

## **PRESENTER**



### **Joanna Pidgeon, Pidgeon Law, Auckland**

Joanna is a property specialist with a particular interest in leasing, unit titles and property development. She appears as an expert witness in property litigation cases.

*The statements and conclusions contained in this booklet are those of the author(s) only and not those of the New Zealand Law Society. This booklet has been prepared for the purpose of a Continuing Legal Education course. It is not intended to be a comprehensive statement of the law or practice, and should not be relied upon as such. If advice on the law is required, it should be sought on a formal, professional basis.*

# CONTENTS

<b>1. INTRODUCTION.....</b>	<b>1</b>
BACKGROUND .....	1
PROBLEMS WITH CROSS LEASES .....	2
<i>Insurance</i> .....	3
<i>Alterations and Additions</i> .....	3
<i>Restrictive Covenant Areas</i> .....	4
<i>Ability to Rebuild</i> .....	4
<i>When dealing with problems this can be an opportunity</i> .....	4
<b>2. LAW COMMISSION'S RECOMMENDATIONS .....</b>	<b>7</b>
<b>3. ADVANTAGES OF CONVERTING CROSS LEASES TO FREEHOLD OR UNIT TITLE.....</b>	<b>11</b>
<b>4. BENEFITS OF RETENTION OF CROSS LEASE TITLES.....</b>	<b>13</b>
<b>5. THE DECISION TO CONVERT.....</b>	<b>15</b>
<b>6. WHEN FREEHOLD OR UNIT TITLE IS THE BEST OPTION.....</b>	<b>17</b>
UNIT TITLE DEVELOPMENTS.....	17
FEE SIMPLE DEVELOPMENT .....	18
1. <i>Planning</i> .....	18
2. <i>Services</i> .....	18
3. <i>Contributions</i> .....	19
<b>7. CONVERTING TO FREEHOLD WITH AGREEMENT .....</b>	<b>21</b>
<b>8. CONVERTING TO FREEHOLD WITH OBJECTING NEIGHBOURS – PARTITION UNDER THE PROPERTY LAW ACT 2007 .....</b>	<b>23</b>
LEGISLATION .....	23
CASES .....	24
MACKENZIE V SMYTHE .....	24
<b>9. CONVERTING TO UNIT TITLE .....</b>	<b>27</b>
<b>10. CONCLUSION.....</b>	<b>31</b>
<b>11. BIBLIOGRAPHY .....</b>	<b>33</b>
<b>12. LEGISLATION APPENDIX .....</b>	<b>35</b>