



10059465263

FIRST REPORT BY MORTGAGEE IN POSSESSION OF LAND

IN THE MATTER of Part 3, subpart 6 of the Property Law Act 2007 (the "**Act**") and Memorandum of Mortgage 6263473.2 over estates in fee simple in the land described and comprised in Certificates of Title 206604, 206605, 206606 and 206607, Canterbury Registry (the Mortgage)

TO: HANMER SPRINGS THERMAL RESORT APARTMENTS LIMITED
260 Ferry Road
CHRISTCHURCH

On 21 June 2010, **SOUTH CANTERBURY FINANCE LIMITED** (the "**Mortgagee**") pursuant to section 156 of the Act, and its rights secured by Mortgage Number 6263473.2 (the "**Mortgage**") and its rights pursuant to a notice issued under section 119 of the Act entered into possession of part of the mortgaged property from Hanmer Springs Thermal Resort Apartments Limited (the "**Mortgagor**").

In accordance with section 162 of the Act the Mortgagee provides the following report:

1 PARTICULARS OF LAND

The Mortgagee is now in possession of part of the mortgaged property being the properties at 5, 7, 9 and 9A Mt Charon Place, Hanmer Springs described in Certificates of Title 206605, 206606, 206607 and 206604 (Canterbury) more particularly described as Lot 2 Deposited Plan 350521, Lot 3 Deposited Plan 350521, Lot 4 Deposited Plan 350521 and Lot 1 Deposited Plan 350521 (the "**Land**").

2 PARTICULARS OF DEBTS AND LIABILITIES

The Mortgagor is indebted to the Mortgagee in the sum of \$1,305,206.10 plus accruing interest. This debt is secured to the Mortgagee by, inter alia, the Mortgage.

3 DETAILS OF CREDITORS

Neil Clarke Electrical Limited (see details below).

4 OTHER MORTGAGE OR ENCUMBRANCE OVER THE LAND

Neil Clarke Electrical Limited (care of Suburban Law, PO Box 38001, Christchurch 8842) has registered caveat numbered 8523947.1 over the land pursuant to an equitable mortgage signed on 25 August 2008 between the caveator and the mortgagor. This caveat was registered against the land on 21 June 2010.

5 EVENTS GIVING RISE TO RIGHT TO ENTER INTO POSSESSION

- 5.1 The Mortgagor defaulted on its obligations to the Mortgagee in that the Mortgagor failed to comply with a notice issued under section 119 of the Property Law Act 2007.
- 5.2 The Mortgagee notified the Mortgagor on 21 June 2010 that the Mortgagee had entered into possession of the land.

6 DETAILS OF PROPOSAL TO LEASE THE LAND OR SELL THE LAND

The Mortgagee proposes to sell the land.

7 DETAILS OF AMOUNTS AVAILABLE FOR PAYMENT TO OTHER CREDITORS

N/A

8 FURTHER REPORTS

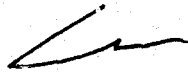
The Mortgagee remains in possession of the land and will report further as required by section 163 of the Act.

SIGNED AND DATED at Christchurch this *27th* day of July 2010

SOUTH CANTERBURY FINANCE LIMITED

by its solicitors and duly
Authorised Agents
Anthony Harper
Per:

)
)
)
)
)



C R Vinnell

THIS Notice is given by South Canterbury Finance Limited whose address for service is at the offices of Anthony Harper, Level 9, 62 Worcester Boulevard, Christchurch.