

## **Crown Pastoral Land Tenure Review**

**Lease name : COMPENSATION RUN**

**Lease number : PM 017**

### **Due Diligence Report (including Status Report)**

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

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

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

**February 05**

### DUE DILIGENCE REPORT

#### CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:

File Ref: Pm017 Report No: AT2025 Report Date: 7 May 2002

LINZ Ref: CON/50213/09/12636/A-ZNO

Office of Agent: Alexandra LINZ Case No: TR02/488 Date sent to LINZ: 7/5/02

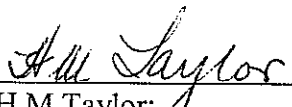
#### RECOMMENDATIONS:

- (1) That the Commissioner of Crown Lands or his delegate **note** the contents of this Due Diligence which has been prepared in accordance with the Pre Tenure Review Assessment Standard.
- (2) That the Commissioner of Crown Lands or his delegate note the following incomplete actions which require action by the Manager of Crown Property Contracts.
  - 2.1 Access to adjoining DoC land, has not been provided for by Variation of Lease document, although this was a condition of lease renewal in 1993 (LT 9470).
  - 2.2 Current Cadastral database does not record SO 7109 as a definition plan (May 1993) however, the renewal of the lease (July 1993) after this plan, effectively removes the unnamed stream from the lease and instigates the marginal strip provisions.


*The following is brought to your attention to note only:*

- Legal roads do not necessarily follow existing formation or alternatively are unformed (SO 1697).

**Signed by DTZ New Zealand Limited:**

  
H M Taylor:

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

  
Name: GRANT KASPER WEBBLEY  
Date of decision: 14/5/01

**(1) Details of lease:**

**Lease name:** Compensation

**Location:** This property is situated at the confluence of the Branch and Leatham Rivers, 76 km southwest of Blenheim. Road access is via Leatham Road, off State Highway 63.

**Lessee:** Craig Smith and John Landon-Lane

**Tenure:** Pastoral lease under the Land Act 1948 and Crown Pastoral Land Act 1998, Pastoral Lease No 17.

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

**Annual Rent:** \$1,350

**Rental Value:** \$90,000

**Date of Next Review:** 1 July 2004

**Land Registry Folio Ref:** MB 46/199

**Legal Description:** Run 211, Blocks I, II, V and VI Leatham Survey District

**Area:** 2602.1287 hectares

**(2) File Search:**

**Files held by LINZ Christchurch:**

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
5200-D10-C04		Unnumbered	7/5/1993	Unnumbered	5/6/1993

**Others files held by DTZ on behalf of LINZ:**

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
P17	1	180	7/9/1938	Unnumbered	10/12/1998
P17	2	Unnumbered	1/2/1999	Unnumbered	1/1/2000
CON-50213/09/12636 /A-ZNO (previously Volume II)	1	Unnumbered	1/7/2000	Unnumbered	25/6/2000

Only four folios were missing from the file record, plus those files before 1938 were not available. However confidence is held that all significant data has been searched.

First folio entry 7 September 1938 (*previous file PRL 311*).

An investigation docket in 1957, showed previous pasturage licences back to 1 January 1854, when a licence of 14 years was issued, followed by a replacement licence of 14 years from 6 October 1866. This was superseded by another one in 1868, for 14 years and finally a licence issued on 1 July 1882 for a further 14 years.

A licence was issued 1 March 1905 to Joseph Edward Rennell. The term was for 20 years, subsequently extended for a further term of 14 years.

At that stage Compensation Run comprised of 54930 acres, of which 50000 acres (*the land at the highest altitude*) was not grazed.

A report in 1938, stated that "except for isolated areas along river banks there is no flat ploughable land and the property rises very steeply to the main range".

At this time the lessee (*J E Rennell*) stated that he had only 80 sheep on the property.

Subdivision was recommended in 1938. The greater portion to the southwest, to be set aside as reserve, as it was unsuitable for grazing. Renewal of lease over front portion of approximately 6400 acres to be offered to the lessee at the then current rental of £40.

The Licence No 311, expired on 28 February 1939, and a new lease over the front portion of 4000 acres was issued as from 1 March 1939. Annual rental £40. Term 21 years, expired 29 February 1960. Unimproved value £800.

By 1939, the river was not bridged and the ford was not suitable for motor vehicles. There was a dray track about half the distance to the homestead, and from there access the remainder of the way was by pack track only.

The homestead (*which was in poor condition*) was situated about a mile from the shearing shed.

In 1938, Rennell agreed to the cutting off of 48530 acres from the property. He wished to keep the run as a home, as he was drawing the old age pension.

By November 1938, the Minister of Lands approved the acceptance of the land surrender, from the pastoral licence. The reserve was to be for water conservation purposes.

However 1941, saw surrendered land become State Forest, to improve the vegetation on the country and thus help with the flood control on the lower reaches of the Wairau River.

1947 saw Rennell leave the property, after suffering a stroke. His son-in-law (*Winslow Landon-Lane*) grazed stock on the property. J E Rennell died in January 1949 and the property was transferred to his daughter Phyllis Landon-Lane. Price £325, which was the value of the improvements.

The Government valuation in 1952 recorded:

Capital Value	£ 1,145
Unimproved Value	£ 745
Improvements	£ 400

In 1958, the decision was made to offer a pastoral lease over this property (*licence expired 29 February 1960*), rent £30, term 33 years.

The property was only occupied during seasonal work. An uneconomic unit.

Stock limitation – 800 dry sheep plus 10% tolerance.

The Landon-Lanes agreed to a reduction in stock numbers in 1958. The lessee’s 19 year old son was running the property.

Part Run 149B became Run 211, Blocks I, II, V and VI Leatham Survey District.

The area was unaltered, however prior to reselection (*SO 1697*) (*Section 58, Land Act 1948*) Crown land was reserved from sale along the rivers.

The lease renewal process was undertaken in 1959. Lease commenced 1 March 1960, but term of 33 years was dated from 1 July 1960.

By 1970 there was still no bridge access to the property.

The Government Valuation in 1972 reflected increasing land values:

Capital Value	\$ 5,400
Land Value	\$ 3,000
Improvements	\$ 2,400

The Marlborough Catchment Board expressed concern re burning on the property, especially as it was close to The Branch Hydro Scheme.

1981 saw a much increased Government Valuation:

Capital Value	\$ 32,500
Land Value	\$ 26,000
Improvements	\$ 6,500

A DSIR report in 1984 Identified exploitive mismanagement (*folio 305*).

Possible retirement of the Compensation Run was reported on in 1984 (*folio 297*). The property is located within the “Bounds Ecological District”. Significant vegetation, and ecological and landscape values were identified.

1986 Government Valuation followed the preceding trends:

Capital Value	\$ 40,000
Land Value	\$ 26,000
Improvements	\$ 14,000

Phyllis Landon-Lane died in 1987, and the property was transferred to her son Stanley Landon-Lane, as Executor of her Estate. By 1988 major rent arrears existed, however the family primarily wanted to keep at least part of the property for recreational purposes.

A new lease document was issued 30 June 1988. The original (*MB 46/199*) was found to be lost. The death of P Landon-Lane, necessitated a transfer. The lease was due to expire 30 June 1993.

A property report in 1990, noted that no development had been done since the last report, and that stock consisted of 500 Merinos.

Government Valuation in 1990:

Capital Value	\$ 43,000
Land Value	\$ 33,000
Improvements	\$ 10,000

The 1991 valuation for lease renewal recorded:

Lessee's Improvements	\$ 20,000
LEI	\$ 90,000
Annual Rental	\$ 1,350
Rental Value	\$ 90,000

Term 33 years, review 11 years.

In 1992 the lease was transferred to C V Smith and J S Landon-Lane, nephews of Stanley Landon-Lane.

By 1993 access was wanted over part of the Compensation Run 211, up the Branch Valley. The lease was renewed in 1993, and commenced on 1 July 1993.

Stock limit                      880      Sheep

Personal limit                    880      Sheep

As part of the lease renewal process, access to adjoining land was to be provided for by a Variation of Lease document, which was drawn up and is on file (*20 September 1993*).

However this was never signed by the lessee, and by 1995 Craig Smith decided not to sign the access agreement or lease variation. He felt that he had more control of the situation if he personally granted permission to people wanting access.

John Landon-Lane had little to do with the property at this stage.

The Government Valuation in 1999 recorded:

Capital Value	\$ 124,000
Land Value	\$ 114,000
Improvements	\$ 10,000

The property continues to be run by Craig Smith, who in 1988 enquired about planting trees and tracking on the property. He also expressed interest in freeholding part of the property and retiring the rest. The property, while uneconomic, has considerable environmental values.

**(3) Summary of lease document:**

***Terms of lease:***

The commencement date of the pastoral lease on Crown files is in agreement with the lease document.

The lease was issued on 1 July 1960 under the Land Act 1948 for a term of 33 years. The lease was renewed for a further 33 years, commencing on 1 July 1993.

The ownership stated is the same as used on Crown files and in the Status Check.

No non-standard conditions are recorded.

***Original lease stock limit:***

800 Dry sheep plus 10% tolerance.

***Personal Stock Limit:***

880 Sheep.

***Renewals and variations:***

The lease was renewed for a further 33 years, commencing on 1 July 1993.

***Area adjustments:***

Original lease area (1960) 2602.1287 ha.

Since the original lease no changes in the area of the property have occurred.

***Registered Interests:***

***Mortgages:***

No mortgages are registered on the lease.

***Other Interests:***

No electricity agreement is registered on the lease.

No mining or prospecting licence or permit is registered.

No Section 417 certificates under the Resource Management Act are registered.

No recreation permits are issued affecting the lease.

**(4) Summarise any Government programmes for the lease:**

No Government programmes have operated on this property.

Grant of \$500 towards Maku Lotus seed made in 1984 (*folio 301*) from Department of Lands and Survey, for the maintenance of Crown land.

**(5) Summary of Land Status Report:**

Copy attached as Schedule A.

**5.1 The Pastoral Lease:**

The Land Status Report confirms the Crown land status under the Land Act 1948, subject to pastoral lease registered as MB 46/199.

The area of the lease is confirmed as 2602.1287 ha.

*Encumbrances recorded on the lease:*

Subject to Part IVA Conservation Act 1987.

This is in agreement with the lease details section of this report to 2 April 2002.

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

The Crown retains mineral ownership.

The Status Check confirms that no conservation land exists within the lease boundary but identifies adjoining conservation land. Part Run 149B (*SO 666*) on the southern boundary.

This is in agreement with the findings of this Due Diligence Report.

No UCL land is identified within the property boundary.

A legal road is identified on SO 1697 (*1939*).

Marginal strips were identified, (*SO 1697 and SO 710G*) on waterways within this property.



The Status Check confirms that there are no recreation permits, DoC concessions or mining interests on the lease.

The Status Check identifies three matters possibly requiring investigation being:

- Legal roads do not necessarily follow existing formation or are unformed (*SO 1697*).
- Public access and/or Department of Conservation issue over a proposed right of way in gross over an existing formed track (*true right bank of the Branch River*) shown in LT 9470, which lessees and Commissioner of Crown Lands signed.
- Although the current Cadastral database does not record SO 7109 as a definition plan (*approved May 1993*), by the renewal of the lease (*July 1993*) after this plan, it effectively removes the unnamed stream from the lease and instigates the marginal strip provisions.

#### **5.2 Other Land:**

No other land is covered in the Status Check.

#### **(6) Review of topographical and Cadastral data:**

##### ***Topographical Map:***

A legal road follows the Branch River up from the north and enters the property, by a marked ford through the Leatham River.

This map shows the road continuing up the Branch River on the western boundary of the property. A hut, which is a short distance north from the northern boundary is shown. A cableway is shown crossing the Leatham River, close to the ford on the northern boundary of the property.

A road is shown following the northern boundary of the property (*it joins onto the road following the Branch River*). This follows The Leatham River. This road becomes a track at the point where the Leatham River turns south. This track follows The Leatham River along the entire western boundary. A number of fords are shown, as is a hut, just south of the southern boundary.

Across the river from the hut is an airstrip, access is provided by a marked footbridge.

No airstrips or huts are marked within the lease, but note presence of **cableway**.

No national grid or local supply electricity pylons cross the lease.

***Cadastral Map:***

The Cadastral map shows that the property lies at the confluence of The Branch and Leatham Rivers.

The Branch River forms the western boundary, and The Leatham River, the northern and eastern boundaries.

Each river is bounded by marginal strips and legal roads (*SO 7109 and SO 1697*). An unnamed stream draining the centre of the property also has marginal strips marked. This stream flows into the Leatham River on the northern boundary.

A right of way was surveyed in March 1994 (*LT 9470T*). A marginal strip exists along a stream which forms part of the southern boundary (*SO 1697*).

No recreation permits exist over the lease.

**(7) *Details of neighbouring Crown or Conservation land:***

DoC Christchurch confirmed no public conservation land exist within the lease (*see Status Check*).

The southern boundary is shown as adjoining Run 149B (*SO 666*), conservation purposes.

Across The Leatham River to the east is the Leatham Crown land area, formerly Run 213 (*Pastoral Lease 18 – SO 4451*).

This was purchased by the Crown for conservation purposes (*approximately 12 months ago*).

To the north of Run 211 (*Compensation Run*), over The Leatham River lies an area of freehold while to the west across the Branch River lies conservation land.

**(8) *Summary of uncompleted actions or potential liabilities:***

**8.1** Access to adjoining DoC land has not been provided for by Variation of Lease document, although this was a condition of the lease renewal in 1993. This was to have been an easement under Section 60, Land Act 1948 (*20 September 1993*).

**8.2** The current Cadastral database does not record SO 7109 as a definition plan (*approved May 1993*). However the renewal of the lease (*July 1993*) after this plan effectively removes the unnamed stream from the lease and instigates the marginal strip provision.

***The following issue is brought to your attention to note only:***

- Legal roads do not necessarily follow existing formation or are unformed (*SO 1697*).

**ATTACHMENTS:**

Schedule A - Status Check.

Attachment 1 - Recent copy of lease document MB 46/199.

Attachment 2 - SO Plan 7109.

**SCHEDULE A:**

Status check.

**DTZ NEW ZEALAND LIMITED**

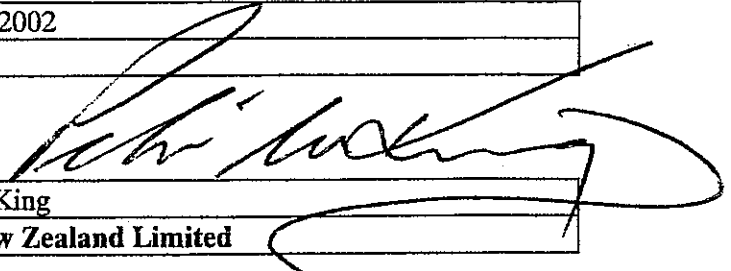
**Appendix A**

This report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50268 dated 31 August 2001 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

<b>LAND STATUS REPORT for COMPENSATION</b>				[LIPS ref.12636]
<b>Property</b>	<b>1</b>	<b>of</b>	<b>1</b>	

<b>Land District</b>	Marlborough
<b>Legal Description</b>	Run 211 situated in Blocks I, II, V & VI Leatham Survey District.
<b>Area</b>	2602.1287 hectares (subject to survey)
<b>Status</b>	Crown Land subject to the Land Act 1948.
<b>Instrument of lease</b>	All Computer Interest Register MB46/199 pursuant to section 66 and as registered under section 83 of the Land Act 1948, as renewed by document No.169647.
<b>Encumbrances</b>	Subject to Part IVA Conservation Act 1987.
<b>Mineral Ownership</b>	Minerals remain with the Crown as the land has never been alienated since its acquisition for settlement purposes, from the former Maori owners under the Kaikoura purchase 1859.
<b>Statute</b>	Land Act 1948 & Crown Pastoral Land Act 1998.

<b>Date Correct as at</b>	02 April 2002
<b>[Certification Attached]</b>	Yes



<b>Prepared by</b>	Peter M King
<b>Crown Accredited Supplier</b>	DTZ New Zealand Limited

**DTZ NEW ZEALAND LIMITED**

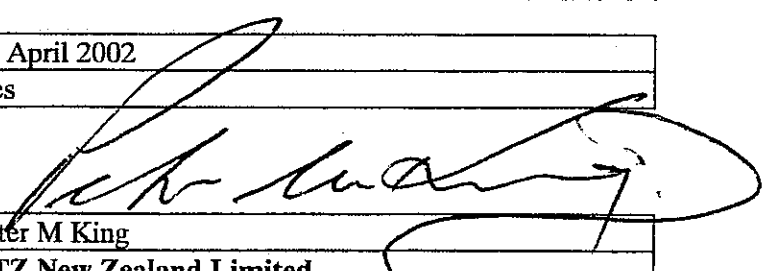
**Appendix B**

This Land status report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50268 dated 31 August 2001 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

<b>LAND STATUS REPORT for COMPENSATION</b>				[LIPS ref.12636]
<b>Property</b>	<b>1</b>	<b>of</b>	<b>1</b>	

<b>Land District</b>	Marlborough
<b>Legal Description</b>	Run 211 situated in Blocks I, II, V & VI Leatham Survey District.
<b>Area</b>	2602.1287 hectares (subject to survey)
<b>Status</b>	Crown Land subject to the Land Act 1948
<b>Instrument of lease</b>	All Computer Interest Register MB46/199 pursuant to section 66 and as registered under section 83 of the Land Act 1948, as renewed by document No.169647.
<b>Encumbrances</b>	Subject to Part IVA Conservation Act 1987.
<b>Statute</b>	Land Act 1948 & Crown Pastoral Land Act 1998.

<b>Data Correct as at</b>	02 April 2002
<b>[Certification Attached]</b>	Yes



<b>Prepared by</b>	Peter M King
<b>Crown Accredited Supplier</b>	DTZ New Zealand Limited

**Certification:**

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

..... *R. Moulton* .....

**Ross Moulton, Chief Surveyor**  
**Land Information New Zealand**  
**Marlborough Land District**

Date *17* / *4* / 2002

*COMPENSATION Property 1 of 1*

<p><b>Notes : This information does not affect the status of the land but was identified as possibly requiring further investigation at the due diligence stage : See Crown Pastoral Standard 6 paragraph 6</b></p>	<p>Legal roads do not necessarily follow existing formation or are unformed (SO 1697).</p> <p>Public Access and or Department of Conservation issue over a proposed Right of Way in gross over an existing formed track (True right bank of the Branch River) shown on LT 9470.</p> <p>Although the current cadastral data base does not record SO 7109 as a definition plan (approved May 1993), by the renewal of the lease (July 1993) after this plan, it effectively removes the unnamed stream from the lease and instigates the marginal strip provisions.</p>
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<b>LAND STATUS REPORT COMPENSATION</b>				<i>[LIPS ref 12636]</i>
<b>Property</b>	<b>1</b>	<b>of</b>	<b>1</b>	

**Research Data: *Some Items may be not applicable***

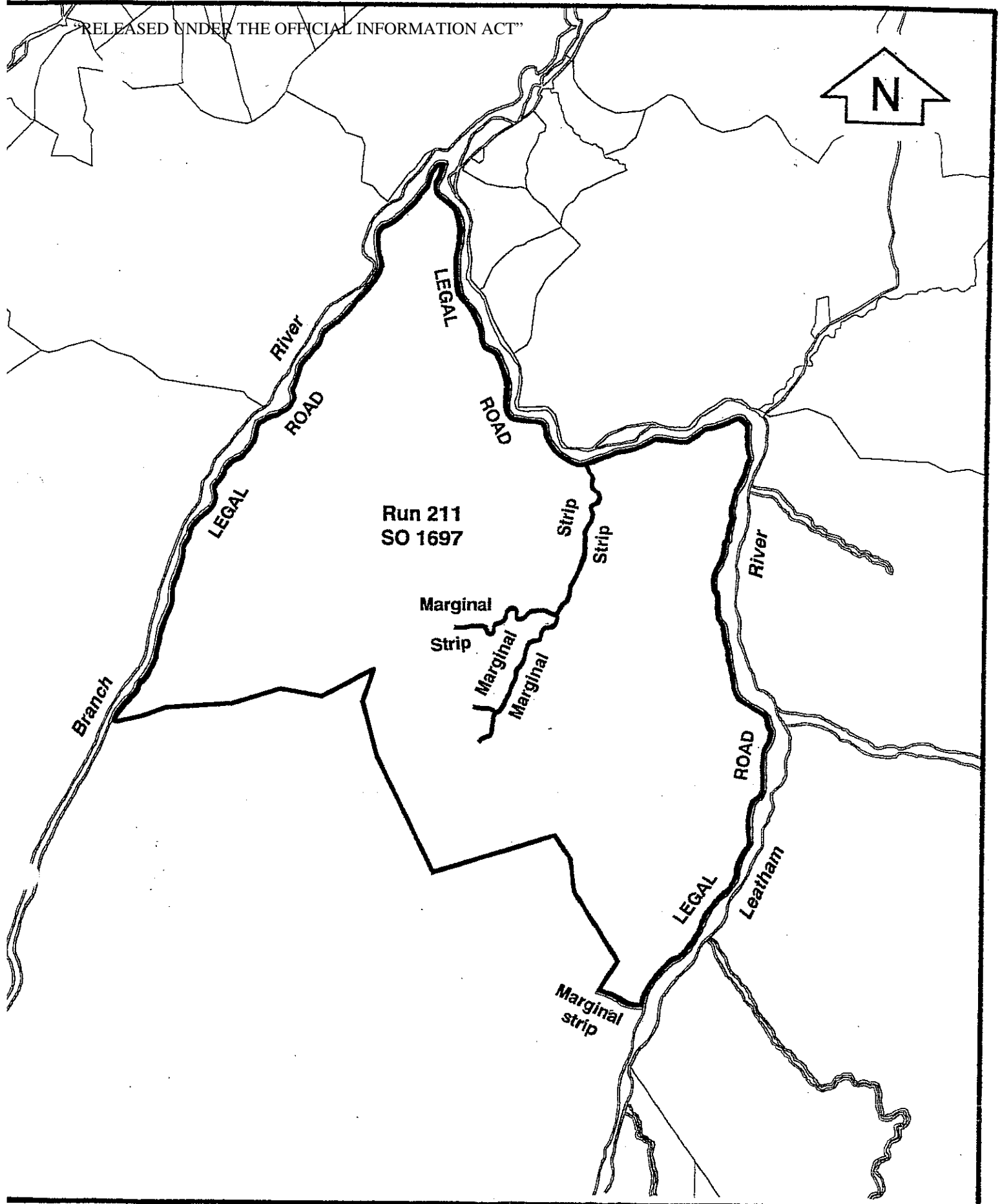
<b>Property</b>	<b>1</b>	<b>of</b>	<b>1</b>	
Cadastral Print Obtained				Yes
NZMS 261 Ref				N29
Local Authority				Marlborough District Council
Crown Acquisition Map				Kaikoura Purchase 1859
SO Plan				SO 1697 (1939) & SO 7109 (1993)
Relevant Gazette Notices				N/A
CT Ref / Lease Ref				All CIR MB46/199 (1960)
Legalisation Cards				N/A
CLR				N/A
Allocation Maps (if applicable)				SOE - SO 13979 (N29) no overlaps DoC - SO 14006 (N29) no overlaps
Rating Ref - if known				All assessment 20311-01400
Crown Grant Maps				Leatham No.17
If Subject land Marginal Strip:				
<b>a) Type [Sec 24(9) or Sec 58]</b>				No subject provision for section 58 of the Land Act 1948 on lease MB46/199. Section 1 SO 1697 - added (1993) - is shown reserved from sale pursuant to section 58 Land Act 1948 [vide section 24(3) Conservation Act 1987]. SO 7109 has identified an unnamed stream shown marked 'A' subject to section 24(9) of the Conservation Act 1987. Lease renewal in 07/1993 creates marginal strips shown marked 'A' SO 7109 under the Conservation Act 1987.
<b>b) Date Created</b>				July 1993
<b>c) Plan Reference</b>				SO 7109



<b>LAND STATUS REPORT COMPENSATION</b>				[LIPS ref 12636]
<b>Property</b>	<b>1</b>	<b>of</b>	<b>1</b>	

**Research – continued**

<b>Property</b>	<b>1</b>	<b>of</b>	<b>1</b>	
<b>If Crown land - Check Irrigation Maps.</b>				N/A
<b>Mining Maps</b>				No interest recorded National Mining Index.
<b>If Road</b>				
a) <b>Is it created on a Block Plan - Section 43(1)(d) Transit NZ Act 1989</b>				a) Section 110A Public Works Act 1928.
b) <b>By Proc</b>				b) N/A
c) <b>Plan</b>				c) SO 1697 (1939)
<b>Other Relevant Information</b>				
a) <b>Concessions - Advice from DOC or DTZ New Zealand Limited.</b>				a) There are no DoC concessions and or no current Recreation Permits.
b) <b>Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998 or Northern South Island Regional Landbank.</b>				b) Subject to Part 9 of the Ngai Tahu Claims Settlement Act 1998.
c) <b>Mineral Ownership</b>				c) Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under the Kaikoura purchase (1859)  Contained in [provide evidence]: Run 211 (formerly Pt Run 149B). MB46/150 (1939) under the Land Act 1924 is the earliest recorded lease/licence available in the Land Titles Office after the Nelson Waste Lands Regulations 1856 (Nelson Provincial Gazette 1856 page 11) and the subsequent Marlborough Waste Lands Regulations Amendment Act 1863.
d) <b>Other Info</b>				d) N/A

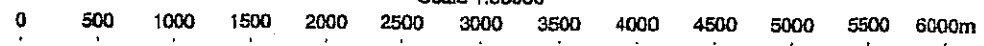


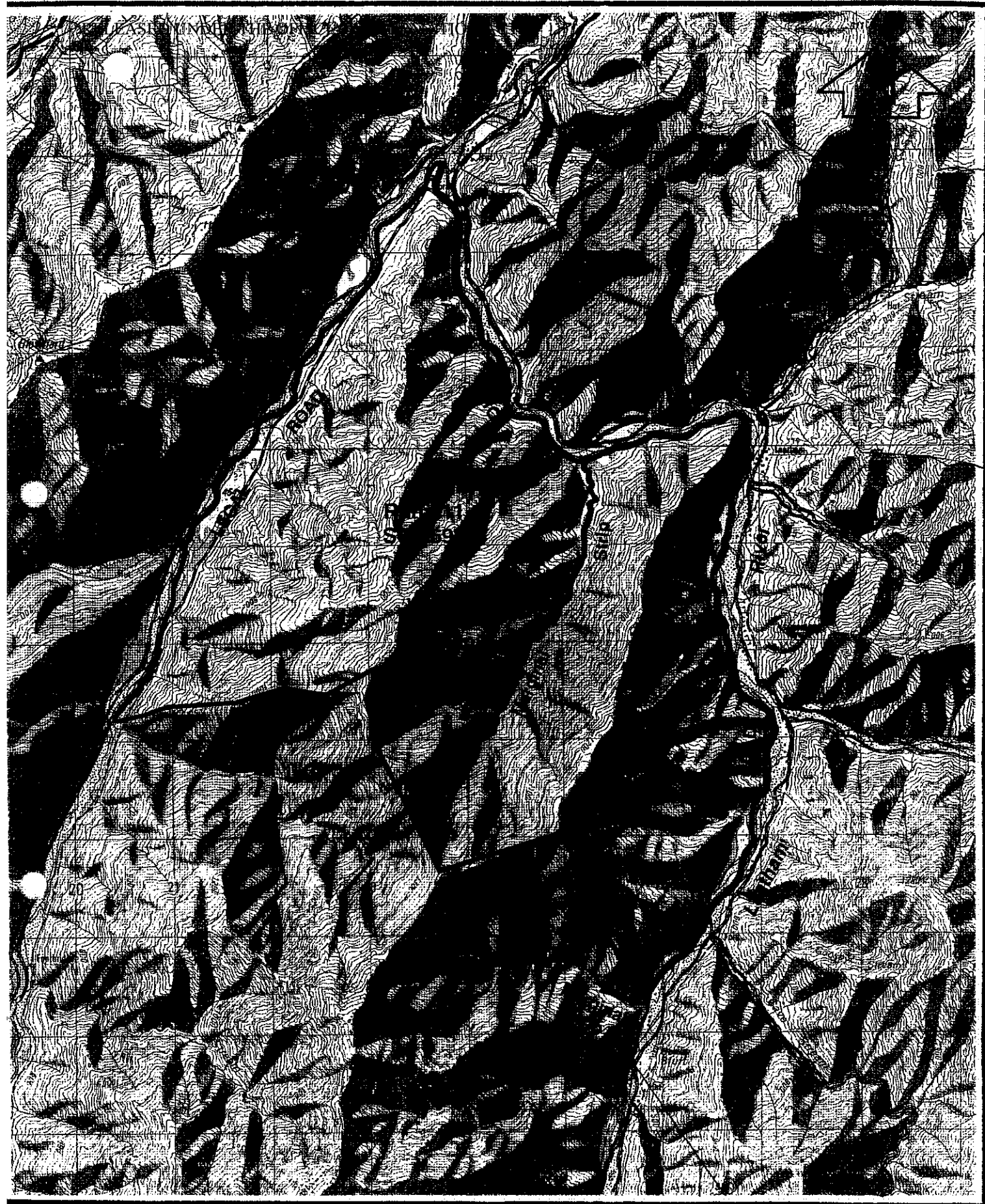
**EXCLUDES ALL LEGAL ROADS AND MARGINAL STRIPS (IF ANY)**

Version	1	2	3	4	5
Marlborough Land District					Sheet 1 of 1
NZMS 260 N29					Date 25/03/2002

# COMPENSATION (Run 211)

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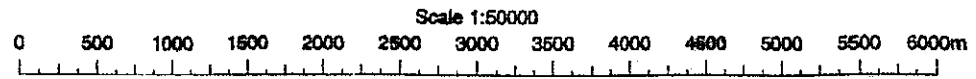




**EXCLUDES ALL LEGAL ROADS  
AND MARGINAL STRIPS (IF ANY)**

Version	1	2	3	4	5
Marlborough Land District				Sheet 1 of 1	
NZMS 260 N29				Date 25/03/2002	

## **COMPENSATION (Run 211)**



**ATTACHMENT 1:**

Recent copy of lease document MB 46/199.



**COMPUTER INTEREST REGISTER  
UNDER LAND TRANSFER ACT 1952**



**Historical Search Copy**

  
R. W. Muir  
Registrar-General  
of Land

**Identifier** MB46/199  
**Land Registration District** Marlborough  
**Date Registered** 02 March 1960 10:30 am

**Prior References**  
MB46/150

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<b>Type</b>	Lease under s83 Land Act 1948		
<b>Area</b>	2602.1287 hectares more or less	<b>Term</b>	Thirty-three years commencing on the first day of July 1960 and renewed for a further 33 years commencing on 1 July 1993

**Legal Description** Run 211

**Original Proprietors**

Craig Vincent Smith as to a 1/2 share  
John Stanley Landon-Lane as to a 1/2 share

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**Interests**

169647 Variation of terms and renewing the within lease for 33 years commencing on 1 July 1993 - 4.8.1993 at 11.40 am

Registered in the LAND REGISTRY OFFICE  
under the LAND TRANSFER ACT

LAND & DEEDS	
Notes:	PL
Form:	213R 360
Class:	10-20
Fee \$:	175
Abstract No.:	132

Registered in the Register-book, Vol. 46 fol. 199  
2nd day of March  
1960, at 10.30 o'clock.

(L. and S. II-1)

NEW ZEALAND

MARLBOROUGH

LAND DISTRICT

Issued as a Renewal of [or in Exchange for] Lease  
registered in Vol. 46 fol. 150

Pastoral Lease of Pastoral Land under the Land Act, 1948

No. 2-77

METRIC AREA IS 2602.1287 ha

This Deed, made the first day of March

between His Majesty THE KING (who, with his heirs and successors, is hereinafter referred to as "the Lessee"), of the one part, and Phillipa Leatham-Lane

Married Woman (who, with her executors, administrators, and permitted assigns, is hereinafter referred to as "the Lessor"), of the other part, WITNESSETH that, in consideration of the sum hereinafter recited, and of the covenants, conditions, and agreements herein contained or implied and on the part of the Lessee to be paid, observed, and performed, the Lessor doth hereby demise and lease unto the Lessee All that piece or parcel of land containing by measurement Six thousand four hundred and thirty (6,430) acres, situated in the Land District of Marlborough, and being Pastoral 211, Blocks I, II, V and VI, Leatham Survey District

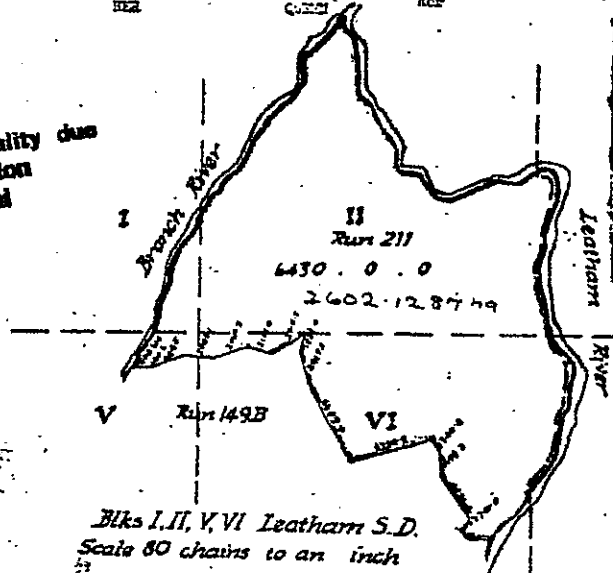


Image Quality due to Condition of Original

Blks I, II, V, VI Leatham S.D.  
Scale 80 chains to an inch

(hereinafter referred to as "the said land"), as the same is more particularly delineated in the plan drawn hereon and therein coloured red in outline, together with the rights, easements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of thirty-three years, commencing on the first day of July one thousand nine hundred and sixty together with the period between the date of this lease and the anniversary first day of July

Yielding and paying therefor during the said term unto the Department of Lands and Survey at the Principal Land Office for the said Land District of Marlborough the clear annual rent of thirty pounds (£ 30-0-0) payable without demand by equal half-yearly payments in advance on the 1st day of January and the 1st day of July in each and every year during the said term. And also paying in respect of the improvements specified in the Schedule hereto the sum of (£ ) by a deposit of (£ ) (the receipt of which sum is hereby acknowledged) and thereafter by (£ ) half-yearly instalments of pounds shillings and pence (£ ) on the 1st day of January and 1st day of July in each year in the same manner as rent.

- AND the Lessee doth hereby covenant with the Lessor as follows, that it is to say:-
1. THAT the Lessee will fully and punctually pay the rent hereinafter reserved as the time and in the manner hereinafter named in this behalf; and also will pay and discharge all rates, taxes, assessments, and outgoings whatsoever that now are or hereafter may be assessed, levied, or payable in respect of the said land or any part or parts thereof during the said term.
  2. THAT the Lessee will within one year after the date of this lease take up his residence on the said land, and thereafter throughout the term of the lease will reside continuously on the said land.
  3. THAT the Lessee will hold and use the said land *bona fide* for his own use and benefit and will not transfer, assign, sublet, mortgage, charge, or part with possession of the said land or any part thereof without the previous approval of the Land Settlement Board: Provided that such approval will not be necessary in the case of a mortgage to the Crown or to a Department of State.
  4. THAT the Lessee will at all times farm the said land diligently and in a husbandlike manner according to the rules of good husbandry and will not in any way commit waste.
  5. THAT the Lessee will throughout the term of his lease to the satisfaction of the Commissioner of Crown Lands for the Land District of Marlborough (hereinafter referred to as "the Commissioner") cut and trim all live fences and hedges, clear and keep clear the said land of all noxious weeds, and will comply strictly with the provisions of the Noxious Weeds Act, 1925.
  6. THAT the Lessee will keep the said land free from wild animals, rabbits, and other vermin, and generally comply with the provisions of the Rabbit Nuisance Act, 1925.
  7. THAT the Lessee will clean and clear from weeds and bracken fern all creeks, drains, ditches, and watercourses upon the said land, including any drains or ditches which may be constructed by the Commissioner after the commencement of the term of the lease; and will not at any time without the prior consent of the Commissioner alter the channel of any such creek or watercourse or stop or divert the water flowing therein.
  8. THAT the Lessee will at all times during the said term repair and maintain and keep in good substantial repair, order, and condition all improvements belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land, and will not, without the prior written consent of the Commissioner, pull down or remove those or any part of them.
  9. THAT the Lessee will insure all buildings belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land to their full insurable value in the name of the Commissioner in some insurance office approved by the Commissioner and will pay all premiums falling due under every such insurance policy and deposit with the Commissioner every such policy and, not later than the forenoon of the day on which any such premium becomes payable, the receipt for that premium.
  10. THAT the Lessee will not throughout the term of the lease without the prior consent of the Commissioner, which consent may be given on such terms and conditions (including the payment of royalty) as the Commissioner thinks fit, fell, sell, or remove any timber, tree, or bush growing, standing, or lying on the said land, and that he will throughout the term of the lease prevent the destruction of any such timber, tree, or bush unless the Commissioner otherwise approves: Provided that the consent of the Commissioner as aforesaid shall not be necessary where any such timber or tree is required for any agricultural, pastoral, household, manufacturing, or building purposes on the said land near where the timber or tree has been planted by the Lessee.
  11. THAT the Lessee shall not, except for the purpose of complying with any of the provisions of the Noxious Weeds Act, 1925, burn any tussock, scrub, fern, or grass on the said land, nor permit any tussock, scrub, fern, or grass on the said land to be burned, unless in either case he shall have obtained the prior consent in writing of the Commissioner, and his consent may be given subject to such terms and conditions as the Commissioner may direct.
  12. THAT officers and employees of the Department of Internal Affairs shall at all times have a right of access, egress, and regress over the land comprised in this lease for the purpose of determining whether such land or any adjoining land is infested with deer, wild goats, wild pigs, opossums, or other animals which the said Department is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers and employees in the performance of the said duties shall at all times avoid undue disturbance of the Lessee's stock.
  13. THAT the Lessee shall exercise due care in stocking and shall not overstock. (See over)
- AND it is hereby agreed and declared by and between the Lessee and the Lessor:-
- (a) THAT the Lessee shall have the exclusive right of pasturage over the said land, but shall have no right to the soil.
  - (b) THAT the Lessee shall have no right, title, or claim whatsoever to any minerals (within the meaning of the Land Act, 1914) on or under the surface of the soil of the said land, and all such minerals are reserved to His Majesty together with a free right of way over the said land in favour of the Commissioner or of any person authorized by him and of all persons lawfully engaged in the working, extraction, or removal of any mineral on or under the surface of the said land or any adjacent land of the Crown, subject to the payment to the Lessee of compensation for all damage done to improvements on the said land (belonging to the Lessee) in the working, extraction, or removal of any such minerals: Provided that there shall be no right of way over, or right to work, extract, or remove any mineral from, any part of the said land which is for the time being under crop or used or situated within 20 yards of a yard, garden, orchard, vineyard, nursery, or plantation, or within 100 yards of any building: Provided also that the Lessee may, with the prior consent in writing of the Commissioner, which consent may be given subject to such conditions as the Commissioner thinks fit, use any such minerals for any agricultural, pastoral, household, manufacturing, or building purposes on the said land, but not otherwise.
  - (c) THAT upon the expiration or effluxion of time of the term hereby granted and thereafter at the expiration of each successive term to be granted to the Lessee the outgoing Lessee shall have a right to obtain, in accordance with the provisions of section 66 (3) of the Land Act, 1948, a new lease of the land hereby leased as a rent to be determined in the manner prescribed by Part VIII of the said Act for a term of thirty-three years computed from the expiration of the term hereby granted and subject to the same covenants and provisions as this lease, including this present provision for the renewal thereof and all provisions ancillary or in relation thereto.

THIS REPRODUCTION IS A REDUCED SCALE  
CERTIFIED TO BE A TRUE COPY OF THE  
ORIGINAL RECORD FOR THE PURPOSES OF  
SECTION 125A LAND TRANSFER ACT 1952.

(OVER)

# REGISTER

46/199

- (4) THAT the Lessee shall have no right of acquiring the fee-simple of the said land.
- (5) THAT the Lessee may, with the prior consent in writing of the Commissioner given subject to such conditions as the Commissioner may deem necessary,—
- (a) Cultivate any portion of the said land for the purpose of growing winter feed for the stock depastured thereon;
  - (b) Cope such area of the said land as is sufficient for the use of himself and family and his employees;
  - (c) Plough and sow in grass any portion of the said land;
  - (d) Clear any portion of the said land by felling and burning brush or scrub and sow the land so cleared in grass;
  - (e) Suffer cow in grass any portion of the said land;
- Provided that the Lessee shall, on the termination of the lease, leave the whole of the area that has been ploughed or cultivated properly laid down in good permanent clover and grasses to the satisfaction of the Commissioner.
- 922 (6) THAT the Lessee shall, on the termination of the lease, leave the whole of the area that has been ploughed or cultivated properly laid down in good permanent clover and grasses to the satisfaction of the Commissioner.
- See below.
- (7) THAT if the Lessee shall leave New Zealand or abandon the said land or if he cannot be found or if he shall neglect or fail or refuse to comply with the covenants and conditions herein expressed or implied in the satisfaction of the Land Settlement Board or the Commissioner, at the time or times, or make default for not less than two months in the payment of rent, water levy, or other payments due to the Lessee, then the Land Settlement Board may, subject to the provisions of section 126 of the Land Act, 1948, declare this lease to be forfeit, and that without discharging or releasing the Lessee from liability for rent due or arrears due or for any other breach of any covenants or conditions of the lease.
- (8) THAT these covenants are intended to take effect as a pastoral lease under the Land Act, 1948, and the provisions of the said Act and of the regulations made thereunder applicable to such leases shall be binding in all respects upon the parties herein in the same manner as if such provisions had been fully set out herein.

### SCHEDULE

IMPROVEMENTS BELONGING TO THE CROWN AND BEING PURCHASED BY THE LESSEE

—111—

In witness whereof the Commissioner of Crown Lands for the Land District of Marlborough, and these presents have also been executed by the said Lessee,

on behalf of the Lessor, hath hereunto set his

Signed by the said Commissioner, on behalf of the Lessor, in the presence of—

Witness: [Signature]  
 Occupation: District Administrator  
 Address: Land and Survey Department

[Signature]  
 Commissioner of Crown Lands

Signed by the above named as Lessee, in the presence of—

Witness: [Signature]  
 Occupation: Bank, Land & Survey Department  
 Address: [Address]

P. Landon-Lane  
 Lessee

THIS REPRODUCTION (ON A REDUCED SCALE) CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL REGISTER FOR THE PURPOSES OF SECTION 214 LAND TRANSFER ACT 1952.

[Signature] A.L.R.

P.A.R. (7) THAT the lessee shall be deemed not to have failed to use due care in stocking or to have overstocked so long as the number of sheep depastured on the said land does not exceed 800 (being an increase of ten per cent on the carrying capacity on which is based the rent hereinafore reserved) but the Commissioner may by notice in writing permit the Lessee to depasture thereon any greater number should he deem it advisable or expedient so to do. Any permission so granted shall be subject to revocation or amendment by the Commissioner at any time and particularly in the event of a transfer. Any variation connected to by the Commissioner shall not affect the rent payable hereunder.

140482.1 Application to issue a provisional copy of the within Pastoral Lease the duplicate copy of which has been declared lost.—produced 11.4.1988 and entered 20.6.1988 at 9.00c

[Signature]  
 A.L.R.

169647 Variation of terms renewing the within lease for 33 years commencing on 1 July 1993.—4.8.1993 at 11.40c

170965 Transfer to Craig Vincent Smith of Blenheim, Labourer and John Stanley Landon-Lane of Wairau Valley, Student as tenants in common in equal shares.—29.10.1993 at 9.32c

140482.2 Transmission to Stanley Edward M. NZ Landon-Lane of Wairau Valley, Farmer as executor.—produced 11.4.1988 and entered 30.6.1988 at 9.01c

[Signature]  
 A.L.R.

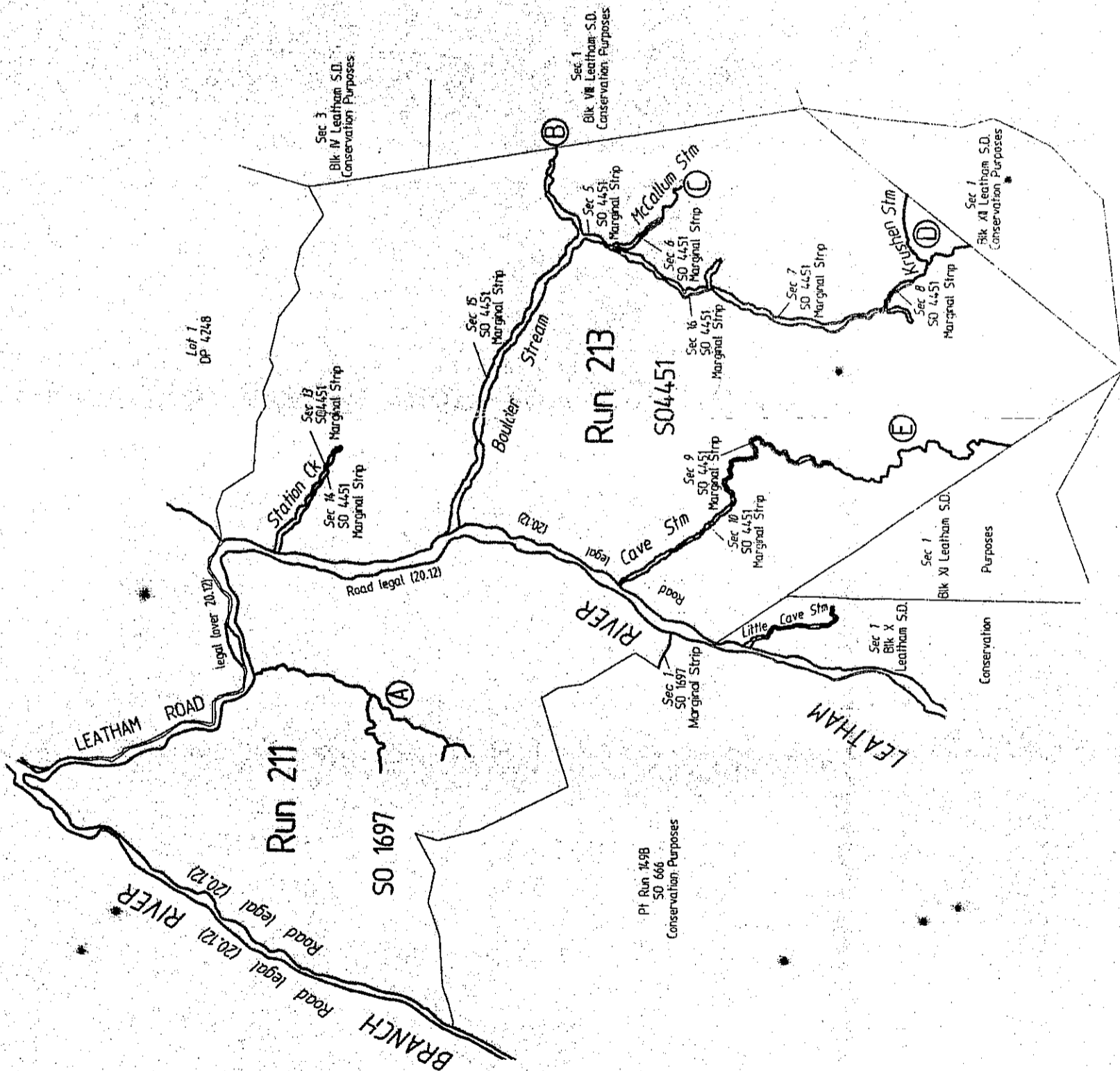
[Signature] A.L.R.  
[Signature] A.L.R.



**ATTACHMENT 2:**

SO Plan 7109.





**COMPILED PLAN**

TERRITORIAL AUTHORITY: MARLBOROUGH  
 Surveyed by Dept of Survey and Land Information  
 Scale 1:50,000  
 Date MARCH 1993

Waterways in Pastoral Lease No's 17 & 18  
 along which Sec 24 Conservation Act 1987 applies.

LAND DISTRICT: MARLBOROUGH  
 Survey Blk. & Dist. I-IV, VI-VIII, XI, XII LEATHAM  
 NZMS 261 Sheet N29 & 029 Rcd Map 2.1.2.2 1.1.1.2

**Approvals**

Streams shown labelled A - E will be subject to Section 24(9) Conservation Act 1987 (marginal strip) upon the renewal of the Pastoral Lease under the Land Act 1948.

DATUM : GEODETIC 1949  
 CIRCUT : MARLBOROUGH  
 ORIGIN : GOULTER HILL  
 700000mN 300000mE

Streams shown labelled A - E have been digitised from Infomap 270 Topoplots. Pastoral Lease No 17 encompasses Run 211 and Pastoral Lease No 18 encompasses Run 213  
 Sections 5 - 10, 13 - 16 SO 4451 are marginal strips by Section 24(3) of the Conservation Act 1987

**Total Area**

Comprised in CT 46/199 & 46/200

I, Philip Dudley HORTON  
 Registered Surveyor and holder of an annual practising certificate for who may act as a registered surveyor pursuant to section 25 of the Survey Act 1988 hereby certify that this plan has been made from surveys executed by me or under my directions, that both plan and survey are correct and have been made in accordance with the Survey Regulations 1972 or any regulations made in substitution thereof.

Dated at *Stenholm* this *27th* day of *April* 1993  
 Signature *[Signature]*

Field Book # *[Blank]*  
 Reference Plans *[Blank]*  
 Traverse Book # *[Blank]*

Examined *[Signature]* 23 4 93 Correct *[Signature]* # S-93

Approved for Record Purposes *[Signature]*  
 Chief Surveyor

Deposited this day of 19.....

District Land Registrar

File 5260  
 Received 10/3/93  
 Instructions 726-05 & 726-06

SO 7109