

Crown Pastoral Land Tenure Review

Lease name : HAPPY VALLEY

Lease number : PO 361

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.

January 06

DUE DILIGENCE REPORT

CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:

File Ref: CON50232/12601 (Po361) Submission No: AT2115 Submission Date: 26 September 2002

Contractor's Office: Alexandra

LINZ Case No:

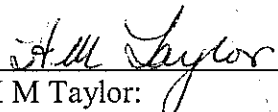
Date sent to LINZ: 26 9.02

TR03/179

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** that there are no incomplete action which may require action by the Manager of Crown Property Contracts.
 - 2.1 There are no incomplete actions.

Signed for DTZ New Zealand Limited:



H M Taylor:

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



Name: GRANT KASPER WEBLEY
Date of decision: 9/10/02

1. Details of lease:

Lease name: Happy Valley

Location:

The property is located on the Hawkesburn Road at Bannockburn, 16 kms from Cromwell. This small pastoral property runs from flats at the road up the Old Woman Range, to Duffers Saddle.

The Bannock Burn and Duffers Gully drain the property.

The back of the property consists of 1290 ha in native state, never having been oversown or topdressed.

Lessee: D G and R Henderson

Tenure: Pastoral lease under the Land Act 1948 and Crown Pastoral Land Act 1998, Pastoral Lease No 361.

Term: 33 years from 1 July 1985. Expiry 30 June 2018.

Annual Rent: [REDACTED]

Rental Value: [REDACTED]

Date of Next Review: 30 June 2004

Land Registry Folio Ref: OT338/40

Legal Description: Run 339C Bannockburn and Nevis Survey Districts.

Area: 3277.9537 hectares

(2) File Search:

Files held by LINZ:

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
Po037	2	Unnumbered	27/3/1940	329	1/3/1970

Other 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>
Po361	1	330	28/10/1970	491	27/5/1991
Po361	2	1	5/5/1992	29	1/9/98
CON/50213/09/12601/ A-ZNO	1	1	5/6/2001	32	6/11/2001

The file search included files that covered 1940 through to the present. While a few folios are missing from the record, the vast majority are present, and so confidence is held that all significant issues have been researched.

Volume 2 records the selection of SGR 930 by Allan Crombie on 28 February 1910. Annual rental [REDACTED] Mr A Crombie was the original selector, who held the property until 1946 when it was transferred to C I Henderson.

Original term was 21 years from 28 February 1910. This was renewed for 21 years on 1 March 1931. Annual rental [REDACTED] New lease expiry was 29 February 1952.

The lease was renewed as a pastoral lease, with a 33 year term from 1 July 1952. Annual rental [REDACTED] Unimproved.

Stock limit was 1680 sheep plus 10%.

Under the management of C I Henderson this arid, rabbit prone property gradually improved. As a result, stock increases were approved. A 1964 report, notes that stock and property are both in good condition. The irrigated area at the front of the property, provided to be essential for summer feed supply.

By 1969, steady development had resulted in 550 acres being OSTD and 50 acres were irrigated pasture, plus 50 acres were irrigated lucerne.

The development continued out of earnings during the early 1970's.

1973 saw the transfer to D H Henderson (*son*). Development sped up under new management.

AOSTD, subdivision fencing and access tracking were all undertaken. Alterations to the house were undertaken in 1976. The routine report in 1983, records the rental value as [REDACTED] and annual rental as [REDACTED] Catchment Board subsidies assisted with subdivision fencing.

Regular stock increases resulted.

1981 saw a total of 1100 ha OSTD. A Farm Plan was drawn up by the Otago Catchment Board, in 1984. This involved windbreak plantings, conservation fencing and willow pole plantings to reduce erosion (*SWCP 298*).

The lease was renewed in 1985.

LEI \$200,000, annual rent [REDACTED]

In 1986 the PNA Report recorded significant values in the upper Bannock Burn Catchment. RAP 1/5 identified.

Subdivision fencing and tracking continued as development proceeded.

1991 saw historic sites identified, - water race and buildings.

The property became part of the Rabbit and Land Management Programme in 1992. This work involved subdivision fencing (*netting*) to stop the spread of rabbits onto the upper parts of the property which includes RAP OM 1/5. Access tracking was also undertaken.

The RAP is grazed by the lessee. Development continued through the 1990's. Rent review occurred 1 July 1996. LEI [REDACTED] Annual rental [REDACTED]

The property has irrigation rights to 3 heads of water (*Water Right Cromwell 2832*). This irrigates 40 ha and continues to provide essential summer grazing.

A red deer farming operation on the flats was approved in 2001, along with a stock increase:

3200 Sheep (*including 1550 breeding ewes*)
60 Cattle (*including 45 breeding cows*)

The property now has 98 ha cultivated pasture, and 1450 ha OSTD hill country.

The Henderson family who have occupied and developed this property over the last 56 years, continue to run it.

The property rises from 426 to 1432 m.a.s.l. and includes 40 ha of irrigated pasture/lucerne.

3. Summary of lease document:

Terms of lease:

The commencement date of the pastoral lease on Crown files is in agreement with the licence document. The lease was issued on 1 July 1952, and renewed on 1 July 1985, for a term of 33 years (*under the Pastoral Land Act 1948*).

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

No non-standard conditions are recorded.

Original lease stock limit:

1680 Sheep plus 10% (1848 sheep)

Personal Stock Limit:

3200 Sheep (including 1550 breeding ewes)

60 Cattle (including 45 breeding cows)

100 Deer

Renewals and variations:

758070 Memorandum renewing the term of the within lease for a further 33 years, from 1 July 1985 (5 July 1990).

Area adjustments:

No area adjustments.

*Registered Interests:**Mortgages:*

794162.2 Mortgage to Wrightson Farmers Finance Limited (6 December 1991).

816277 Land Improvement Agreement (15 October 1992).

920179 Certificate pursuant to Section 417 (2) Resource Management Act (20 November 1996). Right to convey water, Carrick Irrigation Company.

5030234.1 Mining Certificate pursuant to Section 417 Resource Management Act, to Kawarau Station (20 March 2001), right to convey water.

885840 Grant to transfer water, Carrick Irrigation Company (OT17A/117), 30 June 1995.

Other Interests:

No Electricity Agreement is registered on the lease.

No Mining or Prospecting Licence or permit is currently registered on the lease.

4. Summarise any Government programmes for the lease:

Catchment Board subsidies were used for subdivision fencing in the late 1970's.

A Farm Plan (SWCP No 298) was drawn up in 1984 and successfully implemented. Fencing and windbreak planting were the major projects.

The property was part of the Rabbit and Land Management Programme in 1992.

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 OT338/40.

The area of the lease is confirmed as 3277.9537 ha, which agrees with the lease document.

The Land Status Report records that the lease is subject to the following encumbrances:

- 816277 Land Improvement Agreement.
- 920179 Section 417 (2) of the Resource Management Act.
- 5030234.1 Mining Certificate – Section 417 Resource Management Act, to Kawarau Station.
- 885840 Grant to convey water.

Subject to Part IVA of the Conservation Act 1987.

This is in agreement with lease details section of the report to 25 July 2002.

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

Crown retains mineral ownership.

The Land Status Check confirms that there is no conservation land within Happy Valley lease boundary. This agrees with the findings of this Due Diligence Report.

No UCL is identified within the lease.

Legal roads are defined on SO 803 (1913) and SO 135.

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

The Status Check identifies the following matter as possibly requiring investigation:

- Transfer No 885840 has been omitted from the interests recorded on front page of OT338/40.

This is also recognised in this report.

- Legal description on OT338/40 is Run 339C. It should be Run 339C situated in Bannockburn and Nevis Survey Districts.

This is also noted in this report.

5.2 *Other Land:*

No other land is covered in the Status Check.

6. *Review of topographical and Cadastral data:*

Topographical Map:

The property rises from the flat area at the homestead to the crest of Old Woman Range. Duffers Saddle lies just outside the north-western boundary (1173 metres).

The property is bisected by Duffers Gully and the Bannock Burn.

Water races are shown cutting across the property, a testimony to the engineering talents of the early goldminers.

Some disused water races are shown near the front of the property.

Yards and homestead are marked in the northern corner of the property.

A legal road runs through the property in the same vicinity.

Cadastral Map:

A legal road is shown running along the western boundary.

A formed legal road cuts through the northern most corner of the map.

7. *Details of neighbouring Crown or Conservation land:*

This property has conservation land (F4 2040) adjoining the southern boundary. The other neighbours include the following pastoral leases. To the north is Po357 Carrick Station, to the west Po233 Craigroy, and to the east Po043 Hawksburn.

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

There are no uncompleted actions or potential liabilities.

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

- 885840 Grant to transfer water. Omitted from front page of OT338/40.
- Legal description recorded on OT338/40 is Run 339C, it *should be* Run 339C, Bannockburn and Nevis Survey Districts.

ATTACHMENTS:

Schedule A - Status Check.

Attachment 1 - Recent copy of lease document OT338/40.

SCHEDULE A:

Status check.

DTZ NEW ZEALAND

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

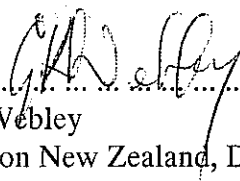
LAND STATUS REPORT for HAPPY VALLEY				<i>[LIPS ref.12601]</i>
Property	1	of	1	

Land District	Otago
Legal Description	Run 339C situated in Bannockburn and Nevis Survey Districts.
Area	3,277.9537 hectares.
Status	Crown Land subject to The Land Act 1948.
Instrument of lease	All CIR OT 338/40.
Encumbrances	Land Improvement Agreement No. 816277 under Soil Conservation and Rivers Control Act 1941. Certificate No. 920179 pursuant to Section 417(2) of The Resource Management Act 1991. Mining Certificate No. 50 30234.1 pursuant to Section 417 Resource Management Act 1991 to Kawarau Station. Transfer No. 885840 being a grant to convey water. Subject to Part IVA of Conservation Act 1987 upon disposition.
Mineral Ownership	Minerals remain with the Crown, as the land has never been alienated since its acquisition for settlement purposes from the former Maori owners under The Kemp Deed of Purchase (1848).
Statute	Land Act 1948 and Crown Pastoral Land Act 1998.

Data Correct as at	31 July 2002
[Certification Attached]	Yes

Prepared by	Murray Bradley 
Crown Accredited Agent	DTZ New Zealand

Approved.


.....
Grant Kasper Webley
Land Information New Zealand, Dunedin

Date 1. 7. / ... 8. /2002

HAPPY VALLEY RESEARCH - Property 1 of

Notes : This information does not affect the status of the land but was identified	(1) Transfer No. 885840 has been omitted from the Interests recorded on the front page of OT 338/40.
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as possibly requiring further investigation at the due diligence stage : See Crown Pastoral Standard 6 paragraph 6	
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LAND STATUS REPORT for HAPPY VALLEY		[LIPS ref.12601)
Property	1	of 1

Research Data: *Some Items may be not applicable*

Property	1	of	1	
SDI Print Obtained	Yes.			
NZMS 261 Ref	F42.			
Local Authority	Central Otago District Council.			
Crown Acquisition Map	Kemp Deed of Purchase.			
SO Plan	SO 803 (1913) – Defines Run 339C.			
Relevant Gazette Notices	N/A			
CT Ref / Lease Ref	All CIR OT 338/40.			
Legalisation Cards	SO 803 – No legalisation card.			
CLR	The CLR records the following: CT No: 338/40 SO Plan No. 803 Area: 3,277.9537 hectares.			
Allocation Maps (if applicable)	A check of the SOE/DOC/UCL Allocation Maps and Schedules revealed no allocations within the boundaries of the lease.			
VNZ Ref - if known	28441/14900.			
Crown Grant Maps	The Crown Grant Map for the Bannockburn Survey District identified Run 339C.			
If subject land Marginal Strip:				
(a) Type [Sec 24(9) or Sec 58]	(a) N/A.			
(b) Date Created	(b) N/A.			
(c) Plan Reference	(c) N/A.			

LAND STATUS REPORT for HAPPY VALLEY				[LIPS ref.12601]
Property	1	of	1	

Research – continued

Property	1	Of	1	
If Crown land - Check Irrigation Maps.				N/A
Mining Maps				There are no mining interests recorded within the boundaries of the Pastoral Index in the National Mining Index.
If Road				
a) Is it created on a Block Plan - Section 43(1)(d) Transit NZ Act 1989				(a) Crown Grant and Section 110A Public Works Act 1928.
b) By Proc				(b) N/A.
c) Plan No				(c) SO Plan 803.
Other Relevant Information				
a) Concessions - Advice from DOC or Knight Frank.				(a) NIL.
b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998.				(b) Subject to Part 9 of The Ngai Tahu Claims Settlement Act 1998.
c) Mineral Ownership				(c) Mines and minerals are owned by the Crown, because the land has never been alienated since its acquisition for settlement purposes from the former Maori owners under The Kemp Deed of Purchase (1848). Contained in (provide evidence): CT No: 163/46 being the earliest lease issued after the establishment of Runs in the Otago Land District.
(d) Other Information				(d) Transfer No. 885840 has been omitted from the Interests recorded on the front page of OT 338/40.

HAPPY VALLEY PASTORAL LEASE
RECONCILIATION OF AREA IN LEASE

	<u>ACRES</u>	<u>ROODS</u>	<u>PERCHES</u>	<u>HECTARES</u>
Run 339C Bannockburn and Nevis Survey Districts CT No. 163/46 1. 3.1910	8,100			3,277.9537
CT No. 163/46 cancelled and new CT No. 251/51 issued. 1. 3.1931	8,100			3,277.9537
CT No. 251/51 cancelled and new CT No. 338/40 issued. 9.11.1953	8,100			3,277.9537

AREA AS RECORDED IN PRESENT LEASE

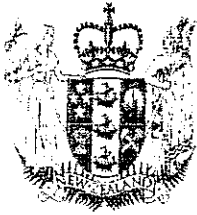
Area as recorded in OT 338/40	:	3,277.9537 hectares
Area as per Reconciliation	:	3,277.9537 hectares

LEGAL DESCRIPTION

The legal description in OT 338/40 is Run 339C. It should be Run 339C situated in Bannockburn and Nevis Survey Districts.

ATTACHMENT 1:

Recent copy of lease document OT338/40.



COMPUTER INTEREST REGISTER
UNDER LAND TRANSFER ACT 1952



R. W. Muir
Registrar-General
of Land

Search Copy

Identifier **OT338/40**
Land Registration District **Otago**
Date Registered 09 November 1953 11:24 am

Prior References
OT251/51

Type	Lease under s83 Land Act 1948	
Area	3277.9537 hectares more or less	Term 33 years commencing on the 1st day of July 1952 and renewed for a further term of 33 years commencing on 1.7.1985

Legal Description Run 339C

Proprietors
Duncan George Henderson and Rae Henderson

Interests

758070 Memorandum renewing the term of the within lease for a further period of 33 years commencing on 1.7.1985 and fixing for the first 11 years the annual rent at [REDACTED] calculated on a rental value of [REDACTED] - 5.7.1990 at 9.20 am

794162.2 Mortgage to Wrightson Farmers Finance Limited - 6.12.1991 at 10.12 am

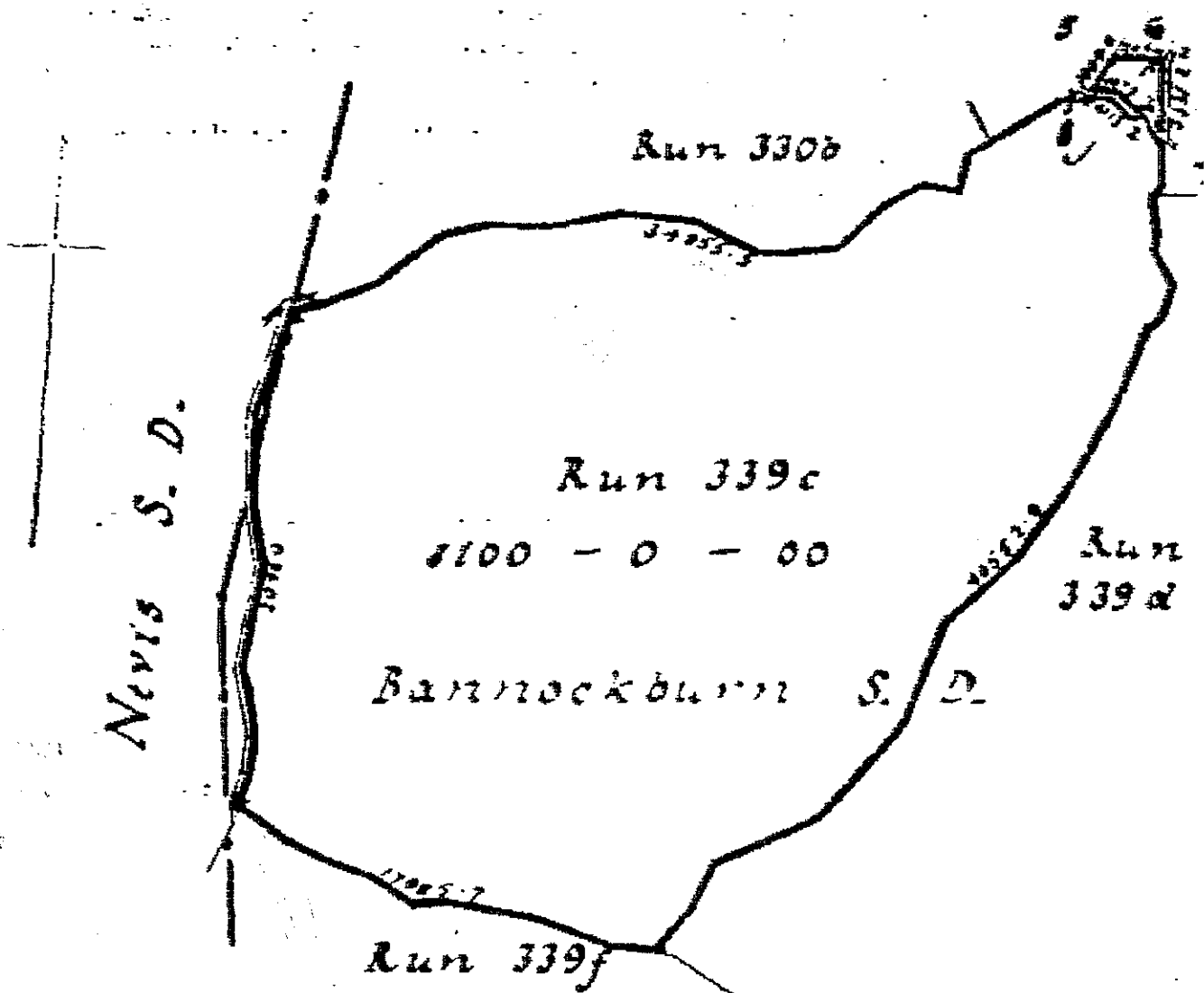
816277 Land Improvement Agreement under Soil Conservation and Rivers Control Act 1941 - 15.10.1992 at 9.47 am

920179 Certificate pursuant to s417 (2) Resource Management Act 1991 - 20.11.1996

955231.2 Variation of Mortgage 794162.2 - 30.9.1998 at 9.03 am

5030234.1 Mining Certificate pursuant to Section 417 Resource Management Act 1991 to Kawarau Station - 20.3.2001 at 11:45 am

between ~~HIS~~ MAJESTY THE KING (who, with his heirs and successors, is he
COLIN IRVINE HENDERSON



Run 339c Bannockburn & Nevis S. D.