opportunity to enjoy or build at a later date. 840m<sup>2</sup> open 15+ sections, 1100-2100sqm, 17 Pukehina Parade  
 Open by appointment, Address 17 Pukehina Parade  
 View online [www.nrgreality.co.nz/IPE10216](http://www.nrgreality.co.nz/IPE10216)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699



**PUKEHINA BEACH**

**Fabulous Beachfront - \$740,000**

Built for the sun with privacy and entertaining. 3 bedrooms absolute beachfront, master bedroom and lounge overlooking the ocean. Watch the sunrise from the decks or enjoy a spa. This beach home can be offered fully furnished if required. Double garaging and fully equipped kitchen.  
 Open by appointment, Address 69 Pukehina Parade  
 View online [www.nrgreality.co.nz/IPE10214](http://www.nrgreality.co.nz/IPE10214)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699



**TE PUKE**

**19.25ac+cauha HW - Tenders over \$315K/cauha**

After 17yrs, the owners of this excellent block are down-scaling & so now offer it to market. The 6 yr average production is 17,1500 trays, with a crop estimate for this coming harvest at 17,000,000 trays, over 200,000 plants. 2015 at 4,000 pm.  
 Tenders close 11.00pm 16th Feb 2015  
 Open by appointment, Address 84 Wainaea Drive  
 View online [www.nrgreality.co.nz/IPE10239](http://www.nrgreality.co.nz/IPE10239)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



**TE PUKE**

**Magnificent Home & Cowazing - \$1,900,000 + GST (if any)**

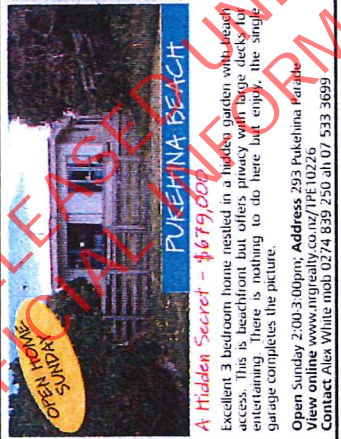
This is something special! 14.6 ha of clean, flat grazing on 2 titles, subdivided into 11/12 paddocks with conventional electric fences. A magnificent home with equally magnificent 180 degree views.  
 Open by appointment, Address 920 No 2 Road  
 View online [www.nrgreality.co.nz/IPE10238](http://www.nrgreality.co.nz/IPE10238)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



**PUKEHINA BEACH**

**Beachfront Holiday Fun - \$670,000**

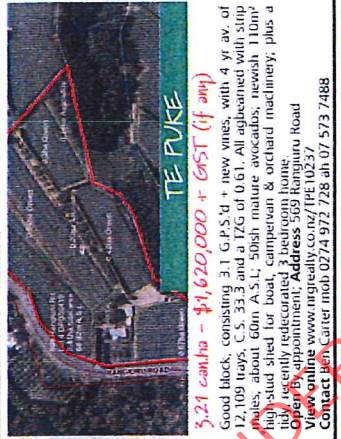
Enjoy the beachfront in this funky 3 bedroom bach. Great front lawn at beach and ocean edge, plus a sleepout for the kids to enjoy as is or extend, plus internal entry garaging. Fully fenced 817m<sup>2</sup> section.  
 This is an investment and opportunity not to be missed.  
 Open by appointment, Address 58 Pukehina Parade  
 View online [www.nrgreality.co.nz/IPE10224](http://www.nrgreality.co.nz/IPE10224)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699



**PUKEHINA BEACH**

**A Hidden Secret - \$679,000 (with deposit)**

Excellent 3 bedroom home nestled in a hidden garden with beach access. This is beachfront but offers privacy with large decks for entertaining. There is nothing to do here but enjoy, the single garage completes the picture.  
 Open Sunday 2:00-3:00pm, Address 263 Pukehina Parade  
 View online [www.nrgreality.co.nz/IPE10224](http://www.nrgreality.co.nz/IPE10224)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699



**TE PUKE**

**3.21 cauha - \$1,620,000 + GST (if any)**

Good block, consisting 3.1 G.P.S'd + new vines, with 4 yr av. of 12,109 trays, C.S. 33.3 and a 17G of 0.61. All abneighted with slipp poles, about 60m A.S.L. 50sh mature avocados, newish 110m<sup>2</sup> high stud shed for boat, carpenter & orchard machinery, plus a high recently reconditioned 3 bedroom home.  
 Open by appointment, Address 10224 Wainaea Road  
 View online [www.nrgreality.co.nz/IPE10237](http://www.nrgreality.co.nz/IPE10237)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



**TE PUKE**

**20,000 Golden Nuggets - \$1.1M + GST (if any)**

1/2cauha of G3 on abneight with an estimated 21,000 trays this harvest, yours if you buy now. Not quite full canopy so potential here, 0.9ha grazing, lovely rural & coastal views, a very tidy 4 barn home with potential for a downstairs flat or garage/workshop if desired.  
 Open by appointment, Address 878 No 3 Road  
 View online [www.nrgreality.co.nz/IPE10242](http://www.nrgreality.co.nz/IPE10242)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



**PUKEHINA BEACH**

**Gilt Edged Investment - \$279,000**

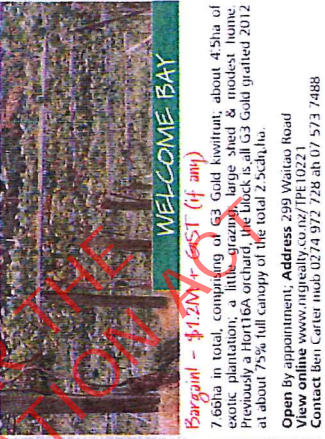
This really is the golden opportunity to buy right. Low maintenance 3 bedroom home sitting on 822sqm section. Bathroom & toilet refurbished. New Septic, system Beach, and ocean over the road. Vendor wants this sold. Top investment or beach home.  
 Open by appointment, Address 114 Pukehina Parade  
 View online [www.nrgreality.co.nz/IPE10088](http://www.nrgreality.co.nz/IPE10088)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699



**PUKEHINA BEACH**

**Lifestyle Living at the Beach - \$299,000**

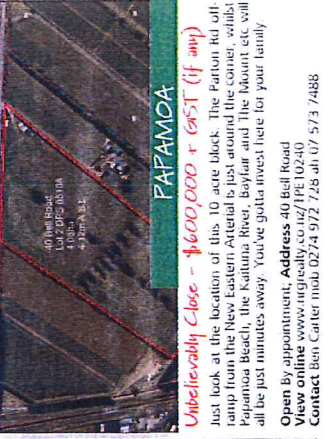
1130m<sup>2</sup> site with private gardens awaiting your enjoyment. Adding to the lifestyle is a 3 bedroom, 2 toilet home with rustic addition. For all year round living, the open fire built for entertaining. A large sleepout or games room with facilities. This has everything!  
 Open by appointment, Address 314 Pukehina Parade  
 View online [www.nrgreality.co.nz/IPE10082](http://www.nrgreality.co.nz/IPE10082)  
 Contact Alex White mob 0274 839 250 ah 07 533 3699



**WELCOME BAY**

**Bargain! - \$1.2M + GST (if any)**

7.66ha in total, comprising of G3 Gold kowitnut, about 4.5ha of exotic plantation, a little grazing, large shed & modest home. Previously a Hort16A orchard, the block is all G3 Gold grafted 2012. About 75% full canopy of the total 2.5cauha.  
 Open by appointment, Address 299 Waitao Road  
 View online [www.nrgreality.co.nz/IPE10227](http://www.nrgreality.co.nz/IPE10227)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



**PAPAMOA**

**Unbelievably Close - \$600,000 + GST (if any)**

Just look at the location of this 10 acre block. The Parson Rd off-ramp from the New Eastern Arterial is just around the corner, whilst Papamoa Beach, the Kaituna River, Bayfair and The labour etc will all be just minutes away. You've gotta invest here for your family future.  
 Open by appointment, Address 40 Bell Road  
 View online [www.nrgreality.co.nz/IPE10221](http://www.nrgreality.co.nz/IPE10221)  
 Contact Ben Carter mob 0274 972 728 ah 07 573 7488



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**Mt Maunganui**  
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**Papamoa**  
 (07) 542 3208

**Tauranga**  
 (07) 578 8887

**Te Puke**  
 (07) 573 3955

**Waihi**  
 (07) 863 8864

**Waihi Beach**  
 (07) 863 4464

P. G. B. S. 15.

21st April 2015

Ian & Raewyn Lawrence  
Maungarangi Road  
Te Puke  
Western Bay Of Plenty 3118

Dear Ian & Raewyn,

**Re: Advertising Interest etc in Waimea Drive Tender**

Further to your enquiry as to the interest in the orchard tender, I can advise the following:

- 7.02.15 - [REDACTED] local kiwifruit grower and contractor was shown the orchard. He made a verbal offer of \$5.5 million. Offer not accepted.
- 9.02.15 - [REDACTED] Chairman of [REDACTED] and local grower was shown the property and was quite keen until he saw Lot 4, C Blocks 5-8 with Armillaria.
- 9.02.15 - [REDACTED] South Auckland grower and businessman called to arrange to view the following week. He was a no show.
- 9.02.15 - Call received from [REDACTED], Eastpack Director and grower. Information regarding property forwarded.
- 11.02.15 - [REDACTED], local growers and contractors viewed with ASB Rural Bank Manager, Brian Sparrow. They thought \$315,000/can.ha was too dear.
- 18.02.15 - [REDACTED] DMS Representative sought information.
- 20.02.15 - [REDACTED] called in to the office and the property was discussed. he wasn't interested.
- 24.02.15 - [REDACTED] viewed the property. It was too much for him but he discussed contacting his brothers to create a joint tender.
- 26.02.15 - [REDACTED], First National agent called to say he had some "South Island People" interested in the orchard and would I conjunct with him and could he take them up the following week. This is a reference to Craigmores Farms, although Peter did not disclose that Trevellyans were involved, who I had already advised about the tender.
- 27.02.15 - [REDACTED] Director and partner of Direct Management Services, visited the orchard and showed interest in talking to some of his growers that may wish to spread their plantings between high and low altitudes.

I have also attached copies of advertising that took place between 19 February to 13 March. Specifically:

Te Puke Times - 19.2.15  
Property Guide - 20.2.15  
Sunday Star Times - 22.2.15  
Te Puke Times - 26.2.15  
Property Guide - 27.2.15  
Sunday Star Times - 1.3.15 (copy not kept)  
Farmer's Weekly - 2.3.15  
Te Puke Times - 5.3.15

Property Guide - 6.3.15  
Property Guide - 13.3.15

There was a Te Puke Times advert scheduled to be booked for publication on the 12th March. We were luckily in a position to pull that advert (so save wasting advertising funds) as the agreement was all drawn up at this point. Unfortunately, the Property Guide advert could not be refunded so in it went.

I trust this is the detail you need. Please do not hesitate to contact me if we can be of further assistance.

Kind Regards,

**Ben Carter**

**"Your Rural Professional"**

Licensed Real Estate Salesperson REAA 2008

**Professionals | NRG Realty Ltd**

MREINZ Licenced Real Estate Agent REAA 2008

160c Jellicoe St | PO Box 483 Te Puke, 3153

b. (07) 573 3955 | f. (07) 573 3977 | m. (0274) 972 728 | e. ben@nrgrealty.co.nz

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## REPORT: SECTION 17(2)(A)(III) OVERSEAS INVESTMENT ACT - INCREASED EXPORT RECEIPTS

### Direct Impact on Export Receipts

- 1 The investment in development and new technologies, and better management of orchard operations will increase NZ export receipts in the short-medium term. Furthermore, the application of industry recognised sustainability programmes will improve marketability and further increase NZ export receipts over both the short and the longer term.
- 2 Kiwifruit exports – The Applicant estimates a likely increase of approximately [REDACTED] trays of kiwifruit per year from the Land within 4 years, nearly all of which will be exported, with an estimated worth of [REDACTED] per year.
- 3 Trevelyan's Pack and Cool Limited have developed industry recognised sustainability programmes. Together with the Applicant, the plan is to enter into a Service Level Agreement with [REDACTED] to collaborate on developing supply arrangements with offshore customers who are willing to pay a premium for kiwifruit farmed in a sustainable manner. It is expected that this would add [REDACTED] premium to each tray of kiwifruit exported overseas, equating to approximately [REDACTED] per annum in additional export income within 2-3 years.

### Flow-on impact on export receipts

- 4 In addition there will be longer-term impacts on production as the Applicant is able to implement a more rigorous sustainability framework, and therefore assist the New Zealand orchard industry increasing the marketability of its exports in an increasingly discerning global marketplace (especially in terms of social and environmental impacts of production).

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**REPORT: SECTION 17(2)(A)(IV) OVERSEAS INVESTMENT ACT - ADDED MARKET COMPETITION, GREATER EFFICIENCY OR PRODUCTIVITY, ENHANCED DOMESTIC SERVICE**

- 1 The investment will result in greater efficiency and productivity by supporting the Applicant's wider Business Case.

**The Development**

- 2 The analysis set out in the Business Case shows that the on-orchard development proposed by the Applicant will enable greater productivity on the orchard, seen in increased kiwifruit production.
- 3 As an owner of the Land (as opposed to operating the orchard as tenant), the Applicant will accrue productivity and development gains that tenants seldom have incentives to deliver, preferring instead to pursue short term gains. Owner-operators are more inclined to proactively invest in the soil, facilities and other infrastructure, technology, plant-genetics and other improvements that lift the productivity of the orchards over the medium and long term.
- 4 It is intended that Trevelyan's will provide management services pursuant to an Orchard Management Agreement, and be responsible for day to day operations on the Land. Trevelyan's is a New Zealand owned and operated company. Trevelyan's currently provides orchard management services to third parties through a wholly owned subsidiary company (Trevelyan's Management Services Limited), so has experience in orchard management and advising on orchard practices. Trevelyan's multiple management contracts (including for the Land) will likely create efficiencies in the management of those orchard operations.
- 5 As recorded in the Heads of Agreement, the Applicant and Trevelyan's intend to co-invest alongside each other to build a kiwifruit orchard business. The acquisition of the Land is the second purchase being made pursuant to the Heads of Agreement. The acquisition of further kiwifruit orchards in furtherance of the joint venture will allow the Applicant and the Farming Fund to benefit from efficiencies and economies of scale as the size of the kiwifruit orchard business expands.
- 6 The Land is within a reasonable proximity of the Kirimini Orchard (owned by the Applicant and Trevelyan's). It is intended that the Land will become part of the Applicant's wider group of Te Puke kiwifruit orchards. If OIO consent is obtained Trevelyan's will oversee management of the Land together with the Kirimini Orchard, resulting in management and operational efficiencies, and creating natural efficiencies through the benefits that come from scale.

**The Farming Fund Business Case**

- 7 In respect of greater efficiency or productivity, the investment will also enable continued expansion and development of the Applicant's activities by the increase and diversification of its asset portfolio, which will further increase the benefits identified in the Farming Fund Application, including:
  - 7.1 attracting additional investors, which creates a more secure funding source to support improved farm development (and hence, greater wealth creation, employment and export receipts); and
  - 7.2 diversification, which results in reduced risk and more consistent returns across the whole farming portfolio and is in turn likely to lead to increased investment in the Applicant, enabling the Applicant to take up further investment and riskier development opportunities.



**REPORT: SECTION 17(2)(A)(VI) - INCREASED INVESTMENT FOR DEVELOPMENT PURPOSES**

**Direct development investment**

- 1 The Applicant intends to carry out development of the Land to realise its full potential. The additional investment for development of the Land and orchard operations will cost approximately [REDACTED] in the short term [REDACTED].
- 2 Additional detail on the developments is set out in the Business Case.

**Indirect development investment**

- 3 The Applicant also believes that this purchase will provide it with additional scale and commercial momentum to raise further funds to then deploy into future farming and agriculture development opportunities. Typical developments include expansion of pivot irrigation infrastructure, additional dairy infrastructure (sheds etc), and purchase of shares in milk processing facilities (e.g. Fonterra shares to contribute to the cost of milk processing facilities in Canterbury). There are also much bigger opportunities, such as the central plains water and Hurunui irrigation schemes which will irrigate 120,000 ha of dry land, requiring at least [REDACTED] of on-farm development (irrigation, pasture, fencing, some dairy sheds, livestock etc).

**The Farming Fund Business Case**

- 4 The investment will also enable continued expansion and development of the Applicant's activities by the increase and diversification of its asset portfolio. Diversification results in reduced risk and more consistent returns across the whole farming portfolio. These factors are in turn likely to lead to increased investment in the Applicant by overseas investors, enabling the Applicant to take up further investment and riskier development opportunities.

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## REPORT: REGULATION 28(A) - OTHER CONSEQUENTIAL BENEFITS

Further consequential benefits of the investment include:

- 1 The investment further supports the Business Case of the Craigmore Farming Group, and the benefits that will arise from the implementation of that Business Case and the expansion of the Applicant's portfolio, which were set out in detail in the Farming Fund Application. The benefits arising from the investment must be assessed in the context of the overall Business Case as well as specifically in relation to the Land. The purchase and successful development of properties that support the Applicant's business plan will help to attract more investors to the Farming Fund, resulting in further capital that will be available for investment by the Applicant in other development opportunities.
- 2 The investment in the Land will further diversify the portfolio of assets held by the Applicant and the income streams generated by those assets. Diversification results in reduced risk and more consistent returns across the whole farming portfolio. This will make it more justifiable to undertake development projects in the future, many of which have a higher level of risk to the underlying returns. This diversification and the potential for increased returns from the Land will also increase the marketability of the investments in the Applicant and the Farming Fund, attracting additional overseas capital from both new and existing investors.

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**REPORT: REGULATION 28(E) - PREVIOUS OVERSEAS INVESTMENTS OF BENEFIT TO NZ**

- 1 The Applicant believes that this factor is relevant to the present application.
- 2 The Applicant owns a significant portfolio of farming and agriculture assets and following approval of the Farming Fund Application, the Applicant is in a good position to develop a number of its landholdings in accordance with the Business Case of the Craigmore Farming Group. These investments benefit or are likely to benefit New Zealand by (among other things):
  - 2.1 creating employment;
  - 2.2 increasing export receipts;
  - 2.3 increasing efficiency and productivity;
  - 2.4 capital investment in the land for development;
  - 2.5 advancing significant Government policies; and
  - 2.6 enhancing the on-going viability of the Applicant's investments.
- 3 The Applicant has already undertaken development activities on other properties, including:
  - 3.1 a dairy conversion on the Wairepo property [REDACTED] including re-grassing paddocks, installation of pivot irrigation, re-fencing, tracking and building a dairy shed, excluding additional livestock and Fonterra shares;
  - 3.2 a dairy conversion on the Landsend property [REDACTED] including re-grassing paddocks, installation of pivot irrigation, re-fencing, tracking and building a dairy shed, excluding additional livestock and Fonterra shares;
  - 3.3 planting of native trees and shrubs has also begun at Landsend;
  - 3.4 development of Te Puna Farm, including fencing, capital fertiliser, upgrading farm house and tracking systems;
  - 3.5 redevelopment of the Broadacres blackcurrant orchard, including installation of pivot irrigation and crop improvements [REDACTED];
  - 3.6 redevelopment of Pahau Dairy farm ([REDACTED]), including re-grassing, better irrigation and conversion of an additional area to milking, which are improving milk production, and an effluent system upgrade; and
  - 3.7 development at Te Moata Station ([REDACTED]), including new accommodation and fencing. The QEII National Trust has also been contacted in respect of areas of native bush that could be suitable for protection.
- 4 Further detail of the development work carried out to date on some of the Applicant's properties is contained in the Annual Report prepared for the OIO in respect of the Farming Fund Application, a copy of which is **attached** to this report.
- 5 [REDACTED]



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# CRAIGMORE SUSTAINABLES

47 Waterloo Road, Hornby, Christchurch 8042 New Zealand  
P.O. Box 16-243, Hornby, Christchurch 8041  
tel+64 3 338 6525 www.craigmore.com

29 January 2014

The Manager  
Overseas Investment Office  
Land Information New Zealand  
PO Box 5501  
Wellington 6145

Dear Sir

## **Craigmore Farming NZ Limited Partnership - January 2015 Report to the Overseas Investment Office**

On 31 January 2013 Craigmore Sustainable (Farming) N.V. received Overseas Investment Office ("OIO") approval of its application (Application number 201220039) to acquire up to 95% of the securities issued by Craigmore Farming NZ Limited Partnership (the "Partnership") which itself owned directly or indirectly interests in the following properties (the "Partnership Application"):

- *Wairepo Farm*
- *Pahau Flats Farm*
- *Te Moata Farm*
- *Te Puna Farm*
- *Broadacres Farm*

The Partnership Application also granted approval for the Partnership to acquire between 80-100% of an interest in 423 hectares of land located at Pahau Reserve Road, Culverden, North Canterbury (*Landsend Farm*).

Craigmore Sustainable NZ Limited ("Craigmore") has prepared this report on behalf of the Partnership detailing compliance with the OIO's reporting conditions in relation to the Partnership Application, specifically including progress against the business plans outlined as part of the application.

### **Reporting Condition 11(a) – Condition 7: DoC Consultation**

As previously reported, letters have been sent to Department of Conservation (DoC) in respect of each property covered by the Partnership Application. Farm visits were subsequently arranged for Wairepo Farm, Pahau Flats Farm and Landsend Farm. Following the farm visits letters were received from DoC (attached hereto) regarding Wairepo, Pahau Flats and Landsend indicating no further action is required.

DoC also contacted us with regard to Broadacres and following a site visit we have been working with them to protect an identified species of mudfish. To this end, we recently executed an agreement with DoC (attached hereto) committing to environmental management plans to protect the habitat of the mudfish.

We are yet to receive any response from DoC in regard to Te Moata Farm or Te Puna Farm.

### **Reporting Condition 11(a) – Condition 8: WAC Consultation**

As previously reported, letters have been sent to Walking Access Commission (WAC) in respect of each property covered by the Partnership Application. No response has been received from WAC in regard to any of the properties and we plan to follow this up.

# CRAIGMORE SUSTAINABLES

47 Waterloo Road, Hornby, Christchurch 8042, New Zealand  
 P.O. Box 16 363, Hornby, Christchurch 8441  
 tel+64 3 338 6325 www.craigmore.com

## Reporting Condition 11(a) - Condition 9, 11(b), 11(c), 11(d), 11(e)

The following tables are set out for each individual property detailing planned (as per the Partnership Application) versus actual development, spending and job opportunities.

### Wairepo Farm

Summary of past 2 years of business plan:

	2013 (business plan)	2013 (actual)	2014 (business plan)	2014 (actual)
Value add expenditure				
Operating expenditure				
Production/Export equivalents				
Full Time Equivalents				

### Pahau Flats Farm

Summary of past 2 years of business plan:

	2013 (business plan)	2013 (actual)	2014 (business plan)	2014 (actual)
Development/Capital expenditure				
Operating expenditure				
Production/Export				
Full Time Equivalents				

# CRAIGMORE SUSTAINABLES

47 Waterion Road, Hornby, Christchurch 8043, New Zealand  
 P.O. Box 16-343, Hornby, Christchurch 8441  
 tel: 64 3 338 6525 www.craigmore.com

## Landsend Farm

Summary of past 2 years of business plan:

	2013 (business plan)	2013 (actual)	2014 (business plan)	2014 (actual)
Development/Capital expenditure				
Operating expenditure				
Production/Export				
Full Time Equivalents				



## Te Moata Farm

Summary of past 2 years of business plan:

	2013 (business plan)	2013 (actual)	2014 (business plan)	2014 (actual)
Additional value-add expenditure				
Other operational expenditure				
Production/Export				
Full Time Equivalents				

# CRAIGMORE SUSTAINABLES

47 Waterloo Road, Hornby, Christchurch 8042, New Zealand  
P.O. Box 16-393, Hornby, Christchurch 8441  
tel: 64 3 338 6525 www.craigmore.com

## Te Puna Farm

Summary of past 2 years of business plan:

	2013 (business plan)	2013 (actual)	2014 (business plan)	2014 (actual)
Additional value-add expenditure				
Other operational expenditure				
Production/Export				
Full Time Equivalents				

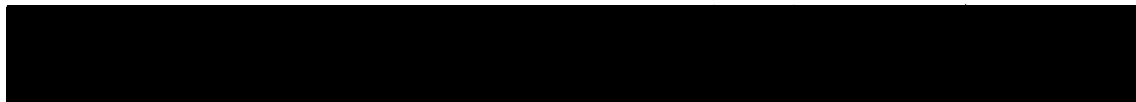


## Broadacres Farm

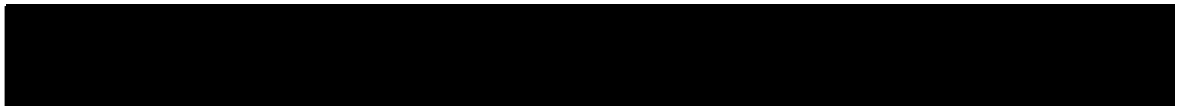
Summary of past 2 years of business plan:

	2013 (business plan)	2013 (actual)	2014 (business plan)	2014 (actual)
Value-add expenditure				
Other operating expenditure				
Production/Export				
Full Time Equivalents				

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## Reporting Condition 11(f): Scholarship





# CRAIGMORE SUSTAINABLES

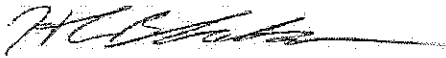
47 Waterloo Road, Hornby, Christchurch 8042, New Zealand  
P.O. Box 16-343, Hornby, Christchurch 8441  
tel: 64 3 338 6525 www.craigmore.com

## Reporting Condition 11(g): Other considerations

### **Biodiversity Surveys**

Biodiversity surveys have been completed with respect to Wairepo, Pahau Flats, Landsend and Broadacres. We are in the process of searching for a cost-effective consultant in the North Island to conduct the surveys this year for Te Moata and Te Puna.

Yours sincerely



Hamish Blackman  
Director of Commercial Development

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Department of Conservation  
*Te Papa Atawhai*

File: PAP-12-03

23 May 2014

Rebecca Dondertman  
Craigmore Sustainables Ltd  
253 Waterholes Road  
CHRISTCHURCH 7674

Dear Rebecca

**OVERSEAS INVESTMENT OFFICE CONSULTATION – PAHAU FLATS LTD & LANDSEND**

I refer to your letters received on 4th April 2014 seeking consultation on the formal protection of areas of significant native flora or fauna at 479 Pahau Reserve Road.

Thank you for showing Nick Head and I around the properties yesterday, it was good to meet you and to hear about Craigmore's proposed revegetation plans. Following our site visit, I'd like to advise that the Department of Conservation (DOC) does not require any formal measures to be introduced to protect native flora or fauna over Pahau Flats Ltd or Landsend.

Walking Access Commission may still wish to visit with a DOC representative to consider public access.

As discussed yesterday, for any future Craigmore Sustainables Ltd purchases that have a DOC consultation condition in the agreement, as per the OIO consent, please can you ensure that DOC is advised of the purchase and this condition within 30 days of the settlement date.

I hope your future wetland restoration and replanting work goes well. It was great to learn your company is so proactive in this area.

Yours sincerely

Jenny Williams  
Statutory Land Management Advisor

Department of Conservation  
Ōtautahi/Christchurch Office  
Private Bag 4715, Christchurch Mail Centre, Christchurch 8140, New Zealand  
Telephone 03-371 3700





Department of Conservation  
*Te Papa Atawhai*

File: PAP-12-03

11 April 2014

Rebecca Dondertman  
Craigmore Sustainables Ltd  
253 Waterholes Road  
CHRISTCHURCH 7674

Dear Rebecca

**OVERSEAS INVESTMENT OFFICE CONSULTATION - WAIREPO DAIRY LTD**

I refer to your letter received by email on 10 March 2014 concerning any measures sought for the protection of significant native flora or fauna at 436 Poplar Rd, Hinds.

The department does not require any formal measures introduced for the protection of the native flora or fauna over this particular property.

Thank you for the opportunity to comment on this purchase.

Yours sincerely

Jenny Williams  
Statutory Land Management Advisor

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OFFICIAL INFORMATION ACT

Department of Conservation  
Ōtautahi/Christchurch Office  
Private Bag 4715, Christchurch Mail Centre, Christchurch 8140, New Zealand  
Telephone 03-371 3700

**DOCUMENT  
WITHHELD  
UNDER THE  
OFFICIAL  
INFORMATION  
ACT 1982**

being a copy of Deed of Agreement for Management of Land

Pursuant to Section 9(2)(b)(ii) of the Official Information Act 1982

**REPORT: REGULATION 28(F) - GIVING EFFECT TO OR ADVANCING A SIGNIFICANT GOVERNMENT POLICY OR STRATEGY**

- 1 The investment will, or is likely to, give effect to or advance significant Government policies and or strategies in the area of trade and primary sectors. Attached to this Report are copies of the following:
  - 1.1 National's Policy Statement on Trade;
  - 1.2 National's Policy Statement on the Primary Sector; and
  - 1.3 Opening Doors to China: NZ Inc. China Strategy.

**Trade**

Opening Doors to China: NZ Inc. China Strategy

- 2 The Government's NZ Inc. China Strategy is the second in the Government's series of centralised plans – developed to strengthen New Zealand's economic, political and security relationships with countries and regions, and to encourage people-to-people links and two-way investment.
- 3 China is New Zealand's second largest trading partner after Australia, and last year Zespri exported 9,000,000 trays of kiwifruit to China and is expecting that to grow at 5 million trays a year for the next 3 or 4 years.
- 4 One of the goals of the NZ Inc. China Strategy is to double two-way goods trade with China to \$20 billion by 2015, and the priority sectors include agribusiness. In March 2014, Prime Minister John Key and China's President, Xi Jinping, increased the goal for two-way trade to reach [REDACTED] by 2020.
- 5 This investment by the Applicant would likely increase annual production of kiwifruit for export by approximately [REDACTED] by the end of the 4 year development plan. Approximately [REDACTED] of the kiwifruit is expected to be exported to China, based on information provided by [REDACTED]

"Building our exports"

- 6 Since coming to power the National Government has maintained a strong policy strategy of promoting growth in exports in order to build a stronger New Zealand economy (e.g. Hon. Steven Joyce's statement on lifting export as a share of GDP from 30 to 40 per cent).
- 7 Enhancing and growing New Zealand's international trade links and opportunities is a key part of the Government's plan to build a stronger economy and create more jobs with higher incomes.
- 8 Investment by the Applicant in the Land, and the associated development to be undertaken by the Applicant will likely increase annual production of kiwifruit for export by approximately [REDACTED] by the end of the [REDACTED] development plan.

**Primary Sector**

"Building a stronger Primary Sector"

- 9 The Government recognises the primary sector as the backbone of the New Zealand economy, and is working to improve the economic performance of New Zealand's primary producers.
- 10 Investment by the Applicant in the Land, and the associated development to be undertaken by the Applicant will increase primary sector production by increased kiwifruit production of approximately [REDACTED]

- 11 Secure lines of capital for investment in agriculture are crucial to support the Government's plan to develop a stronger primary sector. The Applicant's access to overseas capital puts the Applicant in a strong position to invest in the acquisition and development of the Land.

**Wealth Enhancement**

- 12 The current Government has a strategy of increasing New Zealand's wealth and increasing exports (both in volume and value). An overseas investment such as that set out in this application, which makes New Zealand land more productive, brings significant export receipts into New Zealand and creates new jobs is likely to advance this strategy.

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## REPORT: REGULATION 28(i) - PROMOTION OF NEW ZEALAND'S ECONOMIC INTERESTS

### New Zealand will become a more reliable supplier of primary products

- 1 The Applicant believes that its acquisition and development of the Land will result in increased and more reliable production and increase the supply of primary products from New Zealand. For example, in addition to development of the Land, resulting in increased production from the Land of approximately [REDACTED] of kiwifruit per annum, the other developments will improve reliability of production from the Land.

### Control by a Single Overseas Person

- 2 The Applicant is an overseas person as it is more than 25% owned by Craigmores Sustainable (Farming) N.V. The ultimate ownership in Craigmores Sustainable (Farming) N.V. is widely dispersed amongst a number of non-associated overseas persons.
- 3 The Applicant is a Limited Partnership and the management of the Applicant is carried out by the General Partner, Craigmores Farming GP Limited, which is 100% New Zealand owned and operated.
- 4 Accordingly, the Applicant's acquisition of the Land will not result in New Zealand's ability to supply the global economy with a product that forms an important part of New Zealand's export earnings being controlled by a single overseas person or its associates.

### New Zealand's key economic capacity will be improved

- 5 The Applicant believes that its investment in the Land will enable New Zealand's key economic capacity in pastoral farming to be improved. The Applicant, as a signatory of the UNPRI and as a responsible investor has a stronger focus on sustainability than most corporate farmers. The investment will enable the Applicant to promote and implement sustainability policies on the Land. The Applicant is also committed to undertaking research into alternative methods of production e.g. commercial assessment of *biological farming* (i.e. an emerging philosophy of farming with fewer and better utilised chemical fertilisers and chemical compounds, and more soil and animal-friendly farming practices).
- 6 Trevelyan's have developed industry recognised sustainability programmes. Trevelyan's together with the Applicant, plan to enter a Service Level Agreement with [REDACTED] to collaborate on developing supply arrangements with offshore customers who are willing to pay a premium for kiwifruit farmed in a sustainable manner. It is expected that this would add [REDACTED] premium to each tray of kiwifruit exported overseas, equating to approximately [REDACTED] per annum in additional export income within [REDACTED].

**REPORT: REGULATION 28(J) – OVERSIGHT OR PARTICIPATION BY NEW ZEALANDERS**

**Management by New Zealand citizens**

- 1 Persons who are not overseas persons (**New Zealanders**) will be able to oversee, or participate in, the investment due to the involvement of Forbes Elworthy, Mark Cox, Che Charteris and Andrew Gibbs who are all New Zealand citizens.
- 2 Forbes Herbert Elworthy is:
  - 2.1 the senior equity and controlling partner of the [REDACTED]
  - 2.2 a director of the General Partner, together with Mark Cox, Che Charteris and Andrew Gibbs (also New Zealanders); and
  - 2.3 a director of the Farm Manager (Craigmore Sustainables NZ Limited), together with Mark Cox and Che Charteris (also New Zealanders); and
  - 2.4 the ultimate 100% shareholder of Craigmore Farming Co Limited (the parent company of the Farm Manager and the General Partner). Accordingly, Forbes Elworthy indirectly owns 100% of the Farm Manager and the General Partner.
- 3 Mark Cox, Che Charteris and Andrew Gibbs are also directors of the General Partner. Forbes Elworthy, Mark Cox, Che Charteris and Andrew Gibbs are the only four directors of that company.
- 4 Mark Cox and Che Charteris are also directors of the Farm Manager. Forbes Elworthy, Mark Cox and Che Charteris are the only three directors of that company.
- 5 Mark Cox, Che Charteris, Andrew Horsbrugh, Dion Gordon (Wairepo Dairy Limited), Francois Didier Yves Tillard (Anmore Dairy Limited), Aaron Berry (Ardwell Dairy Limited and Cairndale Dairy Limited) and James Edward Trevelyan (Kirimini Orchard Limited) are also the only directors of the subsidiary companies of the Applicant.
- 6 Accordingly, day-to-day management of the Land will be carried out by New Zealand companies 100% owned by a New Zealand citizen and 100% managed by New Zealanders.

[REDACTED]

[REDACTED]

[REDACTED]

**Limited Partnership Structure**

- 9 The Applicant is a limited partnership incorporated under the Limited Partnerships Act 2008.
- 10 The purpose of the Limited Partnerships Act is to:

“...establish a modern regulatory regime for limited partnerships that-



- (a) Gives the business community in New Zealand the option of a flexible and internationally recognised business structure similar to limited partnerships in use in overseas jurisdictions; and
- (b) Facilitates the development of the venture capital industry in New Zealand.”
- 11 The Act creates two classes of partner within a Limited Partnership:
- 11.1 General Partners – are responsible for the management of the limited partnership and are jointly and severally liable for all debts and liabilities of the partnership;
- 11.2 Limited Partners – are not permitted to take part in the management of the limited partnership, and are not liable for the debts and liabilities of the partnership.
- 12 While the Applicant is an overseas person by virtue of Craigmore Sustainables (Farming) N.V. holding more than 25% of the Applicant’s securities, Craigmore Sustainables (Farming) N.V., and all other overseas investors, are limited partners. They make capital contributions but are not permitted to take part in the management of the Applicant. A limited partner is effectively a sleeping partner. The management is carried out by the General Partner, Craigmore Farming GP Ltd, which is 100% New Zealand owned and operated.
- 13 Accordingly, in contrast to the control associated with a 95% shareholding in a company, even though the Farming Fund may acquire up to a 95% partnership interest in the Applicant, that interest does not give it control of the operations or management of the limited partnership, which remain the responsibility of the General Partner.

#### **Structure of the Purchasing Entity**

- 14 The entity that acquires that Land will be a joint venture between Craigmore Farming NZ LP (as to [REDACTED]) and Trevelyan’s Pack and Cool Limited (**Trevelyan’s**) (as to [REDACTED]). Trevelyan’s will have the right to appoint 1 of the 4 directors, and the Trevelyan’s appointee is likely to be a New Zealand citizen. The other 3 directors, appointed by Craigmore Farming NZ LP, are also likely to be NZ citizens.
- 15 The Land will be held by an entity incorporated in New Zealand. That entity, the General Partner and the Farm Manager will be subject to New Zealand law, including new restrictions placed on New Zealand companies and limited partnerships by the amendments to the Companies Act 1993 and the Limited Partnerships Act 2008 as contained in the Companies Amendment Act 2014 and the Limited Partnerships Amendment Act 2014. This includes from 27 October 2015, the requirement for a New Zealand resident director and from 28 February 2015, the requirement for a limited partnership to have a NZ resident general partner.

#### **Disbursement of the overseas ownership or control**

- 16 The partnership interest held by Craigmore Sustainables (Farming) N.V. is effectively disbursed amongst a number of non-associated overseas persons.

#### **Management of the Orchard**

- 17 It is intended that Trevelyan’s will provide management services pursuant to an Orchard Management Agreement, and be responsible for day to day operations on the Land. Trevelyan’s is a New Zealand owned and operated company.