

Crown Pastoral Land Tenure Review

Lease name : BIRCHWOOD

Lease number : PO 075

Due Diligence Report (including Status Report) - Part 3

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.

June 09

Provided that the rental value of the land ascertained under Section 131 of this Act shall not include any potential value that the land may have for subdivision for building purposes or for commercial or industrial use.

- ***From Section 132A:***

Review of annual rent under renewable lease -

Not earlier than 2 years and not later than 1 year before the end of the first and second periods of 11 years of the term of a renewable lease, the Board shall cause to be ascertained the values specified in Subsection (1) of Section 131 of this Act in the same manner as if for the renewal of a renewable lease.

- ***From Section 131:***

- (1) (a) The value of the improvements which are then in existence and un-exhausted on the land included in the lease:
 - (b) The value at the commencement of the lease of all improvements included in the rental value at the commencement of the lease:
 - (c) The value of the land included in the lease exclusive of the improvements referred to in Paragraph (a) of this Subsection:

Provided that, subject to the provisions of this Act:

- (i) In ascertaining the values under Paragraphs (a) and (c) of this Subsection, equal emphasis shall be placed on the value to be ascertained under each paragraph:
 - (ii) The values shall be ascertained on an equitable basis, having regard to the relationship between lessor and lessee:
 - (iii) The sum of the values under Paragraphs (a) and (c) of this Subsection shall be equal to the capital value of the land.
- (2) For the purposes of last preceding subsection, the expression "capital value" means the sum which the land and improvements thereon might be expected to realise at the time of valuation if offered for sale, unencumbered by any mortgage or other charge thereon, on such reasonable terms and conditions as a bona fide seller might be expected to require.

5.2 ISSUES RELATING TO BIRCHWOOD STATION:

5.2.1 Treatment of Additional Land:

There is an area of some 597 ha of river flats along the Ahuriri which is State Forest land (*now conservation land*) which has traditionally been farmed in conjunction with Birchwood Station. The treatment of this for the purpose of the valuation posed some difficulties and I sought advice about how to deal with this additional land.

The Birchwood Station files are ten volumes long and researching the full history of the issues relating to Birchwood Station appeared an onerous task.

Initially discussions were held with the Alexandra Manager, Mr Ken Taylor who has had a long involvement with the property and had in fact had just completed without prejudice discussions to resolve the previous valuation objection. The previous valuation for lease renewal was dated before a 1986 agreement to incorporate 597 ha of Crown Land into the pastoral lease, and the additional carrying capacity was not valued. However, on discussion we both considered that this would have to change given the existence of this agreement.

Further to this I sought legal advice on the matter of how to deal with this additional land. This advice confirmed my contention that:

- (a) The 597 ha had always been farmed as part of the property and cannot be separated from the farming operation. There was no lease over the area. For the purpose of the valuation I included the carrying capacity of this additional land in the value of Birchwood. I did not value the additional land itself. This was done for three reasons. These are:
 - (i) While the additional land is not leased separately to Birchwood it is an extrinsic value attached to the pastoral lease. I treat it in a similar manner to legal roads and marginal strips which are not actually owned within the title but in some instances provide a significant additional carrying capacity.
 - (ii) If Birchwood Station was sold on the open market we can be sure that the full carrying capacity would be quoted and it would be bought and sold on that basis.
 - (iii) The fact that the additional carrying capacity was part of the personal stock limitation.

(For stock limitation details see Appendix V).

- (b) Further to this there is another compelling reason to take account of the additional land. In 1986 Mr and Mrs Williamson accepted a Land Settlement Board offer for the exchange of land. This has the effect of agreeing to the incorporation of the 597 ha of productive land with a surrender of 5625 ha of land with little grazing value. Completing this deal has for a number of reasons seen considerable delays. (*Details of offer and acceptance Appendix VI*).

On the day of inspection I sat down with the lessee Mr Ron Williamson and discussed this matter. I proposed to Mr Williamson that with the complexity of land issues and the fact that at that point I had not fully researched all the issues that it would be appropriate to take the full carrying capacity of the property regardless of whether it was on the pastoral lease or on the adjoining conservation land. Mr Williamson at that meeting agreed with my approach and accepted that that would be the basis for the valuation. I recorded this as such in my valuation report.

I draw your attention to a report February 1985 written by Mr D J Sawyer, District Field Officer Department of Lands and Survey (*Appendix VII*). This records the visit to Mr Williamson on 23 January 1985. It states that the various issues were fully discussed and records the main points that arose as a consequence of the discussion. Under Section 5A of this report it states (*note that this pre-dates the exchange agreement*):

"Mr Williamson, in acknowledging that there is perhaps no legal obligation to have the area of UCL in the valley floor incorporated into his pastoral lease, reiterates the fact that the property has always been managed and seen by others to include that area. Departments and organisations including the Rural Banking and Finance Corporation, Valuation Department, New Zealand Forest Service and our own Department have in the past always looked upon and given approval to events and happenings on the basis that the UCL area was contained in the pastoral lease and certainly CCL Rowan's letter to Mr Williamson endorses this sentiment."

I believe that this discussion shows that Mr Williamson effectively treated this area as part of the lease and if the property were sold would I believe a vendor would represent the additional area - or at least its carrying capacity on it to be part of the pastoral lease.

5.2.2. Fair Market Value Versus Farming Value:

For the purpose of my original valuation I assessed the values as follows:

	<i>Pastoral Values Only</i>	<i>Fair Market Value</i>
<i>Capital Value</i>	\$ 600,000	\$ 900,000
<i>Improvements</i>	\$ 300,000	\$ 300,000
<i>LEI</i>	\$ 300,000	\$ 600,000

Furthermore, I recommended that the LEI of \$300,000 be used for rent review purposes.

The treatment of pastoral values in this manner and their separation from the Fair Market Value is in fact in an historical situation. It is a relatively recent phenomenon starting probably in the 1980's that there has been some divergence between what one could reasonably expect to pay for farming property and the recognition of an additional higher value attributable to other intrinsic values of the property. For the purposes of making valuation assessments we now refer to these as "other values".

For example, we could take the sale of Greenstone Station on Lake Wakatipu in 1980 when it sold for \$271,500 capital value. In 1992 it sold to the Government at \$1,650,000. Elfin Bay and Routeburn Stations were sold at the same time for similar high figures. To illustrate this a summary of the split of the LEI between "Pastoral", "Commercial Recreation" and "Location" values has been completed by Knight Frank (*in attached Appendix VIII*).

Other values in this schedule are shown as commercial recreation and location values. We recognise that because of section 66 Land Act 1948 "Commercial Recreation" values are not part of the rental value.

As the divergence in values emerged the practice was in the Lands and Survey Department and later Landcorp (*and I think the Valuation Department*) for only the value attributable to pastoral use of the property to be valued for rent review or lease renewal purposes. This I guess reflects the purpose of the lease - pastoral purposes.

It took some time to realise that we should not be excluding these other values as lessees have been able to get other benefits from pastoral leases by way of the exclusive occupation of the property. These have been reflected in the sale of the leasehold interest in these properties as shown in the table.

The true test we believe of whether these values should be included is found in the requirements of the Land Act 1948. Section 131 (1) (c) requires us to value the land included in the lease exclusive of the improvements referred to in Paragraph (a) of this subsection. Section 66 provides that the rental value of the land ascertained under Section 131 of this Act shall not include any potential value the land might have for subdivision for building purposes or for commercial or industrial use.

In this respect there is no proven potential on Birchwood for subdivision or building purposes or for commercial or industrial use.

We also must abide by Section 131 (2): "*that for the purpose of the last preceding section the expression capital value means the sum which the land and improvements thereon might be expected to realise a time of valuation if offered for sale unencumbered by any mortgage or any other charge thereon on such reasonable terms and conditions as a bona fide seller might be expected to require*".

The only other section which must be considered is that the values must be ascertained on equitable basis having regard for the relationship between the lessor and the lessee.

Mr R J McLauchlin, the Director General of Land at the time of the amendment, according to an article in (1971) New Zealand Valuer, Page 331 made the comment that valuers would need to place equal emphasis on LEI and VI. He then said:

"If these do not add up to what is to be considered to be the capital value, each of the two components will have to be examined and adjustments made so that the sum equals the capital value. It will not be possible to adjust only the value of improvements unless the examination shows conclusively that this is where the adjustment should be made. The underlying thought must always be equity between the lessor and lessee". The equity is then applied when adjustments to the values need to be made after having considered the values based on comparable sales. (See Appendix IX).

I believe then that in order to be fair and to comply with provisions of the Land Act one make take the full value of the property and not some artificial distinction between Fair Market Value and pastoral values only.

You will note that in my original valuation (*Appendix X*) I in fact showed two sets of valuation figures. A pastoral capital value at \$600,000 and a Market capital value at \$900,000. This leads me to the conclusion that for the purposes of this hearing I must value the capital value at \$900,000. The land exclusive of improvements has for the same reason been assessed at \$600,000.

All my discussions to follow relate to my valuation of \$900,000 Capital value and \$600,000 LEI.

(6) CAPITAL VALUE:

6.1 COMPARABLE SALES:

The capital value has been derived from comparable sales (*sales see table Appendix XI*). The most comparable sales of a 12 month period (*see table Appendix XII*) are seen as:

6.1.1 Manuka Point:

Manuka Point is a 7427 ha property bounded by the Rakaia and Mathias Rivers some 60 kms northwest of Methven township. It is a sheep and cattle grazing property being pastoral lease, run in conjunction with a small area of freehold. Access is across the Rakaia River which can be impassable for long periods of time. Rainfall averages 1755 mm per annum at the homestead and winters can be very cold with severe frosts and heavy snowfalls. Only 300 ha has been previously oversown and topdressed. Improvements include the original homestead built 1917 (*with additions*) and a range of buildings including an older wool shed and good fencing. It is considered a hard property to run. It ran around 4000 su at sale.

Of interest is the commitment to retire approximately 5400 ha of severely eroded land under a Run Plan Agreement which is registered on the title. The requirement to surrender suggests that on a per hectare basis the sale is much higher than the analysis suggests.

Manuka Point would generally be less desirable than Birchwood.

6.1.2 Mount Algidus:

Mount Algidus is at the end of Algidus Road 127 kms west of Christchurch City and is bounded by the Wilberforce and the Mathias Rivers. The property is reached by crossing the Wilberforce River which can be uncrossable at many times of the year.

Rainfall is around 1250 mm at the homestead and winters are very cold with many severe frosts and snow.

The property carries approximately 15000 su and has an area of 22129 ha of which approximately 705 ha are freehold, with the rest pastoral lease. More intensive parts of the property are reasonably well fenced, but beyond that no fences exist except for natural boundaries. Significant areas of oversowing and topdressing have not been maintained in recent years.

Very good buildings on the freehold, include five bedroom stone homestead and a full range of outbuildings.

Mount Algidus is of a similar size and is a similar gorge run to Birchwood. It carried more stock due to its higher level of development. Access is considered poorer.

Development makes Mount Algidus appear better than Birchwood, however given the relatively poor stock performance, one must consider it to be similar, especially on a land without buildings value per stock unit basis. The valuation of Birchwood is consistent with this value.

6.1.3 Mount Arrowsmith:

Mount Arrowsmith Station is a well known property situated approximately 80 kms from Ashburton and bounds onto Lake Heron. It has 9073 ha of pastoral lease and 121 ha freehold and ran approximately 6500 su at sale.

Approximately 376 ha of the property have been cultivated and a further 825 ha oversown and topdressed. Maintenance fertiliser has been somewhat sporadic in the years before the sale.

The property is renowned as one of the hardest properties in Canterbury. Although smaller than Birchwood it is similar in many ways. It has some inherent values associated with the Lake Heron wetlands, and significant public use.

6.1.4 Otamatapaio:

Otamatapaio is a pastoral lease of 7917 ha and runs approximately 6000 su. It is run in conjunction with the freehold Glenburn property. The pastoral lease portion alone has been used as a comparable and the total sale was analysed to obtain this separation (*see Appendix XIII*). This was seen as a more useful comparison.

Although relatively close to Birchwood, Otamatapaio is located to the southeast of Omarama and is much drier with a different farming system than the subject property. Otamatapaio was purchased for fine/ultra fine wool production. Although this sale is of interest it must be considered a significantly higher capital value than the subject.

6.1.5 Locharber:

Locharber is a 9935 ha pastoral lease approximately 48 kms from Fairlie. The property is generally southerly facing with inadequate wintering country and only a small area of flats. Rainfall averages 875 mm per annum.

It is a reasonably compact run with good 4WD access. It runs about 10000 su with 110 ha cultivated pasture and 1387 ha oversown topdressed tussock. The property had had a good fertiliser history at sale. Although a difficult property to manage it is considered better than the subject, and has a much easier class of hill.

6.1.6 Mount Dasher:

Mount Dasher is a sale (*see analysis Appendix XIV*) within the time but in a much handier location being only 40 kms from Oamaru. An extensive property of 8080 ha of which 7134 ha is pastoral lease. At sale was around 16000 su running Perendale ewes and Merino wethers (*hasn't run that number since*). The sale value reported may be unreliable with regard to land and buildings value versus the stock value component of the sale price. The former may have been overstated.

Although Mount Dasher has some similarities to the subject it has only 725 mm of rainfall (*increasing with altitude*). It is not a gorge run type of property but helps to show the general level of values being obtained for properties at that time. It also varies significantly in that a greater portion of the carrying capacity is attributed to development.

6.1.7 Mount Whitnow:

Mount Whitnow is a North Otago property which is approximately 37 kms from Hawerden and is all freehold. It has been analysed on the basis of a land exchange which was occurring at the time having been completed. It is known to be a cold property at the end of the road. Approximately 4382 ha and around 7000 su. A high sale at the time.

6.2 CAPITAL VALUE - BY COMPARABLE SALES:

The Birchwood capital value was derived from comparable sales. Due to the variability of properties, both sale price per hectare and sale price per stock unit must be looked at.

When ranked on a sale price per hectare basis (*see Appendix XV*) Birchwood ranks the lowest. Comparable sales rank between \$52 - \$278 a hectare with the most comparable in size being Mount Algidus at \$90/ha. At a valuation of \$38/ha sale price I conclude that the Birchwood value appears conservative.

When ranked by way of sale price per stock unit (*see Appendix XVI*) the range is between \$96 - \$174/su. The Birchwood valuation is at \$129/su. Manuka Point is the lowest at \$96/su which could be expected given the nature of the property and problems with access over the river. Mount Dasher is also lower. However, the actual stock units carried declined rapidly from the 16000 quoted at sale and may well be optimistic. There were also significant problems in finding a buyer for the property.

Mount Arrowsmith and Mount Algidus both are similar to the subject and I am comfortable with this ranking.

6.3 OTHER VALUES:

As has been previously discussed there are other values associated with Birchwood which would tend to inflate the value of the property. We can be confident that these exist because of the offers made and interest shown by parties seeking these inherent values and the various reports showing the significance of these values.

As the capital value chosen still lines up with other comparable sales it appears the valuation may be conservative.

To some extent any premium attributed to inherent values may not necessarily reflect in a higher capital value. Depending on the purchaser, the additional values attributed to improvements may be discounted, but show in a higher LEI.

These inherent values can readily be shown on properties around the Wakatipu which translate more to site values or location values. In the case of Birchwood I believe they relate more to nature conservation, landscape and recreation values. To some extent Manuka Point, Mount Arrowsmith and Mount Algidus in particular could also have some inherent values. However, none have to my knowledge attracted the level of attention of Birchwood.

6.4. INHERENT VALUES - WHAT ARE THEY:

6.4.1 Conservation Order:

The Ahuriri River is subject to a National Water Conservation (*Ahuriri River*) Order 1990 (*see Appendix II*). The Order states:

"It is hereby declared that the Ahuriri and its tributaries include and provide for outstanding wildlife habitat, outstanding fisheries and outstanding angling features.

Section 4 states:

"Because of the outstanding features specified in Clause 3 of this Order the quantity and level of natural water in all lakes, ponds, tarns, lagoons and streams (other than the Omarama Stream) forming part of the protected water shall be retained in their natural state".

It can be seen that this river was deemed to be so important as to need a formal protection order.

6.4.2 Known Biological Values:

Other information gleaned from the Birchwood files (*see Appendix XVII*) identifies some of the other values associated particularly with Birchwood Station. McKinlay 1983 described the wetlands of Birchwood Station as of national importance. The importance of the Ahuriri River is described as:

(a) *For wetland habitat*

In fact the Ahuriri River fulfils the majority of the I.U.C.N. criteria for status as a wetland of international importance (where only one criteria is required to sustained for such recognition). It is mainly because it supports the following values:

- (i) *Rarity of braided river habitat type internationally.*
- (ii) *Presence of black stilt, wrybill, black fronted terns, blackbilled gull and an endangered plant species, Hebe supressoides.*
- (iii) *good community of wetland birds.*

- (iv) *It is a wetland of high productivity.*
- (v) *Is year round habitat.*
- (vi) *It is an outstanding area for research and management.*
- (vii) *Has all the features necessary to attract visitors from home and abroad.*

(b) *Scenic and recreation*

N.W.A.S.C.A. (1982) placed the Ahuriri River from its source to its outlet in Lake Benmore on its A list of rivers of national importance as a river with out standing wild, scenic, recreation and other natural characteristics.

6.5 HOW DOES THIS TRANSLATE INTO VALUE:

6.5.1 Valuation of Non-Commercial Assets:

In a paper to the Nineteenth Pan Pacific Congress of Real Estate Appraisers, Valuers and Councillors 1998, Mr K R Taylor looked at the valuation on non-commercial assets (*see Appendix XVIII*). This paper draws on examples and experience relating to nature conservation, environmental protection particularly applicable to mountains lands of New Zealand South Island. The cross cultural and cross border involvement in this "market" is a component of the analysis. In particular Mr Taylor points out an international influence "*where the land laws of particular countries allow foreign ownership and residency of their lands there can be noted an increasing international ownership structure. In the past this has tended to predominantly exist in relation to commercial operations but there is a growing trend for the international entrepreneur to wish to occupy a retreat in some foreign land. The values attached to this retreat are often totally different to those of the residents or citizens of those countries. This creates a new component to valuing special places and special values.*" The paper draws on many examples to describe ways of looking at non-commercial assets from a valuation prospective and the importance of these inherent values to both the national and international communities. It provides some insight into how Governments and communities set about protecting these.

Comment:

I believe this paper reinforces the growing importance of inherent values such as those found on Birchwood Station. It is my view that as well as the potential for acquisition by Government organisations such as the Department of Conservation or the Forest Heritage Fund there is an ever increasing market to those individuals interested in heritage values alone. To date this however has been mainly reflected in the market by New Zealanders seeking some other commercial use in conjunction with the traditional farming system or by overseas owners seeking - as the paper says, "*a retreat in some foreign land*". The latter has been particularly evident around Lake Wakatipu and it is my contention that Birchwood Station fits into this category within the market for high country properties. It is my view that it takes very few sales to overseas owners or to DOC (*who pay for inherent values*) for the market to recognise this value, that is for vendors and purchasers to adjust their expectation of price to take this new factor into account. It is then built into those properties which have recognised inherent values such as Birchwood.

6.5.2 OFFERS MADE ON THE PROPERTY:

I have been aware of a number of parties interested in purchasing this property although it has never officially been on the market. Our first indication that there were parties interested was a letter (*Appendix XIX*) from the Department of Conservation saying that they had attempted to purchase the property but failed despite being prepared to pay \$600,000 for the lessee's interest. This was in 1992 some 2 years before the actual valuation (*at a time when values were on the increase*). They go on to say that the reality is that if the Crown is to acquire the lessee's interest in Birchwood they would have to pay substantially more than its value. This is because the Williamsons are not willing sellers.

The Manager for Landcorp Management Services Mr K R Taylor advised (*Appendix XX*) that although he had not completed a formal valuation, recent sales information suggested a range of between \$550,000 and \$630,000 was reasonable for the value of the property. He also suggested that \$800,000 might be the sort of money required to purchase the property.

We understand that since this time there have been other approaches by the Crown and by individuals.

None of these approaches are of course a sale and therefore must be treated with due caution, however they are some indication of the actual value of the property. In the final analysis this could only be tested if the property were put on the market, however, it is significant that there has been interest when the property has not been officially on the market.

6.6.5 CONCLUSION:

From my analysis of the comparable sales and knowledge of the interest in the property for its inherent values I believe the capital value at \$900,000 is relatively conservative and could be justified on the sale of properties which have sold for farming purposes with much lower inherent values. It is my view that whilst the \$900,000 could be justified at the time I considered on the open market the property may have fetched in excess of \$1,000,000.

(7) **LAND EXCLUSIVE OF IMPROVEMENTS:**

7.1 Methodology:

It is important to note here that my valuation has been carried out with improvements being a residual value. That is, I first ascertained the capital value and the requirement now is to ascertain the value of the land exclusive of improvements. I draw your attention to Case Law which says:-

Archer J in re Wright's objection (1959) NZLR 920 Page 922 where His Honour said:-

"It is well recognised that a valuer must disregard improvements when assessing the unimproved value of land and in assessing the capital value of land by reference to what it would realise in the open market. It seems neither necessary nor desirable to attempt to value the improvements either individually or as a whole. Having made an assessment of the capital and unimproved values, the valuer is entitled to assume that the difference between these values is the added value given to the land by improvements or in other words that it is the value of the improvements."

At Page 924, His Honour said:-

"Most of the valuers were disposed to admit that they had no reliable basis for their assessments of the values of invisible improvements and we venture to question whether any good purposes was served by their attempt to place separate values thereon. The danger of the practice is that valuers who have made such a valuation of the improvements may be tempted to deduct the amount of that valuation from the capital value in order to find the unimproved value."

I believe this is a fundamental valuation principal from which we cannot stray. However, as is normal practice I have apportioned in my valuation report the value of improvements.

7.2 SALES OF PROPERTIES IN THEIR LEI STATE:

There are a number of substantially unimproved sales in which we can look at. These vary geographically. I believe that unimproved sales (*sales in the LEI state*) if available are the most compelling evidence we can have. Today however there are no totally unimproved sales as at the very least some fencing would be in existence. Details of sales are as follows (*see Appendix XXI*).

7.2.1 The McCaughan Sale:

The McCaughan sale in the Teviot Valley is of interest. The McCaughan to Rae sale in February 1993 has an area of 1822 ha and is used for summer grazing. Although a much smaller area it also suggests a much higher value than what I have assessed for Birchwood. The property sold at \$71/ha capital value or an estimated \$56/ha LEI.

2.2 Lowburn Station:

The Lowburn Station sale was included because at the time structural improvements were modest and the property had never had seed or fertiliser. It was subdivided into three main blocks of mainly high tussock country. The sale would be somewhat comparable except for (*analysis Appendix XXII*):

- (a) It had high rabbit numbers requiring significant capital cost.
- (b) It's in a much better locality.
- (c) It is suitable for fine wool production.

It would however show a maximum LEI value.

Lowburn Station sold at \$105/ha or an estimated \$72/ha LEI.

7.2.3 Two Mile:

The Two Mile sale at St Bathans is a significantly large area and forms the face of the Hawkdun Range. It was purchased by the Department of Conservation. It had relatively high nature conservation values (*relatively intact snow tussock community*) but nowhere near those which we can attribute to Birchwood Station. Effectively bought at \$39/ha capital value and an estimated \$33/ha LEI (*for lessee's interest*).

7.2.4 Ben Avon Wetland:

The other sale of interest was an area on Ben Avon Station adjacent to Birchwood. It was an area of wetland with very high inherent values. Although I have analysed it at an area of 62 ha it was in fact 24 ha purchased (*estimated at \$1,200/ha*) and 48 ha of covenant (*estimated at \$441/ha*) giving a total purchase price of \$50,000. This goes to reinforce the fact that there is demand for inherent values and they can fetch high prices. These inherent values would approximate the importance of some of those found on Birchwood.

The analysis of these sales suggest that on a per hectare basis the LEI for Birchwood may be low. Unfortunately there are no sales of the size of Birchwood.

7.3 SALES OF IMPROVED LAND ANALYSED BACK TO LEI STATE:

We refer to a decision of the Valuer General v Sullivan, the reference being available is the New Zealand Valuer Volume 18 No 4, Page 154 where Judge Archer said:

"There were in this case a number of sales which were available for examination. It is true that these were not sales of unimproved land, but they could still be used to advantage for comparison purposes. It is well recognised that prices actually paid for land may properly be analysed with a view to apportioning the price paid between improvements and the land itself. Such an apportionment amounts, of course, to no more than a useful expression of opinion by the valuer, but in the absence of any better evidence, however, a value based upon a proper analysis of comparable sales is usually acceptable in preference to one based on unsupported opinion."

It is well recognised that an assessment of LEI is not an easy task. I believe the strength in this method lies in the fact that as many sales as possible are looked at. Some sales will have considerable improvements, which means an assessment often by way of deduction of improvements leaves room for error. However when we look at numerous sales or those which have minimal improvements I believe that the room for error becomes comparatively smaller.

All sales used for capital value analysis have been analysed back to the LEI state. This has been done with a knowledge of previous valuation work (*rent review, lease renewals and Government Valuations*) which has occurred on the property and these have been adjusted to match the sale price.

As can be seen from the table (*see Appendix XXIII*) on the basis of sale price per ha Birchwood is the second lowest after Manuka Point.

I must also concede that sale price per hectare is relatively dependent on the size of the property and that Mount Algidus is the only other property of similar size. The Mount Algidus value has been analysed as being similar, which suggests it is the most comparable. As could be seen from this table both the current carrying capacity and the base stock units (*a measure of carrying capacity before development improvements were undertaken*) are both higher on Mount Algidus which suggests that for pastoral purposes Mount Algidus should be worth significantly more. I believe the differences are made up by way of the inherent values associated with Birchwood.

I conclude that evidence from analysed sales provides support for the LEI value assessed.

7.4 OFFERS MADE:

In Section 6.4 and 6.5 I have discussed the inherent values, and offers made on the property. These are relevant to the LEI value as well as the capital value.

I have already established that the Department of Conservation were prepared to pay \$600,000 for the property and offered that figure, hence it is reasonable to assume that a party interested solely in these inherent values would be prepared to pay at least \$600,000 for the land exclusive of improvements. (*Although DOC may have offset their purchase price by sale of the homestead*).

7.5 BIRCHWOOD IN ITS LEI STATE:

The LEI must be considered separately from the capital value and one must determine what the property in the LEI state would fetch, ie one must imagine what the property would be like without any improvements on it.

In the LEI state Birchwood would be without buildings or fences (*maybe half of a boundary fence*) sheep or cattle yards, tracking (*apart from that portion is being completed on the legal road line*) cultivation or oversowing and topdressing. In fact the inherent values could realistically be greater without these improvements. Development tends to modify the naturalness.

Birchwood without improvements would be predominantly snow tussock and fescue tussock on the river flats and fans. On the mountain slopes would be snow tussock and shrublands at lower altitudes. Higher altitudes would be fairly much as they are at present, having considerable areas of scree and bare mountain tops. The flats and river margins would have significant wetland areas. Bush areas would be similar to today. The nature conservation, public recreation and landscape values would be significant and may be greater in the absence of improvements.

I understand rabbits were prevalent in the early days and came over from the Dingle. My understanding is that this property is not naturally highly rabbit prone and their existence probably came about from high rabbit numbers on adjoining more rabbit prone land. Thus they were forced up into areas of less desirability. Their existence was probably only possible because of the stocking by sheep and cattle (*and possibly burning*) which opened up the tussock land enough to allow rabbits to breed.

The treatment of rabbits in this case has been dealt with in a way that we believe any other weed or pest should have been dealt with. That is that they are required to be controlled under the terms of the lease and therefore are not an improvement and furthermore are not a significant factor in this case.

7.6 OTHER METHODS OF ASSESSING LEI:

In the past some valuers have put weight on the use of freeholdings of leases and acceptances of rental values as evidence of LEI value. This can provide a cross check on LEI values but it is fraught with dangers.

7.6.1 Lease Renewals, Rent Reviews, Freeholdings:

Values for lease renewals, rent reviews or freeholdings, are by nature set by a valuer, and the lessee may choose to have the values set by the Land Valuation Tribunal.

With regard to pastoral leases until recently there had been no cases taken to the Land Valuation Tribunal as far as I am aware. For a lessee there would be many factors against pursuing a case to the Land Valuation Tribunal. The first is the fact that rentals are set very low at 1½ % - 2¼% of the land exclusive of improvements. The actual monetary benefit from pursuing an often expensive case through the Land Valuation Tribunal would not be warranted.

Secondly, should a valuer assess a particularly low LEI value for a property then there is hardly likely to be an objection. The use this as evidence would be nothing more than perpetuating an error.

8.2 Base Stock Units:

Another method of checking LEI is to ascertain the base stock units carried. That is the original carrying capacity of the property before any improvements were completed. This method can be useful for some types of properties however it has the following inherent flaws:

- If the property has a very low on nil carrying capacity in its original state due to the type of vegetation it does not mean the LEI is zero. If we were dealing with predominantly tussock grassland this method becomes useful because no significant clearing of original vegetation was required and it has a significant natural carrying capacity.
- Where rabbits are involved it may be difficult to establish a base carrying capacity.
- Where there are any other values such as high inherent values unrelated to original carrying capacity this method will inevitably understate the LEI value.

(8) CONCLUSION:

Birchwood is a relatively unique property, having pastoral values as well as high inherent values. The inherent values contribute to the capital value of the property and as they are not an improvement, contribute to the land exclusive of improvements value.

The capital value has been based on comparable sales.

The LEI value has been assessed on the basis of the property without improvements. This value recognises the high inherent values and the value I believe the property without improvements would fetch on the market. This assessment has been based on unimproved sales, analysis of improved sales, a knowledge of the significance of the inherent values and also indications from parties interested in purchasing Birchwood.

I believe the assessments fairly fit my conclusions that the value of the property as at 30 June 1994 is as follows:

Improvements	\$ 300,000
Land Exclusive of Improvements	<u>\$ 600,000</u>
Capital Value (<i>GST exclusive</i>)	\$ 900,000

APPENDIX

- I **Photos**
- II **National Water Conservation Order - Ahuriri River**
- III **Notification of Values**
- IV **Election of Lessee**
- V **Report for Stock Increase**
- VI **Offer and Acceptance of Land Exchange**
- VII **Report of 1985**
- VIII **Sales Analysis - Split Between "Pastoral" "Commercial" and
"Location" Values**
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- XI **All Sales**
- XII **The Most Comparable Sales**
- XIII **Otamatapaio/Glenburn Sales Analysis**
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- XXIV **Map of Property Including Exchange Areas**

1990/156



THE NATIONAL WATER CONSERVATION (AHURIRI RIVER)
ORDER 1990

PAUL REEVES, Governor-General

ORDER IN COUNCIL

At Wellington this 2nd day of July 1990

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to section 20b of the Water and Soil Conservation Act 1967, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

ORDER

1. Title and commencement—(1) This order may be cited as the National Water Conservation (Ahuriri River) Order 1990.

(2) This order shall come into force on the 28th day after the date of its notification in the *Gazette*.

2. Interpretation—In this order, unless the context otherwise requires,—

“Act” means the Water and Soil Conservation Act 1967;

“Gorge flow” means the daily mean flow of the Ahuriri River as estimated by the Department of Scientific and Industrial Research from measurements at the South Diadem recorder site maintained by that Department at the Ahuriri River (map reference NZMS 1 S108 453406);

Price Code: 4—B1

Wile

"Lake" includes pond, tarn, and lagoon; but does not include swamp, marsh, bog, or other wetland;

"Protected waters" means—

(a) The Ahuriri River, excluding the east branch, from its source at map reference NZMS 1 599 402883 to its entry into Lake Benmore; and

(b) The Omarama Stream downstream of the bridge at map reference NZMS 1 5116 579910; and

(c) All rivers, streams, and lakes which are situated—

(i) Between the Ahuriri River and a line drawn 400 metres from its true left bank commencing at map reference NZMS 1 599 366745 and continuing to Lake Benmore; and

(ii) Between the Ahuriri River and a line drawn 400 metres from the true right bank commencing at map reference NZMS 1 599 364745; then along the formed Birchwood Road to its junction with State Highway 8; then along State Highway 8 to map reference NZMS 1 5116 558361; then along a line drawn 400 metres from the true right bank and continuing to Lake Benmore.

3. Outstanding characteristics and features—It is hereby declared that the Ahuriri River and its tributaries include and provide for outstanding wildlife habitat, outstanding fisheries, and outstanding angling features.

4. Retention of natural waters in a natural state—Because of the outstanding features specified in clause 3 of this order, the quantity and level of natural water in all lakes, ponds, tarns, lagoons, and streams (other than the Omarama Stream) forming part of the protected waters shall be retained in their natural state.

5. Partial retention of natural waters—(1) At all times when the gorge flow exceeds 25 cubic metres per second, the minimum flow in the Ahuriri River shall be 3 cubic metres per second less than the gorge flow.

(2) At all times when the gorge flow exceeds 15 cubic metres per second but does not exceed 25 cubic metres per second, the minimum flow in the Ahuriri River shall be 2 cubic metres per second less than the gorge flow.

(3) At all times during each period commencing on the 1st day of May and ending with the 31st day of January next following—

(a) When the gorge flow does not exceed 12 cubic metres per second, the minimum flow in the Ahuriri River shall be the gorge flow;

(b) When the gorge flow exceeds 12 cubic metres per second but does not exceed 15 cubic metres per second—

(i) The minimum flow in that part of the Ahuriri River between map references NZMS 1 5108 458406 (South Diadem) and NZMS 1 5109 684415 (State Highway 8) shall be 0.6 cubic metres per second less than the gorge flow; and

(ii) The minimum flow in that part of the Ahuriri River between map reference NZMS 1 5109 684415 (State Highway 8) and Lake Benmore shall be 1.2 cubic metres per second less than the gorge flow.

(4) At all times during each period commencing on the 1st day of February and ending with the 30th day of April next following—

(a) When the gorge flow does not exceed 10 cubic metres per second, the minimum flow in the Ahuriri River shall be the gorge flow;

(b) When the gorge flow exceeds 10 cubic metres per second but does not exceed 15 cubic metres per second—

(i) The minimum flow in that part of the Ahuriri River between map references NZMS 1 S108 458406 (South Diadem) and NZMS 1 S109 684415 (State Highway 8) shall be 0.6 cubic metres per second less than the gorge flow; and

(ii) The minimum flow in that part of the Ahuriri River between map reference NZMS 1 S109 684415 (State Highway 8) and Lake Benmore shall be 1.2 cubic metres per second less than the gorge flow.

(5) Because of the outstanding characteristics and features specified in clause 3 of this order and for their protection, the minimum flow (as defined in subclauses (1) to (4) of this clause) shall be retained in the Ahuriri River, and, while the flow does not exceed that minimum flow, the flow in the Ahuriri River shall not be reduced by abstraction or diversion.

(6) Notwithstanding subclauses (1) to (5) of this clause, it shall be lawful at all times for the flow of the Ahuriri River to be reduced by not more than a further 0.5 cubic metres per second for the purposes of augmenting the waters of the Omarama Stream or any of its tributaries for management purposes, so that fisheries and wildlife values can be maintained.

(7) Nothing in this clause shall be construed as preventing the reduction of flow in the Quail Burn or its tributaries.

6. Rates of flow of Omarama Stream—(1) Because of the outstanding features specified in clause 3 of this order, the rates of flow of the Omarama Stream shall be retained in accordance with subclauses (2) and (3) of this clause.

(2) In respect of the section of the Omarama Stream between map references NZMS 1 S116 578324 and NZMS 1 S116 644361 (the mid reach), the minimum flow to be retained shall be—

(a) During each period commencing on the 1st day of November and ending with the 30th day of April next following, 250 litres per second; and

(b) During each period commencing on the 1st day of May and ending with the 31st day of October next following, 750 litres per second.

(3) In respect of the section of the Omarama Stream between map references NZMS 1 S116 644361 and NZMS 1 S109 676403 (the lower reach), the minimum flow to be retained shall be—

(a) During each period commencing on the 1st day of November and ending with the 30th day of April next following, 500 litres per second; and

(b) During each period commencing on the 1st day of May and ending with the 31st day of October next following, 1200 litres per second.

(4) For the purposes of this clause—



Department of Conservation
Te Papa Atawhai

Our ref: PAS 154, PAS 163, PAR 019

30 November 1999

The Property Manager
Opus International
P O Box 1913
Dunedin



Attention: John Kirk

Dear Sir

STATUS INVESTIGATIONS - LAND TENURE REVIEW - BIRCHWOOD
AND BEN AVON

I refer to your letter of 16 November 1999. I apologise for the delay in replying.

BEN AVON

I have checked the Department's allocation maps. You have already noted that Section 1 SO 23922 have been surrendered from the Pastoral Lease, and is a Scenic Reserve subject to the Reserves Act 1977.

Section 2 SO 23922 is subject to a covenant pursuant to the Reserves Act 1977.

The Department of Conservation has not granted any concessions in respect of the above land, save for a small number of generic concessions that cover virtually all of the Public Conservation Estate within the Canterbury Conservancy.

BIRCHWOOD

You have already noted that there are a small number of areas within the boundaries of this Pastoral Lease. Unfortunately, some of the areas are not within the Canterbury Conservancy, and I am unable to report on the likelihood of concessions. The main area of concern is the Stafford Forest Conservation Area, which is controlled from the Department's Dunedin Office. I suggest you contact that office to ascertain whether there are any concessions over that area.

The areas within the lease boundary are the Ahuriri Forest Conservation Area, and a number of marginal strips. There are a number of concessions allowing activity that could conceivably take place in the Ahuriri Forest Conservation Area

Principal
File Number
Project Manager

Concession Holder	Location/Activity
Women Walk	Entire Conservancy - Tramping
Southern Alps Guiding	Ohau Conservation Areas - Tramping and Climbing
John Entwistle	Ohau Conservation Areas - Tramping and Climbing
Geoffrey Rodgers	Entire Conservancy - Hunting
Russell Braddock	Entire Conservancy - Tramping and Climbing
Canterbury Trails	Ahuriri Conservation Area - Tramping
Peter Chamberlain	Entire Conservancy - Hunting
Steven Foster	Entire Conservancy - Hunting
New Zealand Mountain Hunting	Entire Conservancy - Hunting

Given the large numbers, I have not supplied copies of the concession documents. At around 20 pages per concession, it would have been a significant amount of paper. If you need copies, please contact John Scriven at this office. John is in our concessions section.

MARGINAL STRIPS/SECTION 58 STRIPS

As you are no doubt aware, there is considerable doubt as to where the Marginal Strip provisions of the Conservation Act 1987 apply within the High Country Pastoral Leased lands. In some cases the Marginal Strip provisions (Part IVA of the Conservation Act 1987) come into effect upon renewal. In other cases 'Section 58' strips (Land Act 1948) applied if a lease was renewed prior to the passing of the Conservation Act 1987. Some Marginal/Sec 58 strips are shown on survey plans, others are not.

It is virtually impossible to identify with any certainty whether a Marginal Strip is in place if they are not shown on a plan. Some Marginal Strips are shown on the DOC allocation maps, while others are not. If there are no Marginal Strips shown on the allocation maps, I have not identified them. In the case of Birchwood, there are Marginal Strips identified on the our allocation maps

This scenario means that there will be some Marginal Strips technically under DOC control, but because they are not identified, the Department is not aware of them. Where there are no marginal strips shown on our allocation maps, the Department of Conservation will not have granted any concessions.

Yours faithfully



Robert Cant
Community Relations Officer (Statutory Land Management)
For Conservator
Email: Rcant@doc.govt.nz

Reserves and Other Lands Disposal Act 1975 134

Commenced: 10 Oct 1975

12 Declaring land subject to the Forests Act 1949 to be Crown land subject to the Land Act 1948

12. Declaring land subject to the Forests Act 1949 to be Crown land subject to the Land Act 1948---Whereas the land described in subsection (2) of this section is set apart as State forest land under the Forests Act 1949: And whereas it is desired that it should be declared to be Crown land subject to the Land Act 1948: Be it therefore enacted as follows:

(1) The setting apart of the land described in subsection (2) of this section as State forest land is hereby revoked, and the land is hereby declared to be Crown land subject to the Land Act 1948.

(2) This section relates to the following land:

First, all that parcel of land in the North Auckland Land District, containing 4969 square metres, more or less, being part Lot 1, D.P. 36866, and being part Taraire 1L Block, situated in Block XV, Omapere Survey District (S.O. 50037), and being part of the land comprised and described in certificate of title, Volume 958, folio 113, North Auckland Registry.

Secondly, all that parcel of land in the South Auckland Land District, containing 121.6080 hectares, more or less, being part Section 9, Block II, Maungamangero Survey District (S.O. 47575).

Thirdly, all that parcel of land in the South Auckland Land District, containing 1,9000 hectares, more or less, being part Section 8 (formerly part Section 2), Block XIII, Ahikereru Survey District (S.O. 47806).

Fourthly, all that parcel of land in the South Auckland Land District, containing 159 square metres, more or less, being part Lot 1, D.P. 27375, being part Kaingaroa No. 1A North Block, situated in Block XIII, Kaingaroa Survey District (S.O. 44586), and being part of the land comprised and described in certificate of title, Volume 698, folio 185, South Auckland Registry.

Fifthly, all that parcel of land in the South Auckland Land District, containing 1.1141 hectares, more or less, being part Section 1, Block

XIII, Kaingaroa Survey District (S.O. 44586).

Sixthly, all that parcel of land in the South Auckland Land District, containing 27.1300 hectares, more or less, being part Section 10 (formerly part Sections 3 and 4), Block VII, Tairua Survey District (S.O. 47963).

Seventhly, all that parcel of land in the Hawke's Bay Land District, containing 9560 square metres, more or less, being Block 9, Gwavas Crown Grant District, situated in Block XII, Wakarara Survey District (S.O. 6628).

Eighthly, all that parcel of land in the Nelson Land District, containing 4440 square metres, more or less, being State forest situated in Block XIV, Reefton Survey District, more particularly shown as Area A on S.O. 11973 lodged in the office of the Chief Surveyor, Nelson.

Ninthly, all that parcel of land in the Nelson Land District, containing an area of 18.4141 hectares, more or less, being parts of Sections 100, 101, and 102, square 6, situated in Block IV, Wangapeka Survey District, and parts of Section 17, Block IV, Wangapeka Survey District (S.O. 11738).

Tenthly, all that parcel of land in the Otago Land District, containing an area of 700.0 hectares, more or less, being part Rural Section 3338 situated in Hunter and Stafford Survey Districts, more particularly shown as Area A on S.O. Plan 17983 lodged in the office of the Chief Surveyor at Dunedin, and being part of the land comprised and described in Gazette 1898, page 1461.

Eleventhly, all that parcel of land in the Otago Land District, containing an area of 30.0 hectares, more or less, being part Rural Section 3339, situated in Hunter Survey District, more particularly shown as Area B on S.O. Plan 17983 lodged in the office of the Chief Surveyor at Dunedin, and being part of the land comprised and described in Gazette 1898, page 1461.

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“RELEASED UNDER THE OFFICIAL INFORMATION ACT”

14 AUGUST

Rate and Term of Interest Under National Savings Act 1940

of the National Savings Act 1940, hereby prescribes as follows—
investment period during which investment of deposits in investment accounts shall be the period of 1 year commencing on the 1st day of July 1975 and ending on the 30th day of June 1976; provisions of the said Act, the rate of interest payable on such investments made during the investment period shall be 3½ percent

provisions of the said Act, moneys invested during such investment period shall be the period of 1 year commencing on the 30th day of June 1978, where interest is not withdrawn by accordance with section 8 (2) of the said Act and becomes part of the investment under section 8 of the said Act, the amount of such interest, together with any interest thereon, shall be repayable on the 30th day of June 1977.

8th day of August 1975.

J. TIZARD, Minister of Finance.

Trustee Savings Banks to Receive National Savings Act 1940

of the National Savings Act 1940, hereby authorises the Boards of trustee savings banks (being savings banks within the meaning of the Trustee Savings Banks Act 1948) to receive deposits in investment accounts during the investment period of the said Act during the investment period of July 1975 and ending on the 30th day of June 1976.

8th day of August 1975.

J. TIZARD, Minister of Finance.

North Island Bylaw Confirmed

has been executed on the sealed copy of the North Island Mobile or Travelling Shops, Street Days, and Stalls Bylaw made by the North Island City Council on the 28th day of August 1975.

8th day of August 1975.

J. TIZARD, Minister of Local Government.

CONFIRMATION

of the National Savings Act 1910, I hereby confirm the provisions of the said Act which came into force on the 1st day of August 1975.

8th day of August 1975.

J. TIZARD, Minister of Local Government.

Consent to the Distribution of Therapeutic Drug

of the Food and Drug Act 1969, the Minister of Health hereby consents to the distribution in New Zealand of the drug specified in the Schedule hereto.

SCHEDULE

Active Ingredients (as listed on label)	Name of Manufacturer	Address
Tetrahydrozoline hydrochloride 0.05% W/W	Smith Biolab Ltd.	New Zealand
Benzalkonium chloride 0.01%		
Disodium edetate 0.1% (in a sterile borate buffer)		

8th day of August 1975.

T. M. MCGUIGAN, Minister of Health.

Post Office Bonus Bonds—Weekly Prize Draw No. 2, August 1975

PURSUANT to the Post Office Act 1959, notice is hereby given that the result of the weekly prize draw No. 2 for 9 August 1975 is as follows:

One prize of \$5,000: 682 737605.

F. M. COLMAN, Postmaster-General.

Amending Proclamations Setting Apart Land as State Forest

PURSUANT to section 21 of the Forests Act 1949, and in accordance with redefinition surveys as given effect to in the Third Schedule hereto, notice is hereby given that as from the date of this notice the Proclamation referred to in the First Schedule hereto is respectively amended by revoking those parts of the descriptions as are set out in the Second Schedule hereto and substituting those descriptions set out in the Third Schedule hereto.

FIRST SCHEDULE

FIRSTLY, the Proclamation issued on the 13th day of August 1898 and published in the *New Zealand Gazette* on the 15th day of September 1898 commencing at p. 1457.

NOTE: See the seventy-seventh and seventy-eighth item under the heading "Canterbury" on p. 1461 of the relevant *Gazette*.

SECOND SCHEDULE

CANTERBURY LAND DISTRICT—SOUTHLAND CONSERVANCY—WAITAKI COUNTY

Revoked Parts

FIRSTLY, all that parcel of land in the Canterbury Land District, containing about 7,000 acres, and numbered 3338 (in red), in the Hunter and Stafford Survey Districts. Bounded on the eastward by the Ahuriri River; and on the southward, westward, and northward by straight lines to cover the forest on the west bank of the said river, extending as far south as Trig. D, Stafford Survey District.

Secondly, all that parcel of land in the Canterbury Land District, containing about 2,000 acres, and numbered 3339 (in red), in the Hunter and Stafford Survey Districts. Bounded on the westward by the Ahuriri River; and on the northward, eastward, and southward by lines to cover the principal forest on the east bank of the said river.

THIRD SCHEDULE

OTAGO LAND DISTRICT—SOUTHLAND CONSERVANCY—WAITAKI COUNTY

Substituted Parts

FIRSTLY, Section 3338, Hunter and Stafford Survey Districts: area, 2140 hectares, more or less, as more particularly shown marked 'A' on S.O. Plan 18097.

Secondly, Section 3339, Hunter and Stafford Survey Districts: area, 470 hectares, more or less, as more particularly shown marked 'B' on S.O. Plan 18097.

As shown on plan S. 99/4 deposited in the Head Office of the New Zealand Forest Service at Wellington.

Dated at Wellington this 4th day of August 1975.

COLIN J. MOYLE, Minister of Forests.

(F.S. 91/10/7, 6/7/84; L. and S. H.O. 4/1562, 8/9/7)

PURSUANT to section 12 of the Food and Drug Act 1969, the Minister of Health hereby consents to the distribution in New Zealand of the drug specified in the Schedule hereto.

Name of Drug Form
Epilim Tablet
Dated this 7th day of August 1975

Division of Northern Southland Wards (Notice No. 1)

PURSUANT to section 21 of the Local Government Act 1967, the Northern Southland District Council hereby gives notice that the Northern Southland District which was constituted on the 9th day of October 1972* is hereby divided into the following names and boundaries of which particulars are set out in the Schedule hereto.

SCHEDULE
WARD "A"

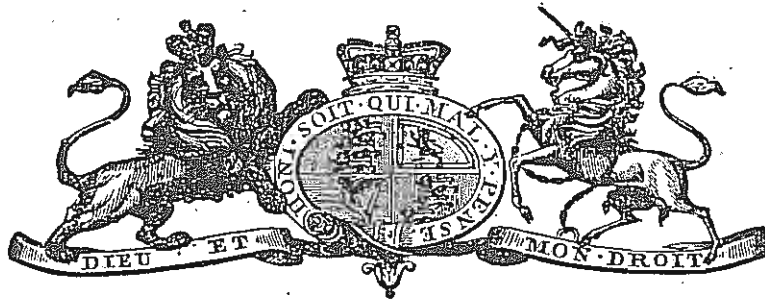
ALL that area containing an estimated area of more or less, inclusive of road areas, as described in the Schedules hereto.

First Schedule

Commencing at the north-western corner of Section XXXV, Eyre Survey District, and proceeding south-easterly along the north-western boundaries of the aforesaid section of Section 58, Block XXXV, Eyre Survey District, and south-easterly and south-westerly along the south-eastern boundaries of the aforesaid section of Section 58, Block XXXV, Eyre Survey District, to the north-western boundary produced to the Ahuriri River; thence northerly along the north-western boundary line with the north-western boundary of the aforesaid section of Section 58, Block XXXV, Eyre Survey District; thence north-easterly along the north-eastern boundary of the aforesaid section of Section 58, Block XXXV, Eyre Survey District to the point of commencement of the Oreti River.

Second Schedule

Commencing at a point on the line with the south-easternmost corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, and proceeding southerly along the eastern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, and its production to the middle of the Ahuriri River; thence easterly along the middle of the Ahuriri River to the northernmost boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District; thence easterly to and along the south-easternmost corner of Lot 6, Block XXXV, Eyre Survey District, westerly along the north-eastern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District to the westernmost corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, generally easterly along the general boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District to the northernmost corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, D.P. 5123; thence south-easterly along the boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District to the southernmost corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, Five Rivers Road to the southernmost corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, thence north-easterly along the aforesaid section of Part 1, Block XXXV, Eyre Survey District in line with the eastern side of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, western boundary of part Lot 8, Eyre Survey District, to and along the aforesaid eastern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, most corner of Lot 1, D.P. 4445; thence along the generally eastern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, its northernmost corner; thence along a public road to the south-western corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, thence northerly along the western boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, lot to the south-western corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, thence northerly and easterly along the boundaries of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, to the northernmost corner of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, Road; thence northerly along the western boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, road to a point in line with the northern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, Lot 4, D.P. 3832; thence along a right-angled line to and along the aforesaid northern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, to the left bank of the Irthing River; thence southerly along the aforesaid left bank of the Irthing River, with the north-eastern boundary of the aforesaid section of Part 1, Block XXXV, Eyre Survey District, south-easterly to and along that boundary to the point of commencement of the Oreti River.



THE
NEW ZEALAND GAZETTE.

Published by Authority.

WELLINGTON, THURSDAY, SEPTEMBER 15, 1898.

Land set apart for State Forest Purposes in the Land Districts of Auckland, Wellington, Nelson, Marlborough, and Canterbury.

(L.S.) RANFURLY, Governor.
A PROCLAMATION.

BY virtue and in exercise of the powers and authorities vested in me by "The New Zealand State Forests Act, 1895," and of every other power and authority enabling me in that behalf, I, Uchter John Mark, Earl of Ranfurly, the Governor of the Colony of New Zealand, by and with the advice and consent of the Executive Council of the said colony, do hereby set apart the land described in the Schedule hereto, forming part of the Crown lands in New Zealand, as and for State forests within the provisions of the said Act.

SCHEDULE.
AUCKLAND.

ALL that area in the Auckland Land District, situate in Blocks IX. and X., Tutamoe Survey District, containing by admeasurement 7,750 acres, more or less. Bounded towards the north by Blocks V. and VI., Tutamoe Survey District, 31230 links; towards the east by Block XI. of the same District, 25000 links; towards the south by Blocks XIV. and XIII. of the same District, 29081 links; towards the south-west by Opanake No. 1 Block, 3910 links; and towards the west by Section No. 1 of Block IX. of Tutamoe Survey District aforesaid, 21739 links, to the point of commencement: be all the aforesaid linkages more or less.

All that area in the Auckland Land District, being Section No. 4 of Block I., Tarawera Survey District, containing by admeasurement 747 acres 1 rood 11 perches, more or less. Bounded towards the north by a public road, 837 and 2193 links; towards the north-east by the Whakarewarewa No. 1 Block, Section 2, 10530 links; towards the south-east by the Moerangi Block, 13124 links; towards the south-west by Crown land formerly known as the Whakarewarewa No. 3 Block, Section 2, 4000 links; and towards the north-west by the Puarenga Stream to the point of commencement: be all the aforesaid linkages more or less.

WELLINGTON.

All that parcel of land in the Wellington Land District, containing by admeasurement 56 acres 2 roods, more or less, being Section No. 25, Block IV., Tiriraukawa Survey District. Bounded generally towards the north and north-east by the Ngauinga Road; towards the east and south by Native land; and towards the west by section No. 15: be all the aforesaid linkages more or less; as the same is delineated on the plan deposited in the office of the Chief Surveyor, Wellington.

All that parcel of land in the Wellington Land District, containing by admeasurement 39 acres 2 roods, more or less, being Section No. 51, Block X., Hautapu Survey District. Bounded towards the north by Sections Nos. 14, 15, 16, a road 100 links wide, Section No. 18, and edge of cliff along the Rangitikei River; generally towards the east, south, and south-west by the Rangitikei River and cliff; and towards the west by Sections Nos. 98 and 100, Town of Mangaweka: be all the aforesaid linkages more or less; as the same is delineated on the plan deposited in the office of the Chief Surveyor, Wellington.

NELSON.

All that parcel of land in the Nelson Land District, containing by admeasurement 1,920 acres, more or less, being Sections Nos. 4, Block IV., 5, Block V., 2, Block VIII., Wangamoa Survey District. Bounded towards the north partly by Section No. 12, Square 91, partly by public roads, and partly by Section No. 20, Block V., Wangamoa Survey District; towards the east and south-east partly by Section No. 4 and partly by Native reserve; towards the south-west by Crown lands; and towards the west partly by Section No. 3, Square 91, and partly by Section No. 3, Block IV., Wangamoa Survey District: as the same is delineated on the plan deposited in the office of the Chief Surveyor, Nelson.

MARLBOROUGH.

All that parcel of land in the Marlborough Land District, containing by admeasurement 131 acres, more or less, being Section No. 6, Block II., Linkwater Survey District. Bounded towards the north, south, and west by a road-line fronting the waters of Keupuru and Mahau Sounds; and towards the east by Section No. 7, Block II., 2650 links: as the same is delineated on the plan deposited in the office of the Chief Surveyor, Blenheim.

ERRATUM.—In *New Zealand Gazette*, No. 65, of the 1st September, 1898, page 1404, *re* appointment of trustee to the Ashburton Volunteer Drill-shed, for "Lieut.-Colonel William Montagu Moore," read "Lieut.-Colonel Walter Montagu Moore."

All that parcel of land in the Canterbury Land District, containing about 400 acres, and numbered 3323 (in red), in the Clyde and Ramsay Survey Districts. Bounded on the west and south-west by the Clyde River; on the south-east by Run No. 112; on the north by lines at about right angles to the general direction of the western boundary, and about two miles distant from the southern boundary; and on the east by lines parallel to the general direction of the western and south-western boundaries, and not less than 25 chains distant therefrom.

All that parcel of land in the Canterbury Land District, containing about 300 acres, and numbered 3324 (in red), in the Clyde Survey District. Bounded on the east by the Clyde River; on the north, west, and south by lines to cover the forest. The north and south boundaries to run at a right angle with the general direction of the eastern boundary, and the western boundary to be not less than half a mile distant from the eastern boundary; the south-east corner to be about 40 chains north-west of Trig. K, Clyde District.

All that parcel of land in the Canterbury Land District, containing about 1,200 acres, and numbered 3325 (in red), Blocks IX., X., XIII., and XIV. in the Sinclair Survey District; being the forest land in the valley of Bush Stream. Bounded on the east by Run No. 110; on the southward, northward, and westward by lines run to cover the forest on either side of Bush Stream. The western point of this reserve is about three miles and a half west of the point where Bush Stream crosses the western boundary of Reserve No. 1575.

All that parcel of land in the Canterbury Land District, containing about 250 acres, and numbered 3326 (in red), Block I., Sinclair Survey District; situated on Camp Stream, a branch of the Havelock River. Bounded on the south-east by Educational Reserve No. 1575, Camp Stream, and lines to cover the forest; on the westward by lines to cover the forest; on the northward by lines to cover the forest, and parallel to the general direction of Camp Stream; and on the north-east by lines to cover the forest.

All that parcel of land in the Canterbury Land District, containing about 2,600 acres, and numbered 3327 (in red), in the Torlesse, Sinclair, and Godley Survey Districts; being a strip of land bounded by the west bank of the River Havelock, the south bank of the Forbes River, the north bank of Carney's Stream, and by lines to cover the forest on the south side of the last-mentioned stream. The reserve to have an average width of not less than 40 chains, the back boundaries to be parallel to the general direction of the aforementioned rivers and stream, and to cover forest. This reserve extends about two miles and a half up the western bank of the River Havelock, about three miles up Carney's Stream, and about two miles and a half up the south bank of the Forbes River.

All that parcel of land in the Canterbury Land District, containing about 2,600 acres, and numbered 3328 (in red), in the Torlesse Survey District; being a strip of land having an average width of not less than 40 chains. Commencing at a point on the Forbes River about three miles above its junction with the Havelock River, and extending up the north and west banks respectively of those rivers to a point about three miles and a half from their junction with each other; the back boundaries to be lines drawn parallel to the aforementioned rivers to cover the forest; the northern boundary to be lines run to cover the forest.

All that parcel of land in the Canterbury Land District, containing about 1,300 acres, and numbered 3329 (in red), in the Havelock Survey District; being a strip of land to cover the forest running up the east bank of the Havelock River, having an average width of 40 chains. Commencing at about 40 chains south of the westernmost corner of Run No. 111, and extending northward about three miles and a half.

All that parcel of land in the Canterbury Land District, containing about 3,800 acres, and numbered 3330 (in red), in the Aspiring and Wilkin Survey Districts. Bounded on the southward by Albert Burn, and lines to cover the forest; on the eastward, northward, and westward by lines to cover the forest.

All that parcel of land in the Canterbury Land District, containing about 3,100 acres, and numbered 3331 (in red), in the Wilkin Survey District. Bounded towards the eastward by Lake Wanaka and Rural Sections Nos. 23280, 21362, and 23281; on the southward by lines to give access from the lake, and to include the forest. Also bounded on the southward by the River Nottingley; on the westward and northward by lines to include the forest; and also on the northward by lines to give access from the lake.

All that parcel of land in the Canterbury Land District, containing about 47,600 acres, and numbered 3332 (in red), in the Young, Haast, Wilkin, and McKerrow Districts. Bounded towards the south-east by the road from Haast Pass, and a branch of the River Makarora; on the southward by the River Wilkin, and lines to cover the forest on the

south bank thereof; on the westward and north-westward by lines to cover the forest; and on the north-eastward by the dividing-line between the Provincial Districts of Canterbury and Westland to Haast Pass: save and except Sections Nos. 34694, 34788, 35314, 34596, 33376, 35301, 30277, and 34724, which are included within the above-described boundaries.

All that parcel of land in the Canterbury Land District, containing about 11,000 acres, and numbered 3333 (in red), in the Haast and McKerrow Survey Districts. Bounded towards the westward generally by the road from Haast Pass, a branch of the River Makarora, the River Makarora, Reserve No. 2248, the reserve at Cameron's Flat, Section No. 34695, Reserve No. 2247, Sections Nos. 21028, 21037, 23825, 23826, 23866, 23867, 23868, 23869, 23870, 23871, 4690, 7698, 21027, and 21038; on the southward, eastward, and south-eastward by lines to cover the forest; and on the north-eastward by the dividing-line between the Provincial Districts of Canterbury and Westland to Haast Pass.

All that parcel of land in the Canterbury Land District, containing about 3,800 acres, and numbered 3334 (in red), in the McKerrow Survey District. Bounded on the south-eastward by the River Hunter, on the south-west and north-east by lines to cover the forest and give a suitable frontage to the said river. This reserve is situated on a stream which empties itself into the west side of the River Hunter at a point about one mile and a half to the north of Trig. T, McKerrow Survey District.

All that parcel of land in the Canterbury Land District, containing about 14,100 acres, and numbered 3335 (in red), in the Hunter Survey District. Bounded towards the south-east by the west bank of the River Hunter, and on the southward, westward, and northward generally by lines to cover the forest lying between the source of the said river and Cotter's Stream.

All that parcel of land in the Canterbury Land District, containing about 8,200 acres, and numbered 3336 (in red), in the Hunter Survey District. Bounded on the north-west by the east bank of the River Hunter, on the southward by the northern boundary of Run No. 99a, and on the eastward and north-eastward generally by lines to cover the forest extending northward to near the source of the last mentioned river.

All that parcel of land in the Canterbury Land District, containing about 1,000 acres, and numbered 3337 (in red), in the Stafford Survey District; being all that block of land bounded by straight lines to include the forest in the forks of the Dingle Burn lying to the east of Leaning Mount.

All that parcel of land in the Canterbury Land District, containing about 7,000 acres, and numbered 3338 (in red), in the Hunter and Stafford Survey Districts. Bounded on the eastward by the Ahuriri River; and on the southward, westward, and northward by straight lines to cover the forest on the west bank of the said river, extending as far south as Trig. D, Stafford Survey District.

All that parcel of land in the Canterbury Land District, containing about 2,000 acres, and numbered 3339 (in red), in the Hunter and Stafford Survey Districts. Bounded on the westward by the Ahuriri River; and on the northward, eastward, and southward by lines to cover the principal forest on the east bank of the said river.

All that parcel of land in the Canterbury Land District, containing about 2,800 acres, and numbered 3340 (in red), in the Hopkins and Campbell Survey Districts. Bounded by lines to cover the forest on Station Stream between Mount Sutton and Mount Maitland.

All that parcel of land in the Canterbury Land District, containing about 3,600 acres, and numbered 3341 (in red), in the Hopkins Survey District. Bounded by lines to cover the forest on Temple Stream and its tributaries; also bounded partly on the southward and south-eastward by the said stream.

All that parcel of land in the Canterbury Land District, containing about 11,000 acres, and numbered 3342 (in red), in the Ward and Hopkins Survey Districts. Bounded on the eastward by the River Hopkins; and on the southward, westward, and northward by lines to cover the principal forest-lands on the Elcho Stream, the River Huxley, and the west bank of the first-mentioned river to a point about two miles and a half south of the mouth of the last mentioned river.

All that parcel of land in the Canterbury Land District, containing about 5,100 acres, and numbered 3343 (in red), in the Ward and Hopkins Survey Districts. Bounded on the westward by the River Hopkins; and on the northward, eastward, and southward by lines to cover the principal forest lands along the east bank of the said river.

All that parcel of land in the Canterbury Land District containing about 9,000 acres, and numbered 3344 (in red), in the Hopkins, Ward, and Tasman Survey Districts. Bounded on the eastward by the River Dobson; on the southward and westward by lines to cover the principal forest lands along the west bank of the said river; and on the northward

L&S N17 : Card 1 of 1 : Land District: Otago SO Plan No. 17983

Part Sec. Lot Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				
				Hunter and Stafford S.D's			
3338	A	700	0000	Sec 12		Now Crown Land	
3339	B	30	0000	ROL Act 1975		do	

L&S-N17: Card 1 of 1 : Land District: OTAGO Plan No. S0.18346

Part Sec. Lot Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				
				HUNTER & STAFFORD S. D. ^s			
	A	1440	0000				
	B	440	0000				

DOSLI 020 Card 1 of 1 : Land District: OTAGO Plan No. SO 22977

Part Sec. Lot Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				
				PLAN OF EASEMENTS			

L. & S.-N. 17: Card / of

:Land District: **OTAGO**

SO Plan No. **20749**

Part Sec. Lot. Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				
						HUNTER S.D.	
/		5870.0000	ha				

DOSLI D20

Card / of

:Land District: **OTAGO**

OTAGO

SO Plan No. **21207**

Part Sec. Lot. Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				

KA211407-10,000 cds/4/93

DOSLI D20

Card / of

:Land District: **OTAGO**

OTAGO

SO Plan No. **21208**

Part Sec. Lot. Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				

KA211407-10,000 cds/4/93

DOSLI D20 Card 1 of :Land District: *OTAGO* *50* Plan No. *21079*

Part Sec. Lot. Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				

KA211407-10,000 cds/4/93

DOSLI D20 Card 1 of :Land District: *OTAGO* *50* Plan No. *21080*

Part Sec. Lot. Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				

KA211407-10,000 cds/4/93

DOSLI D20 Card 1 of :Land District: *OTAGO* *50* Plan No. *21081*

Part Sec. Lot. Rd. Stm.	Letter Colour	Area		Gazette Reference	Document Number	Description of Action	Remarks
		Ha	m ²				

KA211407-10,000 cds/4/93

STATE FOREST
BLOCK: RESERVES

S.D.: HUNTER

SECTION No.	ORIGINAL PLAN.	FURTHER PLANS.						REFERRED ON.
3335	2049							
3336	"							
3338	2049	17983	18097	18346	21081	21077	21078	
3339	"	17983	18097	18346	21078	21077		

S.D.: Hunter BLOCK: No Blocks

SECTION No.	ORIGINAL PLAN.	FURTHER PLANS.						REFERRED ON.
1	20749							
2	21081							
3	21081							

S.D.: STAFFORD BLOCK: _____

SECTION No.	ORIGINAL PLAN.	FURTHER PLANS.						REFERRED ON.
3337	2049	22977						
3338	2049	17983	18097	18346	21207	21208	21078	21077 22977
3339						21079	21080	22978 22980
1	21079							
2	21080							
3	"							
4	21207							
5	21107							
6	21107							
7	21207							

DESCRIPTION: Pt. Run 94, Runs 429, 429C HUNTER, STAFFORD, LONGSLIPSIDE, CAMPBELL & HOPKINS S.Ds

S.O. PLAN:

AREA: Ha/18158 ha.

Gazette		S. Plan or File	Class.	Date of Disposal	Price/R.V.	Ann. Rent or Instalment	Term (Years from)	Tenure/ Lease No.	SELECTOR
Year	Page								
			P		\$6000	\$300	3340m 1-7-51	P75	18158 ha. Run 94

FREEHOLD TITLE				RESERVATIONS							
	No.	Vol.	Folio	Gazette		PURPOSE	Vested		Control Vested		IN WHOM VESTED
				Year	Page		Year	Page	Year	Page	
C.O.P.	-	-									
Warrant	-	-									
C.C.L.'s Cert.											
C/Grant	-										

DESCRIPTION: Pt. Run 94 HUNTER, STAFFORD, LONGSLIPSIDE, CAMPBELL & HOPKINS

A. Run 94 - 1663.7 ha approx.
" 429 - 471-4588 ha
" 429C - 1050-1592 ha
A. Run 94 (5625 ha) retired - to be surrendered from lease.

85049-15.000/10/76 Y6

DESCRIPTION: Part Run 94, Hunter and Stafford Survey District

S.O. PLAN:

AREA: Ha/m² 5625 ha

Gazette		S. Plan or File	Class.	Date of Disposal	Price/R.V.	Ann. Rent or Instalment	Term (Years from)	Tenure/Lease No.	SELECTOR
Year	Page								
								P75	
unalienated Crown land									
									<i>- area being surrendered out of lease.</i>

FREEHOLD TITLE

RESERVATIONS

	No.	Vol.	Folio	Gazette		PURPOSE	Vested		Control Vested		IN WHOM VESTED
				Year	Page		Year	Page	Year	Page	
C.O.P. - -											
Warrant - -											
C.C.L.'s Cert.											
C/Grant -											

DESCRIPTION: Part Run 94, Hunter and Stafford SD

<u>Forest No.</u>	<u>Name</u>	<u>Survey Districts.</u>	<u>Present Area</u>	<u>Gazette/Pages</u>	<u>Tenure</u>	<u>Withdrawals</u>	<u>Gazette/Pages</u>
	Ahuriri	Hunter, Stafford.	<u>31.3.58</u>	: 9,000-0-00p.	Permanent State Forest.		
				<u>Gazette/Pages</u> : 1898/1461.			
					<u>Tenure</u> : Permanent State Forest.		
						<u>Withdrawals</u>	<u>Gazette/Pages</u> -
85	Stafford	Stafford	<u>31.3.58</u>	: 1,000-0-00p.	Permanent State Forest.		
				<u>Gazette/Pages</u> : 1898/1461.			
					<u>Tenure</u> : Permanent State Forest.		
						<u>Withdrawals</u>	<u>Gazette/Pages</u> -

Forest Name Survey Districts.

75	Dusky	Greenvale	<u>Present Area</u> 31.3.58 : 5,004-0-09.7p. <u>Gazette/Pages</u> : 1907/2135, 1917/2289, 1948/1308, 1957/2193, 1933/3321, 1937/996;2179, 1925/611, 1926/153; 584; 1082, 1927/2197. <u>Tenure</u> : Permanent State Forest. <u>Withdrawals</u> <u>Gazette/Pages</u> 1950/4. ✓
79	Hunter	Hunter	<u>Present Area</u> 31.3.58 : 22,300-0-00p. <u>Gazette/Pages</u> : 1698/1461. <u>Tenure</u> : Permanent State Forest. <u>Withdrawals</u> <u>Gazette/Pages</u> . - ✓

DESCRIPTION: Pt Sec 3338, STAFFORD and HUNTER S.Ds.

S.O. PLAN: 17453

AREA: Ha/700 ha.

Gazette.		S. Plan or File	Class.	Date of Disposal	Price/R.V.	Ann. Rent or Instalment	Term (Years from)	Tenure/Lease No.	SELECTOR
Year	Page								

FREEHOLD TITLE

RESERVATIONS -

No.	Vol.	Folio	Gazette		PURPOSE	Vested		Control Vested		IN WHOM VESTED
			Year	Page		Year	Page	Year	Page	
C.O.P. - -					Sec 12 P.S.O.W.D. Act 1975					
Warrant - -					700ha declared Crown land.					
C.C.L.'s Cert.										
C/Grant - -										

DESCRIPTION: Pt Sec 3338 STAFFORD and HUNTER S.Ds.

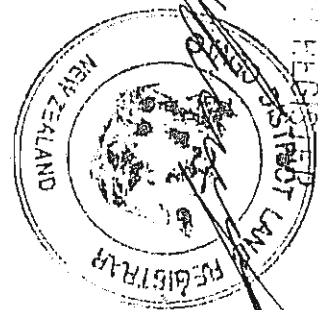
**MEMORANDUM OF RENEWAL OF
PASTORAL LEASE**

Particulars entered in the
Register as shown herein on the date
and at the time stamped below.

HER MAJESTY THE QUEEN Lessor

District/Assistant Land Registrar
of Otago

BIRCHWOOD RUN LIMITED Lessee



3.35 12.MAY.98

9 2 19 12 9 - 1

LANDCORP PROPERTY LIMITED
DUNEDIN

2-11-15

4/2/98

**MEMORANDUM OF RENEWAL AND VARIATION
OF PASTORAL LEASE**

IN THE MATTER and the Land Act 1948

AND

IN THE MATTER of Pastoral Lease No P75
registered in Volume 338
Folio 80 Otago District Land Registry
from HER MAJESTY THE QUEEN to
BIRCHWOOD RUN LIMITED

- (1) Pursuant to Section 170 of the Land Act 1948 the term of the abovementioned lease registered in Volume 338 Folio 80 Otago Land Registry is renewed for a term of 33 years commencing on the 1st day of July 1984. The covenant to pay rent and the rental value contained in the lease is hereby varied by deleting the said covenant and substituting the following:

Yielding and paying therefore for the first 11 years of the said term unto the Commissioner of Crown Lands the annual rent of \$3,000.00 plus GST calculated on a rental value of \$200,000.00 payable without demand by equal half yearly payments in advance on the first day of January and the first day of July in each and every year during the said period of 11 years and for the next two successive periods of 11 years of the said term a rent determined in respect of each of those periods in the manner provided in Section 132A of the Land Act 1948.

Save as hereby expressly varied all the covenants conditions and restrictions contained or implied in the said Memorandum of Lease shall remain in full force.

IN WITNESS WHEREOF the parties have hereunto subscribed their names this
28th day of August 1995

SIGNED for and on behalf of HER MAJESTY)
THE QUEEN by the Commissioner of Crown)
Lands in the presence of:)

[Handwritten signature]

Witness: _____

Occupation: LYNETTE PORTER
TEAM MEMBER
Address: NATIONAL OFFICE
DEPARTMENT OF SURVEY
LAND INFORMATION
WELLINGTON

[Handwritten signature]

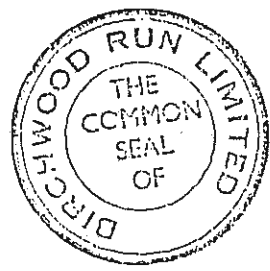
Commissioner of Crown Lands

The common seal of)
BIRCHWOOD RUN LIMITED)
as lessee was hereto affixed)
in the presence of:)

Lessee

[Handwritten signature] Director

[Handwritten signature] Director



Department of
Survey and Land Information



DOSLIC2

Your reference: District Office: Dunedin
In reply quote: 3/35/1 Postal Address: Box 896
DUNEDIN
For verbal enquiries please ask for: Mr Fisher

Telegrams: DOSLI

Telephone: 770 650
FAX 773 547

19 April 1989

District Land Registrar
Land and Deeds Division
Department of Justice
Private Bag
DUNEDIN

ALTERATION TO DESCRIPTION

Please note the following alteration. A copy of the relevant plan is attached.

SO Plan ..22980.

Former Description

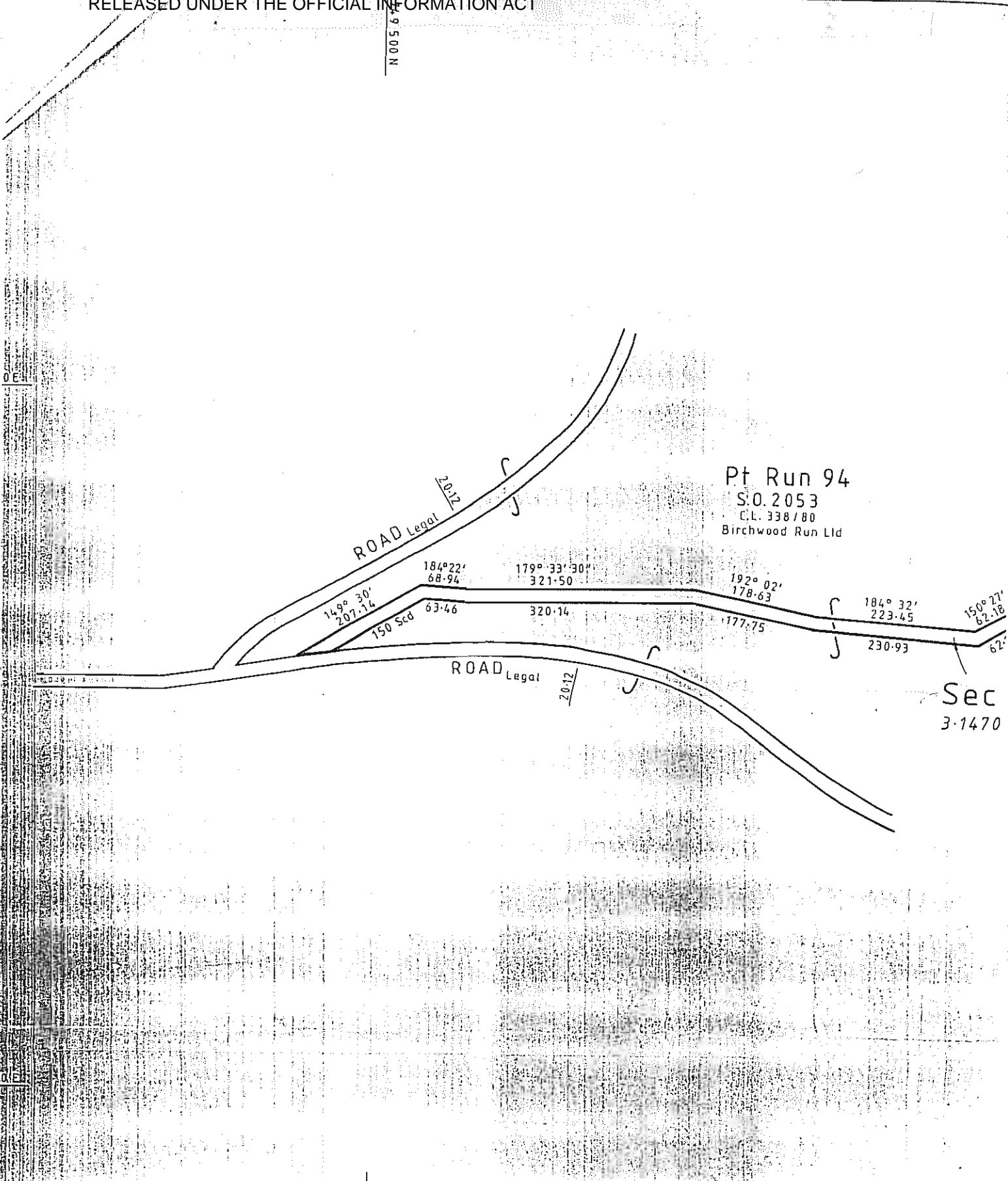
Part Run 94
Stafford SD

New Description

Section 1
SO 22980
Area: 3.1470 ha

S. A. Taylor
S A Taylor (Miss)
for Chief Surveyor

N 005 67



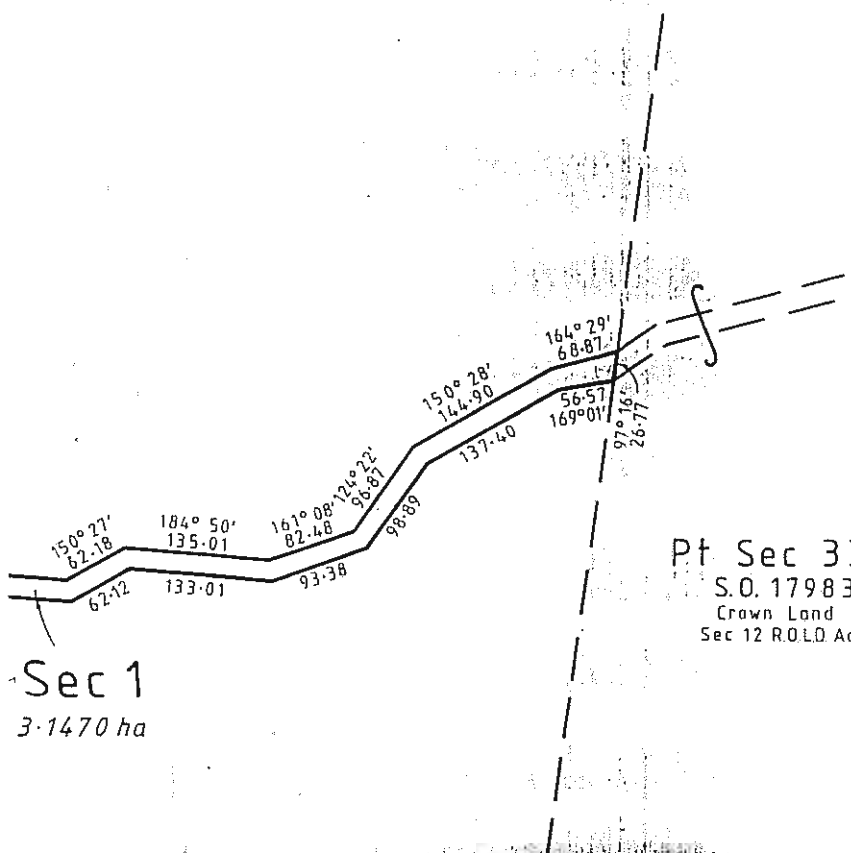
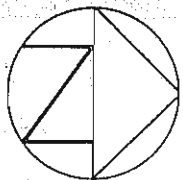
COMPUTED PLAN

DISTRICT OTAGO
 BIK & Dist STAFFORD
 261 Sheet G 38 Record Map No. G 38

SECTION 1

DRAWN BY B. W. SOPER

700 500 N



Sec 1
3.1470 ha

Pt Sec 3338
S.O. 17983
Crown Land
Sec 12 R.O.L.O Act 1975

Approvals

FORMER DESCRIPTION

Pt Run 94. Stafford S.D.

Approved as to layout

Henneth R. Taylor
43/2/89 Property Manager, Landcorp
(Pastoral)

Approved as to layout

30/5/89
[Signature]
Regional Manager
Department of Conservation

NOTE :

Boundaries computed from centre line traverse on S.O. 22978

DATUM : GEODETIC 1949
CIRCUIT : LINDIS PEAK
FALSE ORIGIN : 700 000 N
300 000 E

Total Area 3.1470 ha

Comprised in C.L. 338/80

I, RONALD JAMES KEEN
Registered Surveyor and holder of an annual practicing certificate for 1988 may act as a registered surveyor pursuant to section 25 of the Survey Act 1986 herby certify that this plan has been made from surveys conducted by me or under my directions, that both plan and surveys have been made in accordance with the Survey Regulations 1972 and regulations made in substitution thereof.
Dated at DUNEDIN this 17th day of November 1988. Signature *[Signature]*

Field Book — p. — Traverse Book — p. —
Reference Plans S.O. 2053, 21077, 21078, 21079

Examined *[Signature]* under T/C A79/2 Correct *[Signature]*

Approved as to Survey
14.1.4.89 *[Signature]*
Chief Surveyor

Deposited this — day of — 1989

District Land Registrar

TERRITORIAL AUTHORITY WAITAKI COUNTY
Surveyed by R. J. Keen
Scale 1:5000 Date August 1988

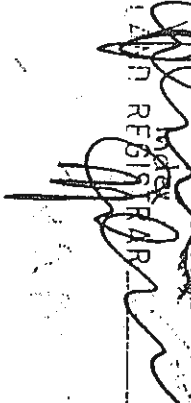
File
Received 29/11/88
Instructions 88/3012

S.O. 22980

11

9.20 20.APR 89 72681

PARTICULARS ENTERED IN REGIST
LAND REGISTRY OTAGO 388-154
ASST LAND REGIS



DEPARTMENT OF LANDS AND SURVEY

TELEGRAPHIC ADDRESS: 'LANDS'

FOR VERBAL INQUIRIES
PLEASE ASK FOR Mr McFelin

TELEPHONE No. 770 650



OUR REFERENCE: 3/35/1

YOUR REFERENCE:

DISTRICT OFFICE,

P.O. BOX 896

DUNEDIN

14 December 1983

The District Land Registrar
Land and Deeds Division
Justice Department
DUNEDIN

~~The Officer-in-Charge~~
~~Valuation Department~~
DUNEDIN

ALTERATION TO DESCRIPTION

Please note the following alteration to description. A copy of the relevant plan is attached.

SO Plan 20749.....

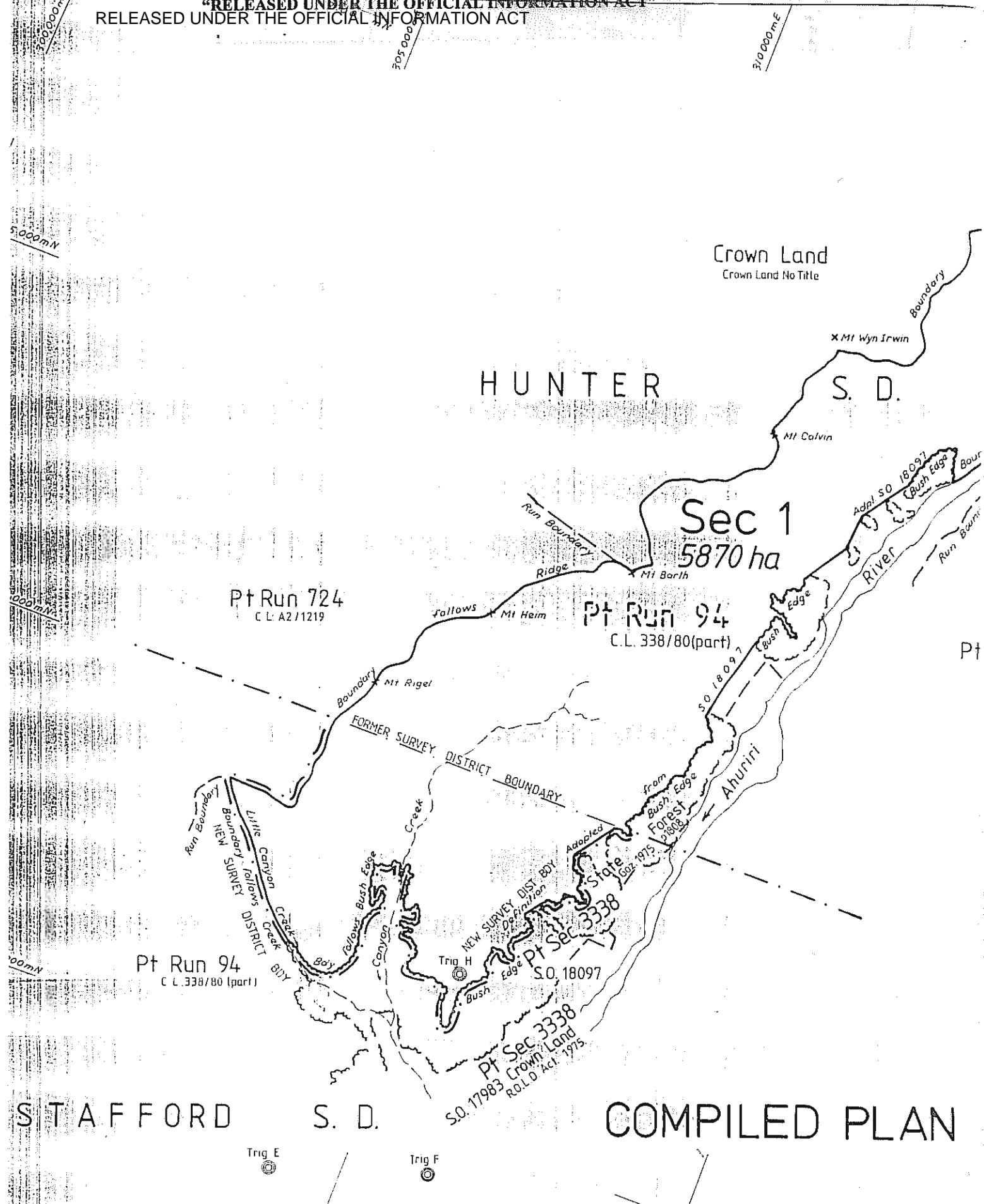
Former Description

Part Run 94
Stafford and Hunter
Survey Districts

New Description

Section 1
Hunter Survey District
Area: 5870ha

A McFelin
A McFelin
for Chief Surveyor



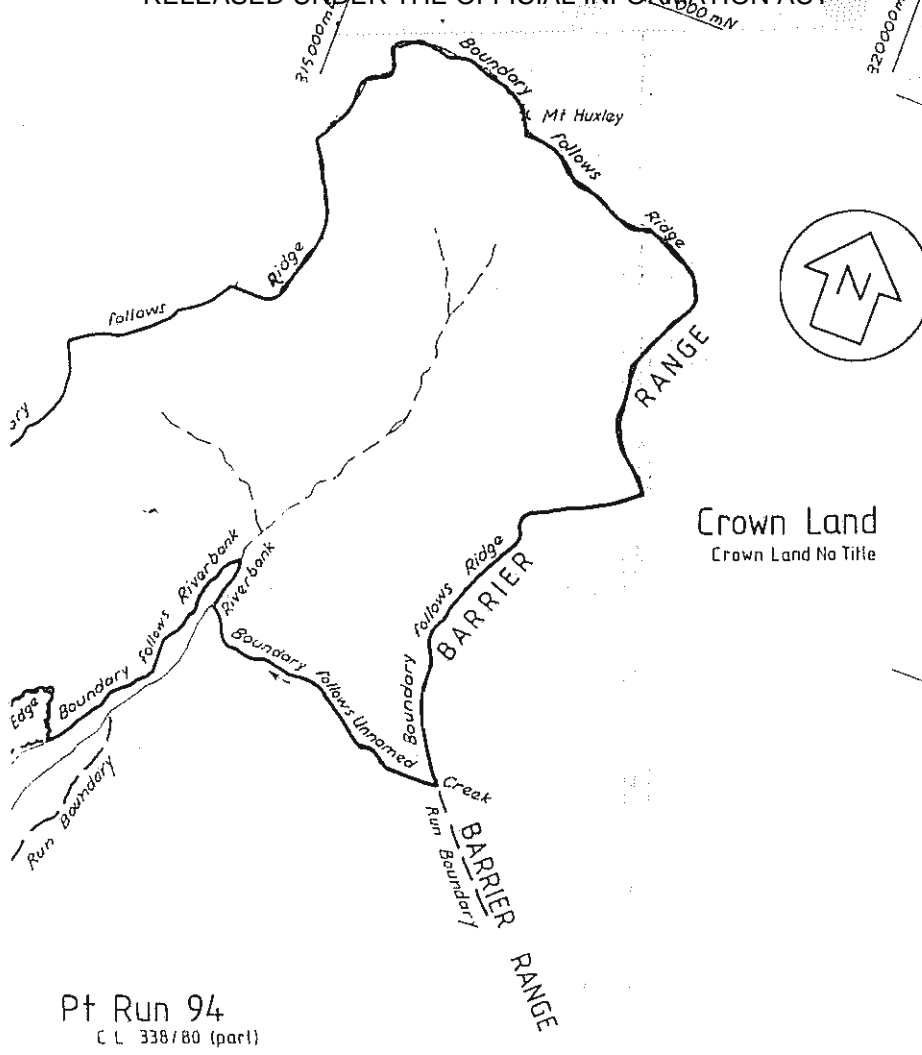
STAFFORD

S. D.

COMPILED PLAN

DISTRICT OTAGO
VEY DIST. HUNTER S.D.
261 SHEET No. G 38
S 99

Section 1



Approvals

FORMER DESCRIPTION

Part Run 94 Stafford & Hunter Survey Districts

The boundary definition shown hereon has been obtained from aerial photographs taken in 1958, 1959, 1960 NZMS Sheets 99, 108. This plan represents the most accurate planimetric definition available at this date, of the boundaries of Pt Run 94 as shown in C.L. 338/80. Definition of State Forest boundary has been adopted from S.O. 18097

Datum: Geodetic 1949
 Coordinates in terms of Lindis Peak
 False Origin: 700 000mN - 300 000mE

Total Area **5870ha**
 Comprised in C.L. 338/80 (PART)

Registered Surveyor and holder of an annual practising certificate hereby certify that this plan has been made from surveys executed by me or under my direction; that both plan and survey are correct and have been made in accordance with the regulations under the Surveyors Act 1966

Dated at _____ this _____ day
 of _____ 19 _____ Signature _____

Field Book _____ p. _____ Traverse Book _____ p. _____

Reference Plans S.O. 17983, 18097, 2065, 2067

Examined *22/11/83* Correct *J. G. Smith*

Approved as to Survey *22/11/83*

23 // 83 Chief Surveyor

Deposited this _____ day of _____ 19 _____

District Land Registrar

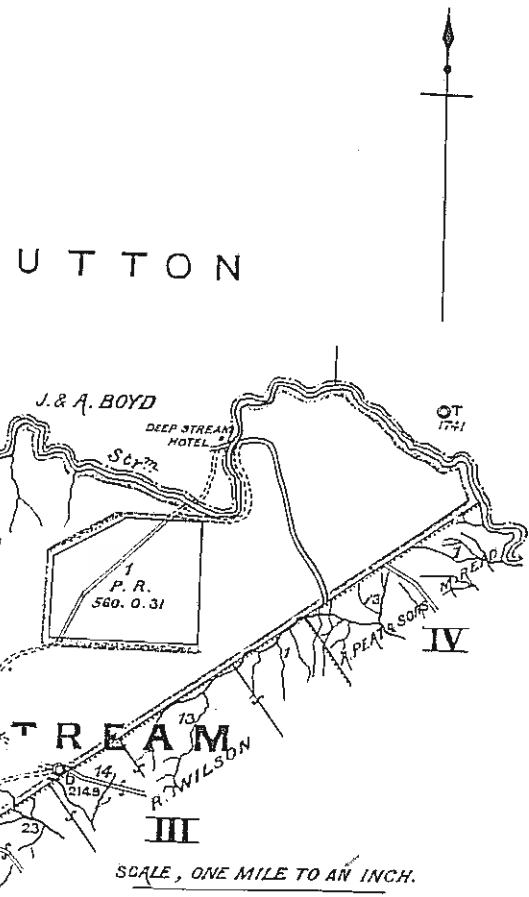
LOCAL AUTHORITY WAITAKI COUNTY
 Surveyed by _____ Compiled in Survey Office
 Scale 1:50,000 Date Aug. 1983

File *P. 75*
 Received *8-9-83*
 Instructions *folio 720*

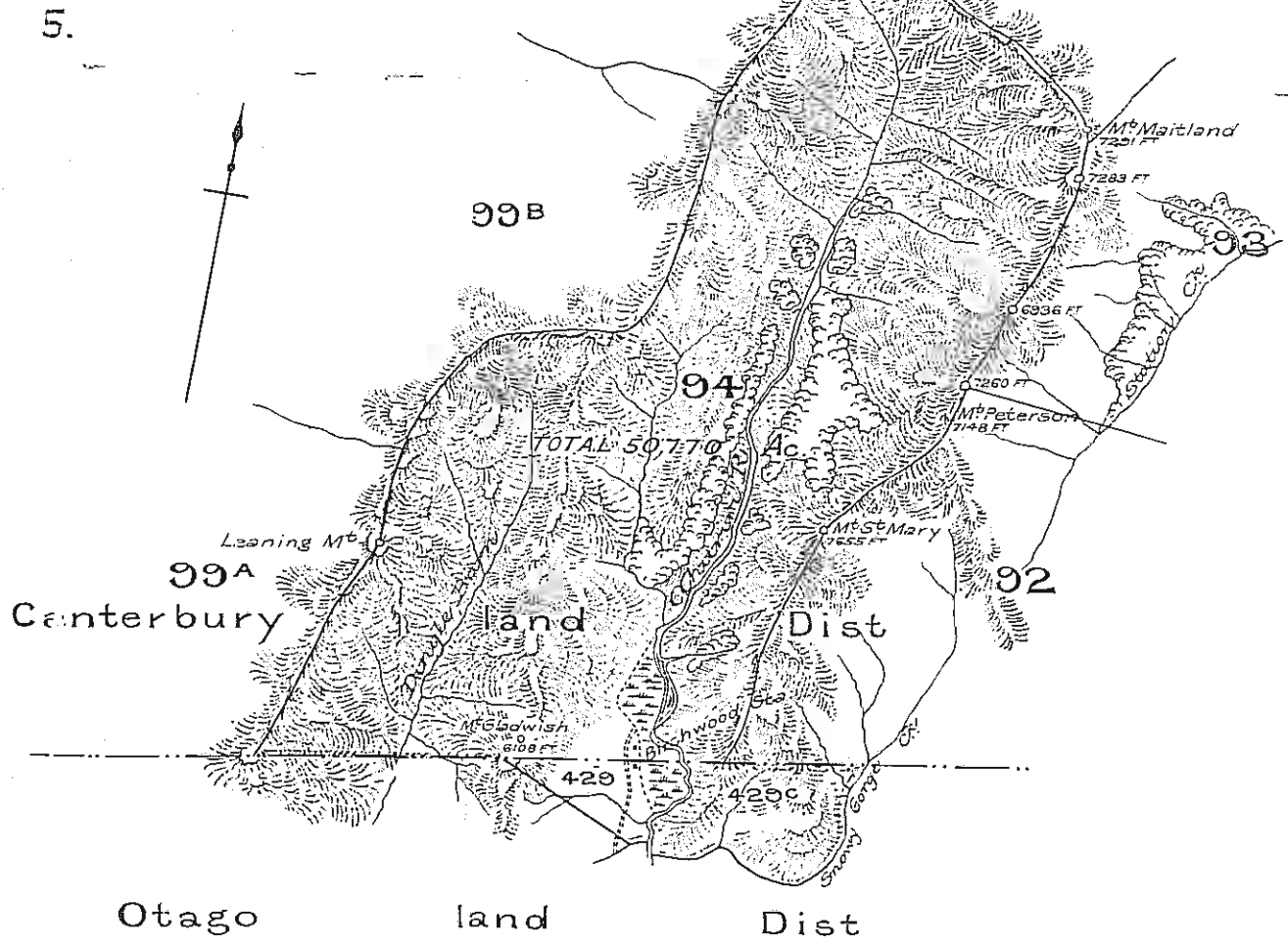
S.O. 20749

TUAPEKA COUNTY

Scale 40 chains to an inch



UTTON



Otago land Dist

Runs in WAITAKI COUNTY

Scale: 2 Miles to an Inch

260b.
COUNTY

RELEASED UNDER THE OFFICIAL INFORMATION ACT