

RENT SAVER AGREEMENT

between

«Landlord»

and

«Tenant1» «and» «Tenant2»

Property at: «Street_address»

Rent Saver Agreement

Date:

Parties

1. **«Landlord»** ("us" or "we" or "our")
2. **«Tenant1» «and» «Tenant2»** ("you")

Background

- A. We have bought the Property.
- B. We intend to lease the Property to you in accordance with a Residential Tenancy Agreement.
- C. We have agreed to grant you an option to purchase a right to occupy the Property under our Secure Home Programme and you have agreed to save for a deposit.
- D. We have agreed to match your savings on a dollar-for-dollar basis up to a maximum of \$2,600 per year (or \$13,000 in total) if you use your savings towards the deposit to purchase a right to occupy the Property from us in accordance with this Agreement.

Terms

1. **Ownership and Occupation of Property**

- 1.1 We own the Property.
- 1.2 You and your family can live at the Property in accordance with the Residential Tenancy Agreement.
- 1.3 The Property can only be used as your family home.
- 1.4 You agree to comply with the terms of the Residential Tenancy Agreement at all times.
- 1.5 You agree to maintain the Property to the same standard it was in when you moved in.

2. **Your Savings and Our Contribution**

- 2.1 During the term of this Agreement you agree to save a minimum of \$2,600 per year into a savings scheme for the purpose of saving towards a deposit to buy a right to occupy the Property from us as set out below. Your savings scheme must comply with our policies.
- 2.2 On each anniversary of this Agreement you agree to provide us with a statement from your savings scheme provider showing compliance with clause 2.1 above.
- 2.3 If you put your savings towards the deposit to purchase a right to occupy the Property from us under our Secure Home Programme, then we agree to match your savings on a dollar-for-dollar basis up to a maximum of \$2,600 per year of saving (pro-rata) or \$13,000 in total with our contribution to go towards the amount payable by you under clause 3 below.

3. **Option to Buy Right to Occupy the Property**

- 3.1 During the Option Window, you may exercise your option to move into our Secure Home Programme and purchase a right to occupy the Property, provided you have complied with this agreement.

- 3.2 If you wish to exercise your option above, then you must serve notice on us during the Option Window. We will then work with you to discuss this option, which will be granted if we are both happy with the terms of the same. You must pay us the Processing Fee at the same time.
- 3.3 We then provide you with a Secure Home Agreement, outlining the programme terms, property address and the Upfront Payment. Such Secure Home Agreement will be on the terms and conditions as determined by us at the time of exercise of your option. You then have 15 Working Days to decide whether you still wish to exercise your option to purchase the right to occupy the Property on the terms of the Secure Home Agreement. If you say nothing, then you are deemed to not wish to proceed.
- 3.4 If you wish to exercise your option to purchase then:
- a. all savings (as referred to in clause 2.1 above) plus all available Government first home contributions must be used as your deposit to complete the purchase;
 - b. you and we will sign a Secure Home Agreement, which will record the Upfront Payment as set by clause 3.3 above;
 - c. settlement will be on the Settlement Date; and
 - d. on settlement, we will allow you to register a mortgage over your rights under the Secure Home Agreement.
- 3.5 We agree to contribute the amount referred to in clause 2.3 above to you to enable you to pay the amount payable to us under the Sale Agreement.

4. **Expiry or Earlier Termination of Option**

- 4.1 The option in clause 3 expires if the option has not been exercised by the end of the Option Window.
- 4.2 The option in clause 3 shall terminate earlier upon:
- a. you advising us that you do not intend to exercise this option or us having good reason to believe that you do not intend to exercise this option; or
 - b. you breaching any term of this Agreement and failing to remedy such breach within 10 Working Days; or
 - c. you breaching any term of the Residential Tenancy Agreement or the Residential Tenancies Act 1986 and failing to remedy such breach within 10 Working Days; or
 - d. the Residential Tenancy Agreement terminating.

5. **Obligations in Respect of the Property**

- 5.1 You must:
- a. not do anything that might negate the insurance on the Property or cause the insurance premium to increase;
 - b. comply with all laws relating to the Property; and
 - c. cover our loss if you do anything that allows the insurer to avoid paying out on any claim.

6. **Failures by You**

- 6.1 If you fail to do anything required to be done under this Agreement within ten Working Days of us telling you then we can fix the breach and recover the costs from you.

7. Restrictions on Us

7.1 We may transfer the Property to a subsidiary or a central or local government controlled agency or to a similar organisation to us with similar structure, intents and obligations provided such transferee agrees to be bound by this Agreement.

7.2 In that event, you must sign all documentation reasonably required by us to complete the transfer.

8. General

8.1 **Entire agreement:** This Agreement constitutes the entire understanding and agreement of the Parties.

8.2 **Time of essence:** Time is of the essence in the performance by the Parties of their respective obligations under this Agreement.

8.3 **No Caveat:** You shall not register a caveat against the title to the Property.

8.4 **Assignment:** You may not assign this Agreement.

8.5 **Costs:** Each Party will pay its own costs in relation to the negotiation, preparation and execution of this Agreement.

8.6 **Variations:** Should we need to update this Agreement at any time in our sole and absolute discretion then you agree to sign such new Agreement within 10 working days of our request to do so. Failure to sign such new Agreement will be a breach of this Agreement.

9. Independent Legal Advice

9.1 You acknowledge that we have recommended that you obtain independent legal advice in respect of this Agreement to explain the nature and effect of this Agreement to you and that you understand the nature and effect of this Agreement.

10. Definitions and Interpretation

10.1 In this Agreement unless the context requires otherwise:

“**Upfront Payment**” is the amount you pay to us for us granting you the long term right to live in the Property, as set out in the Secure Home Agreement;

“**General Conditions**” is the latest form of ADLS Agreement for Sale and Purchase of Real Estate;

“**GST**” is goods and services tax within the meaning of the Goods and Services Tax Act 1985;

“**Improvements**” are any works undertaken on or to the Property which need a resource and/or building consent;

“**Option Window**” means the period of 60 days after the date which is five years from the date of this Agreement.

“**Processing Fee**” is \$900 plus GST to cover valuation and related administration costs, which may be increased annually by a reasonable sum advised by us reflective of costs increasing;

“**Property**” is the land and building situated at «Street_address», certificate of title «CT_number»;

“**Residential Tenancy Agreement**” means the Agreement attached as Annexure A;

“**Settlement Date**” means 15 working days after you exercise your option pursuant to clause 3.3 above or such other date as mutually agreed; and

“**Working Day**” has the same meaning as set out in the General Conditions.

- 10.2 references to the Parties include their respective executors, administrators, successors and permitted assigns;
- 10.3 the singular will include the plural and vice versa;
- 10.4 any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done;
- 10.5 headings have been inserted for convenience only and will not affect the construction of this Agreement; and
- 10.6 reference to a statute includes all statutes amending, consolidating or replacing the statute referred to and any regulations made pursuant to those statutes.

Executed by the Parties

Signed by «**Landlord**» by two of its authorised signatories:

Authorised signature

Full name

Signed by «**Tenant1**» «**and**» «**Tenant2**» in the presence of:

«**Tenant1**»

«**Tenant2**»

Signature of witness

Name of witness

Occupation

Address