

10. CANTERBURY CAR CLUB – ASSIGNMENT OF SUBLEASE

The Canterbury Car Club has made application for the Council's consent as head lessor to assign in part its subtenancy to Canterbury Motor Racing School Limited (CMRSL).

The Council's lease to the Canterbury Car Club makes specific provision for a sublease to CMRSL, a business use that includes race car preparation and management, motor racing school and the hire of hospitality suites during events held at Ruapuna. The deed of sublease approved by the Council takes in 1017.2m² and is for a term that will finally expire 28 March 2017.

CMRSL has entered into an agreement to sell what is the racing school side of the business to Aristotle Enterprises Limited the director of which, Andrew Neale, is presently employed by CMRSL and who currently looks after the driver training activities of the business. The building from which the business is conducted belongs to CMRSL. However, the Canterbury Car Club is considering purchasing this building.

The assignment provisions of the Council's lease (head lease) stipulates that any sublease to any body or person other than CMRSL requires the prior written consent of the Council. The Canterbury Car Club is under a positive obligation to ensure that its subtenants observe the covenants of the head lease at all times. The sublease between the Club and CMRSL enables CMRSL to sublet to third parties that fulfil certain qualifications.

The Board was supportive of the request, and **resolved**:

1. To consent to the assignment of the sublease from Canterbury Motor Racing School Limited to Aristotle Enterprises Limited in respect of the Motor Racing School business activity at Ruapuna Park.
2. That the sublease to be recorded in a deed of assignment.
3. That the assignor and assignee meet all costs of the assignment of the sublease as agreed between the parties.