

Crown Pastoral Land Tenure Review

Lease name : BALMORAL

Lease number : PO 265

Due Diligence Report (including Status Report)

This report and attachments results from a pre tenure review assessment of the pastoral lease for the purpose of confirming land available for tenure review and any issues, rights or obligations attaching to it. The information is gathered from files and other sources available to the LINZ contractor.

Part of the information relates to research on the status of the land, resulting in a status report that is signed off by a LINZ approving officer. The remainder of the information is not analysed for relevancy or possible action until required, and LINZ does not guarantee its accuracy or completeness as presented.

The report attached is released under the Official Information Act 1982.

February 05

DUE DILIGENCE REPORT

CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:

File Ref: P0265 Report No: AT2011 Report Date: 11 June 2002
LINZ Ref: CON/50240/09/12674/A-ZNO
Office of Agent: Alexandra LINZ Case No: *TR02/615* Date sent to LINZ: 11 June 2002

RECOMMENDATIONS

- (1) That the Commissioner of Crown Lands or his delegate **note** this Due Diligence Report which has been prepared in accordance with the Pre Tenure Review Assessment Standard.
- (2) That the Commissioner of Crown Lands or his delegate **note** the following incomplete actions which require action by the Manager of Crown Property Contracts.

2.1 The lease base stock limitation was reduced to 4100 sheep (*including not more than 2100 breeding ewes*) plus 25 cattle in 1975. No Variation Memorial was entered on the lease document and the limit on the original lease document continues to be referred to on files (*see folio 310 Attachment 2*).

2.2 The Status Check identifies the Computer Interest Register has a error being the legal description should read part Section 4 Block VIII Maerewhenua Survey District not Section 4. *- Dunedin LT office notified.*

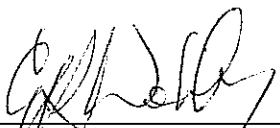
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Signed by DTZ New Zealand Limited:



P Diver:

Approved/~~Declined~~ (pursuant to a delegation from the Commissioner of Crown Lands) by:



Name: GRANT KASPER WEBLEY

Date of decision: 14/6/02

(1) Details of lease:

Lease Name: Balmoral

Location: The lease is located in the headwaters of the north and south branches of the Kakanui River in North Otago. Four areas form a ribbon like chain extending from the homestead at the end of Smith Road 20 km back to Kakanui Peak. Vehicular access to the back section of the property is via the neighboring "Dome Hills" property. The homestead is 40 km from Oamaru, the nearest commercial centre.

Lessee: Murray Wilfred Simpson as to ½ share and Judith Anne Simpson as to ½ share

Tenure: Pastoral lease under the Land Act 1948 and Crown Pastoral Land Act 1998. Pastoral Lease Number 265.

Term: 33 years from 1 July 1993 to 30 June 2026.

Annual Rent: \$3,450 (*ex GST*)

Rental Value: \$230,000

Date of Next Review: 1 July 2004

Land Registry Folio Ref: OT A2/1323

Legal Description: Part Section 4, Part Section 4A and Section 38 Block VIII Maerewhenua Survey District, Part Run 681 and Run 682 being all the land contained in Instrument of Title OT A2/1323.

Area: 4511.0814 hectare

(2) File Search:

Files held by LINZ Christchurch:

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
Po265-SDN-01	1	1	1/3/1939	173	14/8/1963
Po265-SDN-02	2	174	11/10/1963	373	13/10/1978
5200/D14/B07-1-DNO		No number	19/10/1994	No number	19/10/1994

Files held by Agent in Alexandra on behalf of LINZ:

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
Po265 CON/50231/09	3	374	16/11/1978	479	8/6/1999
/12541/A-ZNO	4	1	14/11/1997	1	14/11/1997

With the exception of a very few missing folios the records are complete. Confidence is held that all important data has been searched.

PR1946 over Run 682 of 10.600 acres was drawn by ballot by Mrs Marie J McMurtrie in 1939. The term was for 21 years from 1 March 1939. The area was actually managed by her husband who run the area in conjunction with PR 1987 (*Section 4 Block VIII Maerewhenua Survey District - 653 acres*). Files from 1940 - 1958 contain routine burning permits and much correspondence on rent arrears and profit sharing arrangements.

Prior to lease renewal agreement to remove 100 acres from Section 4 Block VIII Maerewhenua Survey District for a homestead site for Longlands Station, if required, was apparently reached with Mr McMurtrie (*folio 122*). It was proposed to amalgamate the two PR's and an additional small area Section 4A Tokaraki Settlement (*12 acres*) as well as provide riverbank reserves on the north and south branches of the Kakanui River as well as along Deep Stream up to the main junction.

The pastoral lease was approved on that basis for 33 years from 1 July 1960 and broken period with a stock limitation of 4400 sheep (*including not more than 2000 breeding ewes*) and 25 cattle with a restriction of not more than 1000 wethers all year on the top block. A 5 year lease of the 100 acres set aside for Longlands homestead was also granted (*folio 125*).

Action sheets and alteration notices to achieve the above are very confusing due to a number of errors made in relation to the area of Section 4A Block VIII Maerewhenua Survey District and the area taken for riverbank reserve. A request to clarify the situation resulted in an alteration sheet (*folio 168*) to give the correct area.

Mrs McMurtrie fought against the removal of the 100 acres (*later defined as 96 acres*) but eventually accepted it on the condition it was returned if not required by Longlands and the amalgamation of a 1 acre sheep yard area ex Run 681 (*summary of negotiations on folio 184*).

Prolonged negotiations, inspections and defining of the 96 acre area to be taken occurred over the next 4 years holding up issue of the lease. The surrender documents were not signed until 1965.

The original signed pastoral lease was found to have omitted to include the condition of Land Settlement Board approval for a restriction of not more than 1000 wethers all year on the Top Block. A decision was made by the Chief Pastoral Land Officer to waive this condition. The lease was registered in 1965.

Mr McMurtrie died in 1965 and his sons continued to manage the property.

A State Advances Loan for development was approved in 1968 and a personal stock exemption was granted in for 4000 sheep (*including not more than 2350 breeding ewes*) and 80 cattle (*including not more than 50 breeding cows*).

The woolshed burned down in 1972.

A field officer report to the CCL in 1973 (*folio 275*) states that a set of cattle yards had been constructed by McMurtrie across a legal road adjacent to the run but stated it appeared no direct business of the department.

In 1974 the proposal to reincorporate the surrendered 37 ha homestead area (*Section 38*), set aside for Longlands Station, back into the lease was approved and undertaken subject to the registration of an access easement across Run 501 and Run 682 in favour of Run 681. The base stock limitation was altered to 4500 sheep (*including not more than 2200 breeding ewes*). The rent was increased by \$15 per annum.

The lease was transferred to M W Simpson in 1975 and the previous lease stock limitation rescinded and replaced by 4100 sheep (*including not more than 2100 breeding ewes*) plus 25 cattle. A personal limitation was set at 4100 sheep (*including not more than 2100 breeding ewes*) plus 80 cattle (*including not more than 50 breeding cows*). Exemption from residence was granted.

The registration of the transfer was delayed a considerable time awaiting survey and registration of the track easement. These were both completed in 1977.

A personal stock exemption was granted in 1976 for 4250 sheep (*including not more than 2750 breeding ewes*) and 110 cattle (*including not more than 60 breeding cows*).

A Rural Bank Loan for development and a Livestock Incentive Loan taken out in 1977 and a personal stock exemption was granted in 1977 for 5500 sheep (*including not more than 3000 breeding ewes*) and 150 cattle (*including not more than 100 breeding cows*).

A Catchment Board Farm Plan involving access tracking, erosion control fencing, cattle-proofing, windbreaks and close planting of trees was adopted in 1979. The programme involved no retirement, surrender or destocking. A legal agreement was registered on the lease.

A personal stock exemption was granted in 1979 for 6000 sheep (*including not more than 3500 breeding ewes*) and 250 cattle (*including not more than 100 breeding cows*).

A second Rural Bank Loan was taken out in 1979.

In 1980 tracking was approved.

An application to refinance the first mortgage under Marginal Lands Finance was made in 1980 but was turned down.

An overburn on the lease was investigated in 1980 but no action taken.

A 2.7 km erosion control fence was added to the farm plan programme in 1981.

Mr Simpson applied for a Prospecting Licence over Section 4 Block VIII Maerewhenua Survey District in 1981 but does not appear to have followed up the enquiry with Mines Department.

A personal stock exemption was granted in 1981 for 7000 sheep (*including not more than 3700 breeding ewes*) and 250 cattle (*including not more than 150 breeding cows*).

M W Simpson transferred ½ share to his wife J A Simpson under the Matrimonial Property Act in 1987.

Almost every year since 1974 a regular burning programme has been carried out on the lease.

A second stage Farm Plan programme was started in 1985 and a legal agreement registered.

In 1989 the PNA survey for the Dansey Ecological District was completed and identified a small area around Kakanui Peak on the lease as having botanical values.

The lease was renewed for 33 years from the 1 July 1993 with annual rent of \$3,450 based on a rental value of \$230,000.

From 1993 to the current date only annual processing of burning consents make up file data.

(3) Summary of lease document:

Terms of lease:

The commencement date of the pastoral lease on Crown files is in agreement with the Lease Document (*OT A2/1323*).

The lease was issued on 1 July 1960 under the Land Act 1948 for a term of 33 years and covered the period from 1 March to 1 July 1960. The lease was renewed for a further 33 years commencing on 1 July 1993.

No non-standard conditions are recorded

Original Lease Stock Limit:

4400 Sheep (*including not more than 2000 breeding ewes*)
25 Cattle

Reduced to 4100 sheep (*including not more than 2100 breeding ewes*) plus 25 cattle in 1975 (*see Attachment 4*). No variation memorial was entered on the lease document.

Personal Stock Exemption:

7000 Sheep (*including not more than 3700 breeding ewes*)
250 Cattle (*including not more than 150 breeding cows*)

Renewals and variations:

425470 Registered on 5 July 1974 (*increasing lease area by 37.7622 ha and the rental by \$15 - the rental increase is of historical note only*).

883899/2 Memorial renewing the term of the lease registered on 9 June 1995. (*Renewing the term for a further period of 33 years commencing on 1 July 1993 and fixing for the first 11 years the annual rent at \$3,450 calculated on a rental value of \$230,000*).

Area adjustments:

Original lease area	1142 acres	0 roods	0 perches	
Surrender Pt Section 4	96 acres	0 roods	0 perches	CA291065
Incorporation Pt 4A and Pt Run 681	5 acres	0 roods	0 perches	CA291066
Certifying correct area (<i>redefinition</i>)		4473.3192 ha		CA425469
Incorporation Section 38 Block VIII		<u>37.7622 ha</u>		CA425470
Total area		4511.0814 ha		

The lease document and changes of area are in agreement with the area currently used in agent's files, the Computer Interest Register cover sheet and the Status Check.

A full area reconciliation sheet of area in previous instruments of title and the current lease is contained in the Status Check and no errors could be detected.

Registered interests:

Mortgages:

553160.1 Mortgage to National Bank of New Zealand Limited, 29 April 1981.

Other Interests:

484690/8 Appurtenant hereto is a right of way over part of Run 681 (*CT A2/1277*) and Run 504 (*CT 386/49*) shown on SO 18336, SO 18337 and SO 18338, 13 September 1977 (*access easement in favour of Dome Hills Limited over Part Run 681 and Run 504 to the hill country of Run 681. This easement exits from Balmoral Road and travels down the boundary of Run 504 and 681 to the North Branch of the Kakanui River then climbs out across the Kakanui Spur across Run 681. Only a very small section of this easement enters on the Balmoral lease as a dogleg in Deep Creek*).

No Land Improvement Agreement is registered on the lease.

No Electricity Agreement is registered on the lease.

No mining or prospecting licences are registered.

No Compensation Certificates are registered.

No recreation permits are currently issued affecting the lease.

(4) Summarise any Government programmes for the lease:

Two Otago Catchment Board farm plan programmes were carried out on the properties between 1979 and 1990 and two legal agreements registered on the lease document.

Both programmes involved access tracking, erosion control fencing, cattle-proofing, windbreaks and close planting of trees. The programme involved no retirement, surrender or de-stocking or enforceable grazing controls. The works progressed slowly but the majority were completed.

Both legal agreements have been discharged from the lease document.

These contain no issues that would affect tenure review.

No Rabbit and Land Management Plan was undertaken on the property.

(5) Summary of Land Status Report:

Copy attached as Schedule A.

5.1 The Pastoral Lease:

The Land Status Report confirms the Crown Land Status under the Land Act 1948 and Crown Pastoral Land Act 1998 subject to PL registered as CIR OT A2/1323.

It records two encumbrances on the lease being:

- 484690.8 Transfer Right of Way over part Run 681 (CT A2/1277) and Run 504 (CT OT386/49) shown on SO 18336, SO 18337 and SO 18338.
- Subject to Part IVA Conservation Act 1987 upon disposition.

These agree with the lease details section of this report.

The legal description is confirmed as that being used in this Due Diligence Report.

The Crown retains minerals ownership.

The area is confirmed as 4511.0814 ha.

The lease is subject to Section 24 (9) and Section 24 (F) of part IVA the Conservation Act 1987 (*defined on SO 2291*). *This shows marginal strips, having all been originally created at lease issue in 1960, if moved, are subject to these sections of that Act*).

The Status Check does not identify any recreation permits or DoC concessions on the lease.

No recorded mining interests noted.

DoC administered land adjoining the area on Kakanui Peak was identified by a letter from their Christchurch office (*recognised in this report see Section 7 - Details of neighbouring Crown or conservation land*).

Issues identified requiring possible future investigation at the Due Diligence stage were:

- (1) *Explanation is given as to why the legal description should read part Section 4 Block VIII Maerewhenua Survey District not Section 4 - no comment required.*
- (2) *A woolshed area of one acre was included on Run 682 on SO plans 2290 and 2291. It was not included in CT 337/143, being the original title of Run 282. Consequently, when this title was amalgamated with CT No 337/184 to produce CT no 451/139, the woolshed was excluded from this title and the present title, A2/1323 (from file search - folio184 - it appears that this area was a "sheep yard" area used by the lease on PT 681 that was fenced back into it, but later surrendered and incorporated into Run 682 in 1965 as part of CA 291966. It thus is accounted for in the current lease area).*

5.2 Other Land:

None reported on.

(6) Review of topographical and cadastral data:

The topographical map shows no water races on any of the various blocks within the lease.

Smith Road linking with the homestead on the lowest block (*Part Section 4 Block VIII*) is shown as a tar sealed road right to the homestead. This then passes through the lower block to become the gravel Balmoral Road that travels through neighbouring properties to terminate at the lowest of the three higher blocks (*Part run 681*). No other formed roads are shown affecting the property.

No National Grid or local supply electricity pylons cross the lease.

There is no internal farm access track system shown. Only two short sections are shown within the lease on Run 682. Both of these appear to be accessed from a neighbouring property (*Part Run 681 "Dome Hills"*) on a track that roughly follows the main Kakanui Spur.

No airstrips, transmission sites, are evident within the lease boundary.

The fenced boundaries appear to closely follow their legal line with the exception of a small area of approximately 20 ha near Trig G near the bottom of Run 682 which is shown as fenced into the lease from the adjacent Run 681 "Dome Hills". It appears Deep Creek and the South Branch of the Kakanui River are used as natural boundaries for Run 682 along its eastern boundary.

No huts are shown on Run 682 except the Balmoral huts and yards near Part Run 681 at the end of Balmoral Road. The homestead area (*Part Section 4 and Section 38 Block VIII*) shows a series of six structures (*unnamed*) alongside Smiths Road that are taken to be the homestead buildings, haybarns and yards.

The Cadastral shows marginal strips on the south-eastern lease boundary for the full length of Deep Creek, including where it separates the two hill blocks of Run 682, and on the South Branch of the Kakanui River. No marginal strip is marked on the very short length of the North Branch of the Kakanui River that bounds Run 682. The diagram appears to have a marginal strip marked but it is not identified on words.

The homestead block has a marginal strip marked on the Awamoko Stream on Part Section 4A Block VIII Maerewhenua Survey District.

One legal road is shown terminating on the south-western upper boundary of the lease on Kakanui Peak. No formed or farm track following the legal line is shown on the topo maps on this line.

A second is marked ascending the sunny face above the North Branch of the Kakanui River on Part Run 681 (*Dome Hills*) terminating at the lease boundary on the ridge top. A farm track is marked on the topo maps following this legal line.

The legal road "Smith Road" adjoins and passes through the homestead block (*Part Section 4 and 4A and Section 38 Blk VIII Maerewhenua Survey District*). The lower section is fenced and tar sealed but changes to gravel past the homestead. The existing road appears to be on its legal line.

The small Balmoral Hut block (*Part Run 681 and Run 682, near the crossing of the north branch of the Kakanui River*) is skirted around by a legal road called the "Balmoral Road" which crosses the river with a short section to link up with the southern boundary of the next part of Run 682. The first section of road to the hut area is marked as formed gravel road on its approximate legal line on the topo map. Most of the rest is marked with no road or a farm track only very generally on its legal line. Another legal road is shown terminating at the boundary of this block on the highest point. No formed road or track was identified in this area.

The Proposed and Transitional Waitaki District Scheme Plans have no sites marked or issues that would affect the tenure review process.

(7) Details of neighbouring Crown or Conservation land:

A conservation area (*I41089 - Kakanui Peak of 690 ha*) adjoins the lease on the southern boundary at Kakanui Peak. This area is identified as having flora and landscape values.

Marginal strips exist on the south-eastern lease boundary for the full length of Deep Creek, including where it separates the two hill blocks of Run 682, and on the South Branch of the Kakanui River. A marginal strip is identified on the Department of Conservation map supplied by their Christchurch office contained in the Status Check on the very short length of the North Branch of the Kakanui River that bounds Run 682. The homestead block has a marginal strip on the Awamoko Stream on Part Section 4A Block VIII Maerewhenua Survey District.

No other Crown land has been identified within or adjoining the lease.

(8) Summary of uncompleted actions or potential liabilities:

- 8.1 The lease base stock limitation was reduced to 4100 sheep (*including not more than 2100 breeding ewes*) plus 25 cattle in 1975. No variation memorial was entered on the lease document and the limit on the original lease document continues to be referred to on files (*see folio 310 Attachment 2*).
- 8.2 The Status Check identifies the Computer Interest Register cover sheet has an error being the legal description should read Part Section 4 Block VIII Maerewhenua Survey District not Section 4.

The following issues are brought to your attention to note only:

The Status Check identifies a "woolshed" of 1 acre was included on Run 682 from Run 681 on SO plans 2290 and 2291. However, it was not included in CT 337/143, being the original title of Run 282. Consequently, when this title was amalgamated with CT 337/184 to produce CT 451/139, the woolshed was excluded from this title and the present title, A2/1323". From file search confidence is held that this refers to the 1 acre "sheep yards", Part Run 681, re-incorporated into the lease in 1965 (CA 291066) and is therefor accounted for in the current lease area.

No marginal strip is marked on the Status Check cadastral and topographical maps on the very short length of the North Branch of the Kakanui River that bounds Run 682. The diagram appears to have a marginal strip marked between the legal road and the Run but it is not identified by words.

A small area of approximately 20 ha near Trig G near the bottom of Run 682 is as fenced into the lease from the adjacent Run 681 "Dome Hills".

An access easement exists affecting the lease, Memorial 484690.8.

ATTACHMENTS:

- Schedule A. - Status Check.
- Attachment 1 - Recent Copy of Lease Document OT A2/1323.
- Attachment 2 - Folio 310 - revision of base stock limitation.

SCHEDULE A:

Status Check.

KNIGHT FRANK (NZ) LIMITED

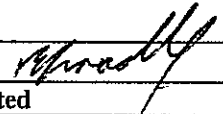
Appendix A

This report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50268 dated September 2001 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

LAND STATUS REPORT for BALMORAL				[LIPS ref.12541]
Property	1	of	1	

Land District	Otago
Legal Description	Part Section 4, Part Section 4A and Section 38 Block VIII Macrewhenua S.D., Part Run 681 and Run 682.
Area	4511.0814 hectares.
Status	Crown land subject to The Land Act 1948.
Instrument of lease	Balance CIR OT A2/1323.
Encumbrances	Right of Way over part Run 681 (CT A2/1277) and Run 504 (CT OT 386/49) shown on SO 18336, SO 18337 and SO 18338 created by Transfer 484690.8 Subject to Part IVA of Conservation Act 1987.
Mineral Ownership	Minerals remain with the Crown as the land has never been alienated since its acquisition for settlement purposes from the former Maori owners under the Kemp Deed of Purchase (1848).
Statute	Land Act 1948 & Crown Pastoral Land Act 1998.

Data Correct as at	11 March 2002
[Certification Attached]	Yes

Prepared by	Murray Bradley 
Crown Accredited Agent	Knight Frank (NZ) Limited

KNIGHT FRANK (NZ) LIMITED

Appendix B

This land status report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50268 dated September 2001 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

LAND STATUS REPORT for BAMORAL				[LIPS ref.12541]
Property	1	of	1	

Land District	Otago
Legal Description	Part Section 4, Part Section 4A and Section 38 Block VIII Maerewhenua S.D., Part Run 681 and Run 682.
Area	4511.0814 hectares.
Status	Crown Land subject to The Land Act 1948.
Instrument of lease	Balance CIR OT A2/1323.
Encumbrances	Right of Way over part Run 681 (CT A2/1277) and Run 504 (CT OT 386/49) shown on SO 18336, SO 18337 and SO 18338 created by Transfer 484690.8. Subject to Part IVA of Conservation Act 1987.
Statute	Land Act 1948 & Crown Pastoral Land Act 1998.

Data Correct as at	11 March 2002
[Certification Attached]	Yes

Prepared by	Murray Bradley
Crown Accredited Agent	Knight Frank (NZ) Limited

Certification:

Pursuant to section 11(1)(i) of the Survey Act 1986 and acting under delegated authority of the Surveyor-General pursuant to section 11 (2) of that act, I hereby certify that the land described above is; Crown Land subject to the Land Act 1948.

M H Warburton
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Date *16* / *4* / 2002

Max Warburton, Chief Surveyor
Land Information New Zealand, Dunedin

BALMORAL RESEARCH - Property 1 of 1

Notes : This information does not affect the status of the land but was identified as possibly requiring further investigation at the due diligence stage : See Crown Pastoral Standard 6 paragraph 6	<p>(1) Section 4 Block VIII Maerewhenua S.D. was incorporated into the lease under CT No. 451/139, the land previously being in CT No. 337/184. Part of Section 4 Block VIII Maerewhenua S.D., 96 acres was surrendered from CT 45/139 on 15 September 1965 under No. 291065. Consequently, the legal description in CT A2/1323 should be part Section 4 Block VIII Maerewhenua S.D. and not Section 4.</p> <p>(2) A woolshed of 1 acre was included in Run 682 on SO for Plans 2290 and 2291. However, it was not included in CT No. 337/143, being the original title Run 682.</p>
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	Consequently, when this title was amalgamated with CT No.337184 to produce CT No. 451/139, the woolshed was excluded from this title and the present title, A2/1323.
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LAND STATUS REPORT for BALMORAL	[LIPS ref.12541]
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Property	1	of	1
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Research Data: Some Items may be not applicable

Property	1	of	1	
SDI Print Obtained				Yes
NZMS 261 Ref				I41.
Local Authority				Waitaki District Council.
Crown Acquisition Map				Kemp Deed of Purchase.
SO Plan				SO 2290 (1938) – Subdivision of Run 134A Kakanui S.D. and defines Runs 681 and 682. SO 2291 (1938) – Subdivision of Run 134A Kakanui S.D. and defines Runs 681 and 682. SO 9097 (1938) – Run 134A now Run 682 on SO 2290. SO 2244 (1897) – Defines Sections 4 and 4A on Block VIII Maerewhenua S.D. SO 16408 (1967) – Defines Section 38 Block VIII Maerewhenua S.D.
Relevant Gazette Notices				N/A
CT Ref / Lease Ref				Balance CIR OT A2/1323.
Legalisation Cards				SO 2290 – The legalisation card records that if the Deep Creek or Kakanui River has moved, Run 681 may be effected by Section 24(9) and Section 24 (F) of Part IVA of The Conservation Act 1987. SO 2291 – The legalisation card records that if the Deep Creek or Kakanui has moved, Run 681 may be effected by Section 24(9) and Section 24(F) of Part IVA of The Conservation Act 1987. The card also records that Run 681 is subject to the provisions of marginal strips pursuant to Section 24(9) of The Conservation Act 1987. SO 2244 – The card exists but only refers to Section 25 of Block VIII Maerewhenua S.D. SO 16408 and SO 9097 – There are no legalisation cards
CLR				The Crown Land register records the following: SO Plans: 2244, 2290, 16408. CT: A2/1323. All other references refer to incorporations and surrenders from the lease.

Allocation Maps (If Applicable)	A check of the SOE/DOC/UCL Allocation Schedules revealed no allocations within the lease.
VNZ Ref - if known Crown Grant Maps	26080-27406 and 26080-24200. It was not possible to identify the Runs 681 and 682 or Sections 4, 4A and 38 Block VIII, Maerewhenua S.D. on the Crown Grant Maps for the Maerewhenua S.D.
If Subject land Marginal Strip: a) Type [Sec 24(9) or Sec 58] b) Date Created c) Plan Reference	(a) Subject to Section 24(9) and Section 24(F) of The Conservation Act 1987. (b) 1 July 1993. (c) SO 2291.

LAND STATUS REPORT for BALMORAL				[LIPS ref.12541]
Property	1	of	1	

Research – continued

Property	1	Of	1	
If Crown land - Check Irrigation Maps.				N/A
Mining Maps				There are no mining interests recorded within the boundaries of the pastoral lease.
If Road a) Is it created on a Block Plan - Section 43(1)(d) Transit NZ Act 1989 b) By Proc c) Plan No				Crown grant and Section 110A of the Public Works Act 1928.
Other Relevant Information a) Concessions - Advice from DOC or Knight Frank. b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998. c) Mineral Ownership (d) Other Information				a)NIL. b)Subject to Part 9 of The Ngai Tahu Claims Settlement Act 1998. c)Mines and minerals are owned by the Crown because the land has never been alienated since its acquisition for settlement purposes from the former Maori owners under the Kemp Deed of Purchase (1848). Contained in (provide evidence): CT No's 337/143 and 337/184 and 451/139 being the earliest leases issued after the establishment of Runs in the Otago Land District. d)(1) Section 4 Block VIII Maerewhenua S.D. was incorporated into the lease under CT No. 451/139, the land previously being in CT No. 337/184. Part of Section 4 Block VIII Maerewhenua S.D., 96 acres was surrendered from CT 45/139 on 15 September 1965 under No. 291065. Consequently, the legal description in CT A2/1323 should be part Section 4 Block VIII Maerewhenua S.D. and not Section 4. (2) A woolshed of 1 acre was included in Run 682 on SO Plans 2290 and 2291. However, it was not included in CT No. 337/143, being the original title for Run 682. Consequently, when this title was amalgamated with CT No.337184 to produce CT No. 451/139, the woolshed was excluded from this title and the present title, A2/1323.

BALMORAL PASTORAL LEASE

RECONCILLIATION OF AREA IN LEASE

Run 682 Kakanui S.D. CT 337/143 (1.3.1939)	10,600 acres	
Less, Riverbank Reserve – SO 2291	<u>111 acres</u>	
	10,489 acres	
Plus Section 4 Block VIII Maerewhenua S.D. CT 337/184 (9.12.1942)	<u>653 acres 20 perches</u>	
	11,142 acres 20 perches	
CT No. 451/139 issued for Run 682 Kakanui S.D. and Section 4 Block VIII Maerewhenua S.D. (1.3.1965).	11,142 acres 20 perches	
Less, surrender of part Section 4 Block VIII Maerewhenua S.D. No. 291065 (15. 9.1965)	<u>96 acres</u>	
	11,046 acres 20 perches	
Plus Certificate of Alteration incorporating Part Section 4A Block VIII Maerewhenua S.D. (4 acres) and Part Run 681 Kakanui S.D. (1 acre) No. 291066 (15. 9.1965)	<u>5 acres</u>	
	11,051 acres 20 perches	4472.2316 ha
15. 9.1965. CT 45/139 cancelled and CT A2/1323 issued.		
Certificate of Alteration No. 425469 certifying that the correct area of the lease is now		4473.3192 ha
Plus, Certificate of Alteration incorporating Section 38 Block VIII Maerewhenua S.D. No. 425470 (5. 7.1974).	<u>37.7622 ha</u>	
		4511.0814 ha
The correct legal description is Part Section 4, Part Section 4A and Section 38 Block VIII Maerewhenua S.D., Part Run 681 and Run 682.		

AREA AS RECORDED IN PRESENT LEASE

Part Section 4, Part Section 4A and Section
38, Block VIII Maerewhenua S.D., Part Run 681 and
Run 682.

CT A2/1323

(15.9.1965)

Area in Metric

:

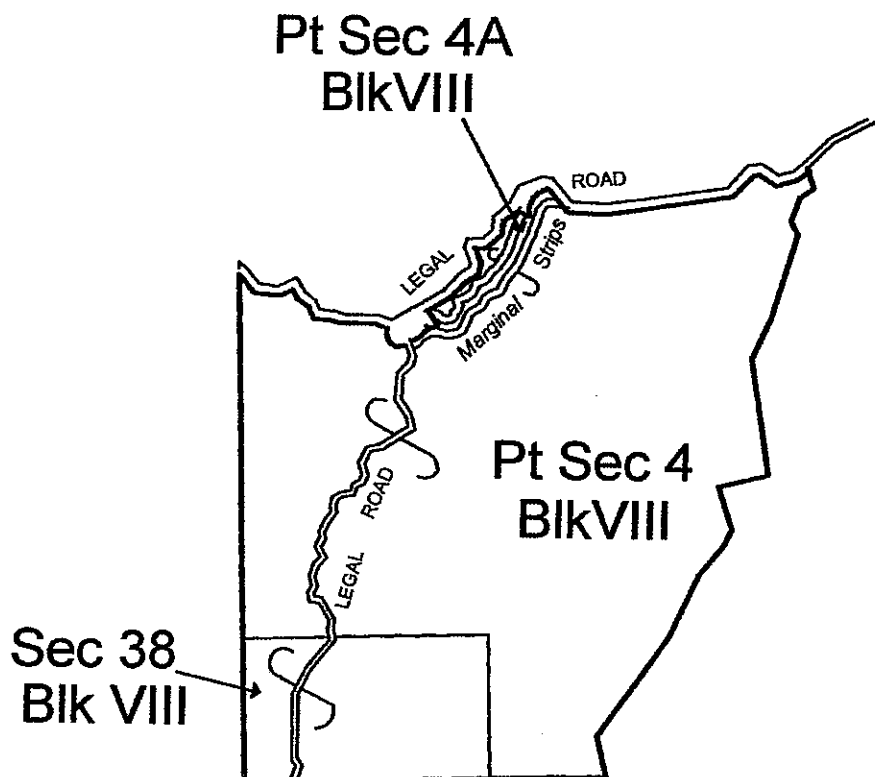
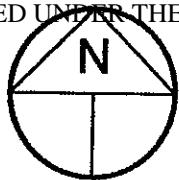
4511.0814 ha

Area in CT

:

4511.0814 ha

(CT A2/1323)



Marginal Strip Subject to Sec 24(9)
Conservation Act 1987 -----

Version	1	2	3	4	5
Otago Land District Topographic map 260 - I41, I42			Sheet 2 of 2 Date:28/05/02		

ATTACHMENT 1:

Recent Copy of Lease Document OT A2/1323.



COMPUTER INTEREST REGISTER UNDER LAND TRANSFER ACT 1952



Search Copy

R. W. Muir
Registrar-General
of Land

Identifier **OTA2/1323**
Land Registration District **Otago**
Date Registered 15 September 1965 02:32 pm

Part-Cancelled

241

Prior References

OT337/143 OT337/184

Type	Lease under s83 Land Act 1948	Term	33 years commencing on the first day of July 1960 and renewed for a further 33 years commencing on the 1st of July 1993
Area	4511.0814 hectares more or less		

Legal Description Section 4 Block VIII Maerewhenua Survey District, Run 682, Part Section 4A Block VIII Maerewhenua Survey District, Part Run 681 and Section 38 Block VIII Maerewhenua Survey District

Proprietors

Murray Wilfred Simpson as to a 1/2 share

Judith Anne Simpson as to a 1/2 share

Interests

291065 Surrender of Lease as to part Section 4 Block VIII Maerewhenua Survey District (Area 96 acres) hatched red on plan hereon - 15.9.1965 at 2.34 pm

425470 Certificate of Alteration increasing the Annual Rent by \$15.00 - produced 5.7.1974 at 10.55 am

Appurtenant hereto is a right of way over part of Run 681 (CT A2/1277) and Run 504 (CT OT386/49) shown on SO 18336, SO 18337 and SO 18338 created by Transfer 484690.8 - 13.9.1977 at 11.13 am

553160.1 Mortgage to The National Bank of New Zealand Limited - 29.4.1981 at 11.43 am

883899.2 Memorandum renewing the term of the within lease for a further term of 33 years commencing on the 1st of July 1993 and fixing (for the first 11 years) and annual rent at \$3450 calculated on a rental value of \$230,000 - 9.6.1995 at 10.29 am

883899.5 Variation of Mortgage 553160.1 - 9.6.1995 at 10.29 am

entifier

OTA2/1323

poration of New Zealand
9.1968 at 10.53 am with consent :
Caveator in 042539.

779 Mortgage to Wright Stephenson
Company Limited - 17.9.1968
10.53 am with consent of Caveator
Caveat 302539

030 Forestry Encouragement Agreement
suant to Section 8 of the Forestry
ouragement Act 1962 - 6.2.1970 at
15 am with consent of Caveator

iation of Mortgage 305531
.1971 at 11.15 am

A.L.R.

A.L.R.

KAKANUI S.D.

Run 681

Run 682
10489 . 0 . 00

Run 571

Run 203^c

VINBURN
S.D.

Total Area: 11,142 . 0 . 20

Now Sec 38
37.7622 ha
incorp. 425470

Pt. 7a

NAURU S.



COMPUTER INTEREST REGISTER UNDER LAND TRANSFER ACT 1952



Historical Search Copy

R. W. Muir
Registrar-General
of Land

Identifier

OTA2/1323

Part-Cancelled

Land Registration District

Otago

Date Registered

15 September 1965 02:32 pm

ILL

Prior References

OT337/143 ✓

OT337/184 ✓

Type

Lease under s83 Land Act 1948

Area

4511.0814 hectares more or less

Term

33 years commencing on the first day of
July 1960 and renewed for a further 33 years
commencing on the 1st of July 1993

Legal Description

Section 4 Block VIII Maerewhenua Survey
District, Run 682, Part Section 4A Block
VIII Maerewhenua Survey District, Part
Run 681 and Section 38 Block VIII
Maerewhenua Survey District

Original Proprietors

Murray Wilfred Simpson as to a 1/2 share

Judith Anne Simpson as to a 1/2 share

Interests

291065 Surrender of Lease as to part Section 4 Block VIII Maerewhenua Survey District (Area 96 acres) hatched red on plan hereon - 15.9.1965 at 2.34 pm

425470 Certificate of Alteration increasing the Annual Rent by \$15.00 - produced 5.7.1974 at 10.55 am

Appurtenant hereto is a right of way over part of Run 681 (CT A2/1277) and Run 504 (CT OT386/49) shown on SO 18336, SO 18337 and SO 18338 created by Transfer 484690.8 - 13.9.1977 at 11.13 am

553160.1 Mortgage to The National Bank of New Zealand Limited - 29.4.1981 at 11.43 am

883899.2 Memorandum renewing the term of the within lease for a further term of 33 years commencing on the 1st of July 1993 and fixing (for the first 11 years) and annual rent at \$3450 calculated on a rental value of \$230,000 - 9.6.1995 at 10.29 am

883899.5 Variation of Mortgage 553160.1 - 9.6.1995 at 10.29 am

stored in Vol. 337 fol. 143
337 184

OTAGO
LAND DISTRICT

Entered in the Register-book, Vol. 451 fol. 139
the 15TH day of SEPTEMBER

REGISTER

Pastoral Lease of Pastoral Land under the Land Act, 1948

No. F.265

REGISTER

This Deed, made the first day of March
between His Majesty THE KING (who, with his heirs and successors, is hereinafter referred to as "the Lessor"), of the one part, and MARY JOSEPHINE McKEURIE wife of John McKeurie of Tokarahi

one thousand nine hundred and sixty
of Tokarahi
Farmer (who, with his executors, administrators, and permitted assigns, is hereinafter referred to as "the Lessee"), of the other part, WITNESSETH that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements herein contained or implied and on the part of the Lessee to be paid, observed, and performed, the Lessor doth hereby demise and lease unto the Lessee all those pieces or parcels of land containing by admeasurement 11,142 acres and 20 perches, a little more or less, situated in the Land District of Otago, and being Section 1, Block VIII, Macraethorn Survey District situated in Tokarahi Settlement and Run 682 Macraethorn Survey District

See Diagram on Separate Sheet

(hereinafter referred to as "the said land"), as the same is more particularly delineated in the plan drawn hereon and therein coloured red in outline; together with the rights, easements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of thirty-three years, commencing on the first day of July one thousand nine hundred and sixty together with the period between the date of this lease and the aforesaid first day of July, one thousand nine hundred and sixty. Yielding and paying therefor during the said term unto the Department of Lands and Survey at the Principal Land Office for the said Land District of Otago the clear annual rent of Four hundred and Fifty-five pounds (£455: -) payable without demand by equal half-yearly payments in advance on the 1st day of January and the 1st day of July in each and every year during the said term. And also paying in respect of the improvements specified in the Schedule hereto the sum of (£) (the receipt of which sum is hereby acknowledged) and thereafter by (£) half-yearly instalments of pounds and pence (£) on the 1st day of January and the 1st day of July in each year in the same manner as rent.

AND the Lessee doth hereby covenant with the Lessor as follows, that is to say:-

1. THAT the Lessee will fully and punctually pay the rent hereinafter reserved at the times and in the manner hereinbefore named in that behalf; and also will pay and discharge all rates, taxes, assessments, and outgoings whatsoever that now are or hereafter may be assessed, levied, or payable in respect of the said land or any part or parts thereof during the said term.
2. THAT the Lessee will within one year after the date of this lease take up his residence on the said land, and thereafter throughout the term of the lease will reside continuously on the said land.
3. THAT the Lessee will hold and use the said land bona fide for his own use and benefit and will not transfer, assign, sublet, mortgage, charge, or part with possession of the said land or any part thereof without the previous approval of the Land Settlement Board: Provided that such approval will not be necessary in the case of a mortgage to the Crown or to a Department of State.
4. THAT the Lessee will at all times farm the said land diligently and in a husbandlike manner according to the rules of good husbandry and will not in any way commit waste.
5. THAT the Lessee will throughout the term of his lease to the satisfaction of the Commissioner of Crown Lands for the Land District of Otago (hereinafter referred to as "the Commissioner") cut and trim all live fences and hedges, clear and keep clear the said land of all noxious weeds, and will comply strictly with the provisions of the Noxious Weeds Act, 1950.
6. THAT the Lessee will keep the said land free from wild animals, rabbits, and other vermin, and generally comply with the provisions of the Rabbit Nuisance Act, 1925.
7. THAT the Lessee will clean and clear from weeds and keep open all creeks, drains, ditches, and watercourses upon the said land, including any drains or ditches which may be constructed by the Commissioner after the commencement of the term of the lease; and will not at any time without the prior consent of the Commissioner alter the channel of any such creek or watercourse or stop or divert the water flowing therein.
8. THAT the Lessee will at all times during the said term repair and maintain and keep in good substantial repair, order, and condition all improvements belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land, and will not, without the prior written consent of the Commissioner, pull down or remove them or any part of them.
9. THAT the Lessee will insure all buildings belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land to their full insurable value in the name of the Commissioner in some insurance office approved by the Commissioner and will pay all premiums falling due under every such insurance policy and deposit with the Commissioner every such policy and, not later than the forenoon of the day on which any such premium becomes payable, the receipt for that premium.
10. THAT the Lessee will not throughout the term of his lease without the prior consent of the Commissioner, which consent may be given on such terms and conditions (including the payment of royalty) as the Commissioner thinks fit, fell, cut, or remove any timber, tree, or bush growing, standing, or lying on the said land, and that he will throughout the term of the lease prevent the destruction of any such timber, tree, or bush unless the Commissioner otherwise approves: Provided that the consent of the Commissioner as aforesaid shall not be necessary where any such timber or tree is required for any agricultural, pastoral, household, roadmaking, or building purpose on the said land nor where the timber or tree has been planted by the Lessee.
11. THAT the Lessee shall not, except for the purpose of complying with any of the provisions of the Noxious Weeds Act, 1950, burn any tussock, scrub, fern, or grass on the said land, nor permit any tussock, scrub, fern, or grass on the said land to be burned, unless he shall have obtained the prior consent in writing of the Commissioner, which consent may be given subject to such terms and conditions as the Commissioner may deem necessary.
12. THAT officers and employees of the Department of Internal Affairs shall at all times have a right of ingress, egress, and regress over the land comprised in this lease for the purpose of determining whether such land or any adjoining land is infested with deer, wild goats, wild pigs, opossums, or other animals which the said Department is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers and employees in the performance of the said duties shall at all times avoid undue disturbance of the Lessee's stock.
13. THAT the Lessee shall not exercise the right of stocking the said land with any stock.
14. See back sheet.

AND it is hereby agreed and declared by and between the Lessor and the Lessee:-

- (a) THAT the Lessee shall have the exclusive right of pasturage over the said land, but shall have no right to the soil.
- (b) THAT the Lessee shall have no right, title, or claim whatsoever to any minerals (within the meaning of the Land Act, 1948) on or under the surface of the soil of the said land, and all such minerals are reserved to His Majesty together with a free right of way over the said land in favour of the Commissioner or of any person authorized by him and of all persons lawfully engaged in the working, extraction, or removal of any mineral on or under the surface of the said land or any adjacent land of the Crown, subject to the payment to the Lessee of compensation for all damage done to improvements on the said land belonging to the Lessee in the working, extraction, or removal of any such minerals: Provided that there shall be no right of way over, or right to work, extract, or remove any mineral from, any part of the said land which is for the time being under crop or used or situated within 50 yards of a yard, garden, orchard, vineyard, nursery, or plantation, or within 100 yards of any building or dwellinghouse: Provided also that the Lessee may, with the prior consent in writing of the Commissioner, which consent may be given subject to such conditions as the Commissioner thinks fit, use any such minerals for any agricultural, pastoral, household, roadmaking, or building purpose on the said land, but not otherwise.
- (c) THAT upon the expiration by effluxion of time of the term hereby granted and thereafter at the expiration of each succeeding term to be granted to the Lessee the outgoing Lessee shall have a right to obtain, in accordance with the provisions of section 65(3) of the Land Act, 1948, a new lease of the land hereby leased at a rent to be determined in the manner prescribed by Part VIII of the said Act for a term of thirty-three years computed from the expiration of the term hereby granted and subject to the same covenants and provisions as this lease, including this present provision for the renewal thereof and all provisions ancillary or in relation thereto.

Vol. A2 Folio 1323

RECEIVED UNDER THE OFFICIAL INFORMATION ACT
except as to colour and scale (Sheet 2
of the sheets for memorials see
sheet 1)

REGISTER MAEREWHENUA

331878 Mortgage to The State Advances
Corporation of New Zealand
17.9.1968 at 10.53 am with consent
of Caveator in 302539.

320779 Mortgage to Wright Stephenson
and Company Limited - 17.9.1968
at 10.53 am with consent of Caveator
in Caveat 302539.

351030 Forestry Encouragement Agreement
pursuant to Section 8 of the Forestry
Encouragement Act 1962 - 6.2.1970 at
11.15 am

Variation of Mortgage 305531
6.9.1971 at 11.15 am

A.L.R.

A.L.R.

KAKANUI S. D.

Run 681

Run 682
10489 . 0 . 00

Run 571

Run 203

SWINBURN
S. D.

Total Area: 11,142 . 0 . 20

11,046	0	20	2910
5	0	20	2910
11,051	0	20	2910
4472.2316	ha		
4473.3192	ha	425469	
+37.7622	ha	425470	
4511.0814	ha		

Scale 1:10000
Chains 0 50 100 150 200

C.T. A2/1323

396485 Evidence of the change of name of Wright Stephenson & Co. Limited in Mortgage 320779 to NMA Wright Stephenson Holdings Limited entered 11.12.1972 at 11.4 am

484690/9 Transfer to Murray Wilfred Simpson of Kia Ora Farmer - 13.9.1977 at 11.13 am

396486 Mortgage to Wrightson NMA Limited - 11.12.1972 at 11.5 am

484690/10 Mortgage to Ongley Grater & Rowley Nominees Limited - 13.9.1977 at 11.13 am

402799 Mortgage to The State Advances Corporation of New Zealand - 7.5.1973 at 9.17 am

484690/11 Mortgage to The Rural Banking and Finance Corporation of New Zealand - 13.9.1977 at 11.13 am

425469 Certificate of Alteration certifying the correct area of the within Lease is now 4473.3192 hectares from and after 30.6.1973 produced 5.7.1974 at 10.54 am

484690/12 Mortgage to The Rural Banking and Finance Corporation of New Zealand - 13.9.1977 at 11.13 am

513383 Land Improvement Agreement under the Soil Conservation and Rivers Control Act 1941 - 23.3.1979 at 2.3 pm

425470 Certificate of Alteration incorporating in with lease Section 38 Block VIII Maerewhenua District (37.7622 ha) hatched black on diagram herein and increasing the Annual Rent by \$15.00 produced 5.7.1974 at 10.55 am

531466 Caveat by The Rural Banking and Finance Corporation of New Zealand - 14.9.1980 at 11.30 am

430390 Mortgage to The State Advances Corporation of New Zealand - 30.9.1972 at 11.13 am

541882/2 Variation of Mortgage 484690A/- 19.9.1980 at 2.31 pm

484690/2 Evidence of the Change of Name of Mortgagee in Mortgage 320779 to Challenge Corporation Limited entered 13.9.1977 at 11.12 am

541882/4 Mortgage to The Rural Banking and Finance Corporation of New Zealand - 19.9.1980 at 2.31 pm

553160/1 Mortgage to The National Bank of New Zealand Limited - 29.4.1981 at 11.43 am

Appurtenant hereto is a right of way over part of Run 681 (C.T. A2/1277) and Run 504 (C.T. 386/49) shown on S.O. 18336, S.O. 18337 and S.O. 18338 created by Transfer 484690/8 - 13.9.1977 at 11.13 am

553160/2 Memorandum of Priority ranking Mortgage 553160/1 as first mortgage Mortgage 484690A/1 as second mortgage Mortgage 484690A/2 as third mortgage and Mortgage 541882/4 as fourth mortgage - 29.4.1981 at 11.44 am

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

DISCHARGED

62805 /5 Mortgage to The Rural Banking
and Finance Corporation of New Zealand
- 21.12.1984 at 11.33 am. A.L.R.

[Signature]
A.L.R.

628096/6 Memorandum of Priority ranking
Mortgage 628096/5 as first Mortgage,
Mortgage 541882/4 as second Mortgage
and Mortgage 553160/1 as third Mortgage
- 21.12.1984 at 11.33 am.

[Signature]
A.L.R.

641468 Land Improvement Agreement
under the Soil Conservation and
Rivers Control Act 1941
26.8.1985 at 10.08 am. A.L.R.

[Signature]
A.L.R.

697183 Transfer of a 1/2 share to Judith Anne
Simpson of Tokarahi, Married Woman - 29/2.1988
at 9.13am

[Signature]
A.L.R.

883899/1 Evidence that the correct
name of Judith Anne Simpson
abovenamed is Judith Ann Simpson -
9.6.1995 at 10.29 am

[Signature]
A.L.R.

883899/2 Memorandum renewing the term
of the within lease for a further
term of 33 years commencing on the
1st of July 1993 and fixing (for the
first 11 years) the annual rent at
\$3450 calculated on a rental value of
\$230,000 - 9.6.1995 at 10.29 am

[Signature]
A.L.R.

883899/5 Variation of Mortgage
553160/1 - 9.6.1995 at 10.29 am

[Signature]
A.L.R.



ATTACHMENT 2:

Folio 310 – revision of base stock limitation.

LAND SETTLEMENT BOARD

COMMISSIONER OF CROWN LANDS

1. RECISSION OF PREVIOUS DECISION
2. TRANSFER

FILES: H.O. 26/2636
D.O. P.265

C.T. A2/1323 CASE NO. 75/176 OTAGO LAND DISTRICT

PROPOSAL:

1. To rescind decision 1(c) made under C.C.L. Case No. 73/330 of 6 July 1973 and fix new stock limitations.
2. To transfer lease to Murray Wilfred Simpson.

LESSEE: Marie Josephine McMurtrie.

DESCRIPTION: Part Sections 4 and 4A, and Section 38, Block VIII, Maerewhenua S.D., and Run 682, Blocks III, IV, V, VI, IX, X, XI, XII, XIV, and XV, Kakanui S.D., and Part Run 681, Block III, Kakanui S.D.
Area: 4511.0814 ha.

LOCALITY: Situated on Balmoral Road between Mt Dasher and Garguston in the Kakanui Range.

LOCAL BODY: Waitaki County Council.

PARTICULARS OF LEASE:

<u>Tenure:</u>	Pastoral Lease
<u>Term:</u>	33 years from 1 July 1960
<u>Rental Value:</u>	\$18,500* *Capitalised at 5%
<u>Annual Rent:</u>	\$925
<u>Arrears:</u>	Nil
<u>Crown Improvements:</u>	Nil
<u>Stock Limitation in Lease:</u>	4500 sheep (including not more than 2200 breeding ewes) plus 25 cattle (see under general).
<u>Present Stock Limitation:</u>	4600 sheep (including not more than 2300 breeding ewes) plus 300 cattle (including not more than 240 breeding cows).

OTHER LAND INCLUDED: Nil.

STOCK CARRIED: 2850 ewes, 880 hoggets, 650 wethers, 1930 lambs, 60 rams, 50 2yr steers, 18 2yr heifers, 2 bulls, 30 calves, 56 cows.

VALUATION: Roll 2606/523, 2608/242, 2617/138 dated 1.7.73

Improvements	\$32,100
Land Value	\$134,400
Capital Value	\$166,500
Less Crown's R.V.	\$18,500
Lessee's equity	\$148,000
75% Lessee's equity	\$111,000

CONSIDERATION: Land and Improvements \$141,000
Payable by:

PARTICULARS OF TRANSFEREE: Age 20, single, not an ex-serviceman, has been employed on father's and neighbour's farms for the past 5 years.

<u>Assets</u>		<u>Liabilities</u>	
Cash	\$3,000	Nil	
Stock: 20 calves	1,000		
Truck	250	Equity	\$4,250
Total	\$4,250		\$4,250

LAND HELD BY TRANSFEREE:

Nil.

INVESTIGATION:

That transferee is a New Zealand Citizen.
Answer: Declared.

FIELD OFFICER'S REPORT:

F.O. Stevenson

The property subject of this application has had a history of mismanagement under the present lessee. There have been no improvements made for many years with fences being left to deteriorate. Internal fencing is virtually non-existent with stock being allowed to wander free over the whole run. The effect of this management is evident in the cover of the run; sunny faces show the effect of high stock concentrations while shady country is densely covered in snow tussock.

The homestead block is reasonably fenced; however, the pastures are in a very poor condition. Structural improvements are generally fair; the dwelling and woolshed being quite substantial buildings.

Stock are generally poor, particularly ewe lambs, and production has been very poor.

W.A. Simpson is acting as agent for his son in this transaction, and has a 242 hectare Lease in Perpetuity at Kia Ora. This is a reasonable one man unit. However, it could not support W.A. Simpson and his son full time. It is for this reason that he wishes to set his son up on the Balmoral Run.

It is the Simpsons intention to operate from their home property approximately 15 km away. Their initial development will be oversowing and topdressing 240 ha being the front block on the Run. Also in the first year 4800 m boundary and 2400 m internal fencing will be undertaken. They will also look to improving access, with development thereafter depending on finance.

M. Simpson has worked on a neighbouring property for some time on a casual basis and the owner has informed the field officer that he is an extremely capable worker and was very conscientious about the work he undertook. W.A. Simpson has also assured the field officer that his son is very keen to undertake pastoral work and is very confident that they can realise the potential of the property.

Field Officer has discussed the proposed transfer with Mr J. Wardell, High Country Land Settlement Committee member, who considers that the transfer should proceed. He has also given his assurance that he will keep a close eye on the property and will act in an advisory capacity for M. Simpson.

considers that the fact of the transferee will be operating from the home property initially does not constitute a threat to the Balmoral Run; the present homestead area is physically removed from the run.

Recommends that if Mr Wardell is prepared to keep an eye on the progress of the transferee and advise where necessary, the above application be approved.

GENERAL:

The following personal stock limitation was fixed for the lessee in 1969:

4000 sheep (including not more than 2350 breeding ewes) plus 80 cattle (including not more than 50 breeding cows).

By C.C.L. Case No. 73/330 of 6 July 1973 Section 38 Tokarahi Settlement was surrendered from Pastoral Lease No. P.261 and incorporated into P.265. Under that case number approval was given for the present stock limitation in lease and also the personal limitation, the District Field Officer having recommended an increase of 100 sheep for the limitation in lease and 200 sheep for the personal limitation. However, in the preparation of the submission the stock figures were transposed with those of P.261 and the approved limitation bears no relation to that originally recommended.

Field Officer Stevenson commented that had the lessee taken advantage of this error the property would have been ruined. He has therefore recommended the following personal stock limitation:

4100 sheep (including not more than 2100 breeding ewes) 80 cattle (including not more than 50 breeding cows).

DISTRICT FIELD
OFFICER'S
COMMENTS:

D.F.O. Aitken 14.5.75

Concurs with F.O. Stevenson's report subject to the following conditions:

1. Lessee to accept guidance of J.M. Wardell in the management of the property.
2. Exemption of Personal residence at this stage.
3. Position to be reviewed in 12 months.

RECOMMENDATION:

1. That C.C.L. Case No. 73/330 decision 1(c) be rescinded.
2. (a) That pursuant to Section 66 (2) Land Act 1948 the limitation in lease be fixed as follows:

4100 sheep (including not more than 2100 breeding ewes) plus 25 cattle

(b) Personal stock limitation to be fixed at:

4100 sheep (including not more than 2100 breeding ewes) plus 80 cattle (including not more than 50 breeding cows)
3. That pursuant to Section 89 Land Act 1948 transfer be approved.
4. That pursuant to Section 98 Land Act 1948 the purchaser be granted exemption from residence so long as he lives with his parents on their present property.

-4-

5. M.W. Simpson to seek guidance of J.M. Wardell in the management of this property.
6. Position to be reviewed in 12 months.

DECISION:

Approved

J. E. Friel
Assistant Commissioner of Crown Lands

16 / 5 / 75

Prepared by: *KLBN*

Checked by: *R*