

Crown Pastoral Land Tenure Review

Lease name : KAIWARUA

Lease number : PT 114

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.

November 05



**DUE DILIGENCE REPORT
CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:**

File Ref: Pt 114.01

Report No: R0253

Report Date: 23 June 2000

LINZ Ref: 12723

Office of Agent: Timaru

LINZ Case No:

Date sent to LINZ: 25 June 2000

RECOMMENDATIONS

1. That the Commissioner of Crown Lands or his delegate **note** this Due Diligence Report which has been prepared in accordance with the Pre Tenure Review Assessment Standard;

Signed for Knight Frank (NZ) Limited

Consultant

26 '6 '2000

Manager

/ /

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

Name:

Date of decision: / /

1. Details of lease:

Lease Name: Kaiwarua
Location: Waihao Valley, South Canterbury
Lessee: Kaiwarua Station Limited
Tenure: Pastoral Lease
Term: 33 years from 1 January 1998
Annual Rent: \$3,375
Rental Value: \$225,000
Date of Next Review: 1 January 2009
Land Registry Folio Ref: 7B/465
Legal Description: Run 47A, Lot 1 DP 25108 and RS 39778 Blocks XIV, XV and XVI Nimrod Survey District and Blocks III, IV and VII Waihao Survey District
Area: 3794.7851 hectares

2. File Search

Files held by Agent on behalf of LINZ:

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 114</i>	<i>I</i>	<i>155</i>	<i>19 May 1960</i>	<i>315</i>	<i>3 September 1969</i>
<i>Pt 114</i>	<i>II</i>	<i>316</i>	<i>23 October 1969</i>	<i>419</i>	<i>2 December 1985</i>
<i>Pt 114</i>	<i>III</i>	<i>420</i>	<i>14 January 1992</i>		<i>8 June 1999</i>

Other relevant files held by LINZ:

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>5200-D13-K01</i>			<i>7 October 1992</i>		<i>28 February 1997</i>
<i>CPL 0410-12723</i>	<i>Vol I</i>		<i>1 March 1997</i>		<i>Current File</i>

The last share transfer was approved under Case 82/58 on 2 February 1982 transferring the shares to A Hubbard, A Pye and one other. Andrew Morris is the one other and is manager of the property.

3. Summary of lease document:**Terms of lease**

The pastoral lease was registered on 10 July 1969 for a period of 33 years from the 1st day of January 1965 to Pentland Hills Station Limited containing an area by estimation of 9,372 acres 3 roods 20 perches being Run 47A (Pentland Hills) and Lot 1 DP 25108 being Part RS 29669, 31754 and 29669Y Nimrod and Waihao Survey Districts. The initial rental was \$1,080. The

stock limit determined that not more than 3,750 sheep which numbers shall include not more than 2,800 breeding ewes nor more than 50 cattle. The lease is noted as being subject to the provisions of section 58 of the Land Act 1948 (affects part). The lease has been renewed for a period of 33 years from 1 January 1998 at a rental of \$3,375 per annum (excluding GST) for the first period of 11 years.

Area adjustments

Incorporations and surrenders have been reconciled with original metric area shown on the title these are the same as shown in the database and file records.

Title Area Reconciliation	Hectares	Balance
Metric area shown on title	3793.0678	3793.067
35788/1 Incorporating RS 39778 22 May 1975	1.7173	3794.785
Balance area		3794.785

Registered interests

- 1 Land Improvement Agreement under the Soil Conservation and Rivers Control Act 1941 registered as Document 835181 on 28 June 1971
- 2 Caveat lodged by NatWest Lombank (NZ) Ltd registered as Document 559032/1 on 31 July 1985.

Encumbrance:

- 1 Certificate of Alteration 784222 limiting transfer of shares of the lessee is a company, registered 17 December 1969.

Unregistered interests

None known. There are no recreation permits.

4. Summarise any Government programmes approved for the lease:

The Land Improvement Agreement secured a Soil and Water Conservation Plan. The agreement secures work that was carried out on both pastoral lease and the freehold, with approximately half on each. Work involved cattle proofing boundary fencing, conservation fencing, internal cattle proofing of fences, and oversowing and topdressing. In short, most of the development work that has been carried out on the pastoral lease has been assisted by the Soil and Water Conservation Programme.

5. Summary of Land Status Report:

The Land Status Report was supplied to your agent on 3 May 1999 under Contract 50178. It shows that the status of the land is Crown Land subject to the Land Act 1948, is leased pursuant to Section 66 of the Land Act 1948 and was registered under Section 83 of the same act. Encumbrances include the Land Improvement Agreement referred to above, and the land is subject to part 4A Conservation Act 1987 upon disposition.

Minerals remain with the Crown as the land has never been alienated or in the case of Lot 1 DP 25108 was purchased in fee simple by HMQ. A copy of the Land Status Report is appended.

6. *Review of topographical and cadastral data:*

The cadastral data overlaid on the representation of the topographical features indicates legal road access to Mount Cecil in the east, up the Otaio River to the north-east, and also to the ridge leading to Mount Blythe. This latter legal road extends from what is known as the "Government Track". Legal road also runs along the west of the property adjoining the Waihao River North Branch.

Formed legal access is via Kaiwarua Road and Pentland Hills Road from the south-west.

In several places the boundary fencing deviates from the legal boundary. This is particularly so along the south-eastern boundary, the south-western juxtaposed land south of the Waihao River adjoining Kaiwarua Road, and an enclave of freehold land on the western boundary. The discrepancies to the south-west are likely to be immaterial to the holder who is also the proprietor of the freehold land, however the south-eastern boundary adjoins the neighbouring Mount Cecil pastoral lease, and it would appear the deviations are due to practicality of fencing.

7. *Details of any neighbouring Crown or conservation land*

There is no known immediately adjoining Conservation Land. A Conservation reserve is known to exist lower down the Otaio River some three to four kilometres away. Crown land adjoins to the north-west and south-east and is held on pastoral lease tenure. The lease to the north-west is Wairua Downs (Pt 056) and to the south-east is Mount Cecil (Pt 078).

8. *Summarise any uncompleted actions or potential liabilities:*

There are no uncompleted actions of potential liabilities known that would impede tenure review.

APPENDICES

- 1 Status Check
- 2 Plan

KNIGHT FRANK (NZ) LIMITED

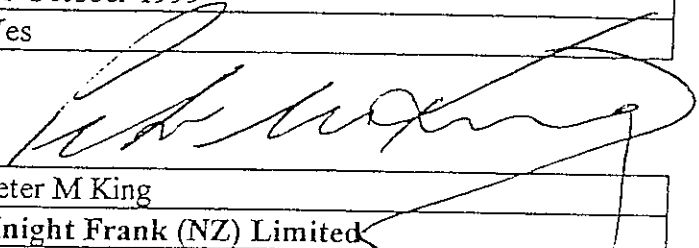
Appendix A

This report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50178 dated September 1999 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

LAND STATUS REPORT for KAIWARUA				[LIPS ref.12723]
Property	1	of	1	

Land District	Canterbury
Legal Description	Run 47A, Lot 1 DP 25108 & RS 39778 situated in Blocks XIV, XV & XVI Nimrod & Blocks III, IV & VII Waihao Survey Districts
Area	3794.7851 hectares
Status	Crown Land subject to the Land Act 1948
Instrument of lease	All Pastoral Lease 7B/465 pursuant to section 66 as registered under section 83 Land Act 1948.
Encumbrances	Land Improvement Agreement No. 835181 under the provisions of Soil Conservation and Rivers Control Act 1941. Subject to Part IVA Conservation Act 1987 upon disposition.
Mineral Ownership	Minerals (Run 47A & RS 39778) 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 purchase 1848 and or purchased in fee simple (Lot 1 DP 25108) to Her Majesty the Queen.
Statute	Land Act 1948 & Crown Pastoral Land Act 1998

Data Correct as at	01 October 1999
[Certification Attached]	Yes



Prepared by	Peter M King
Crown Accredited Agent	Knight Frank (NZ) Limited

KNIGHT FRANK (NZ) LIMITED

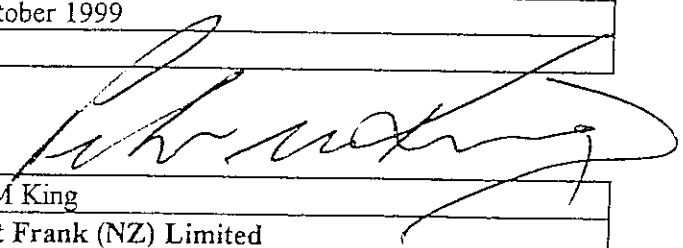
Appendix B

This land status report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50178 dated September 1999 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

LAND STATUS REPORT for KAIWARUA				[LIPS ref.12723]
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Statute	Land Act 1948 & Crown Pastoral Land Act 1998

Data Correct as at	01 October 1999
[Certification Attached]	Yes



Prepared by	Peter M King
Crown Accredited Agent	Knight Frank (NZ) Limited

Certification:

Pursuant to section 11(1)(l) 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*

Date... *6/10* /1999

R Moulton, Chief Surveyor
Land Information New Zealand, Christchurch

KAIWARUA RESEARCH - Property 1 of 1

<p>Notes : This information does not affect the status of the land but was identified as possibly requiring further investigation at the due diligence stage : See Crown Pastoral Standard 6 paragraph 6</p>	<p>(i) Reconciliation of fence boundaries can only be identified upon survey. (ii) Definition suitable on SO 5511,10778 & DP 25108.</p>
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LAND STATUS REPORT for KAIWARUA

[LIPS ref.12723]

Property 1 of 1

Research Data: Some Items may be not applicable

Property	1	of	3	
SDI Print Obtained				Yes
NZMS 261 Ref				J39/40
Local Authority				Waimate District Council
Crown Acquisition Map				Kemp Purchase
SO Plan				Run 47A (SO 5511) RS 39778 (SO 10778)
Relevant Gazette Notices				SO 10778 NZ gazette 1969 page 1617 Document No. GN K775775.
CT Ref / Lease Ref				All Pastoral Lease 7B/465.
Legalisation Cards				SO 10778 action completed.
CLR				N/A
Allocation Maps (if applicable)				J39/40 - No interest identified.
VNZ Ref - if known				All assessment 25130-15200 (767.2840ha) All assessment 25120-14600 (2933.5661ha) All assessment 25161-13000 (93.9351ha) Assessments are split owing to "Roll Boundaries".
Crown Grant Maps				Waihao (1880), Nimrod (1880), SO 5511 (1918)
If Subject land Marginal Strip:				
a) Type [Sec 24(9) or Sec 58]				Note: Subject to the provisions of section 58 of the Land Act 1948 on lease 7B/465 only.
b) Date Created				In view of LINZ letter dated 13 November 1997 regarding "Lilybank" and Ministerial Co-Ordinating Committee/State Owned Enterprises paper 271 dated 31 March 1987 (Dept of Justice) it would appear this memorial to have no substance unless a one chain strip was laid off by definition on a plan in the Chief Surveyors records.
c) Plan Reference				A small part of Run 47A northern boundary (Otaio River) and Lot 1 DP 25108 northern boundary (Waihao River) is affected by this opinion.

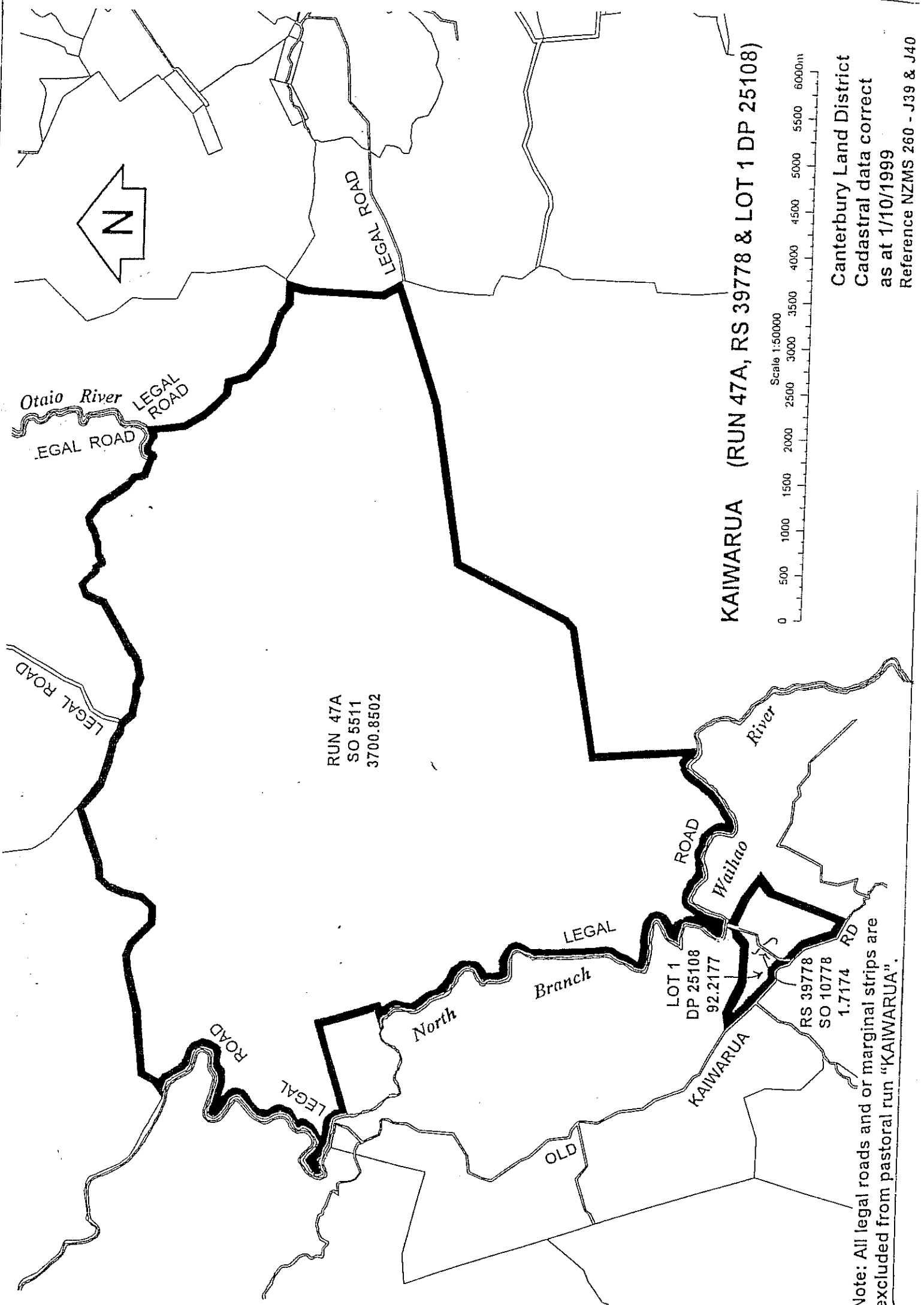
LAND STATUS REPORT for KAIWARUA

[LIPS ref.12723]

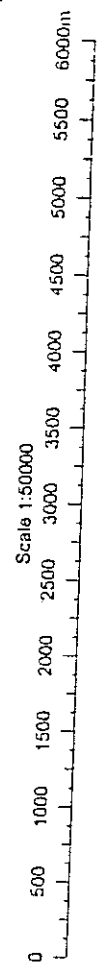
Property 1 of 1

Research – continued

Property 1 of 1	
If Crown land - Check Irrigation Maps.	N/A
Mining Maps	J39/40- No interest identified.
<p>If Road</p> <p>a) Is it created on a Block Plan - Section 43(1)(d) Transit NZ Act 1989</p> <p>b) By Proc</p>	<p>a) SO Plan 2662, 5511 (Crown Grant)</p> <p>b) Proc Plan: N/A</p> <p>c) Gazette Ref: N/A</p>
<p>Other Relevant Information</p> <p>a) Concessions - Advice from DOC or Knight Frank.</p> <p>b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998.</p> <p>c) Mineral Ownership</p>	<p>a) N/A</p> <p>b) Subject to Part 9 Ngai Tahu Claims Settlement Act 1998.</p> <p>c) Run 47A: 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 Kemp Purchase 1848.</p> <p>Contained in [provide evidence]: Run 47A: PR 424 (1920) earliest lease available after Canterbury gazette 1867 page 157 (No 25), confirmation of runs under the Canterbury Land Regulations. Lot 1 DP 25108: Freehold estate in fee simple purchased by Her Majesty the Queen (CT 7A/1270-T770209). RS 39778 (SO 10778): Formerly Crown grant road (SO 2662).</p>
d) Other Information	d) N/A



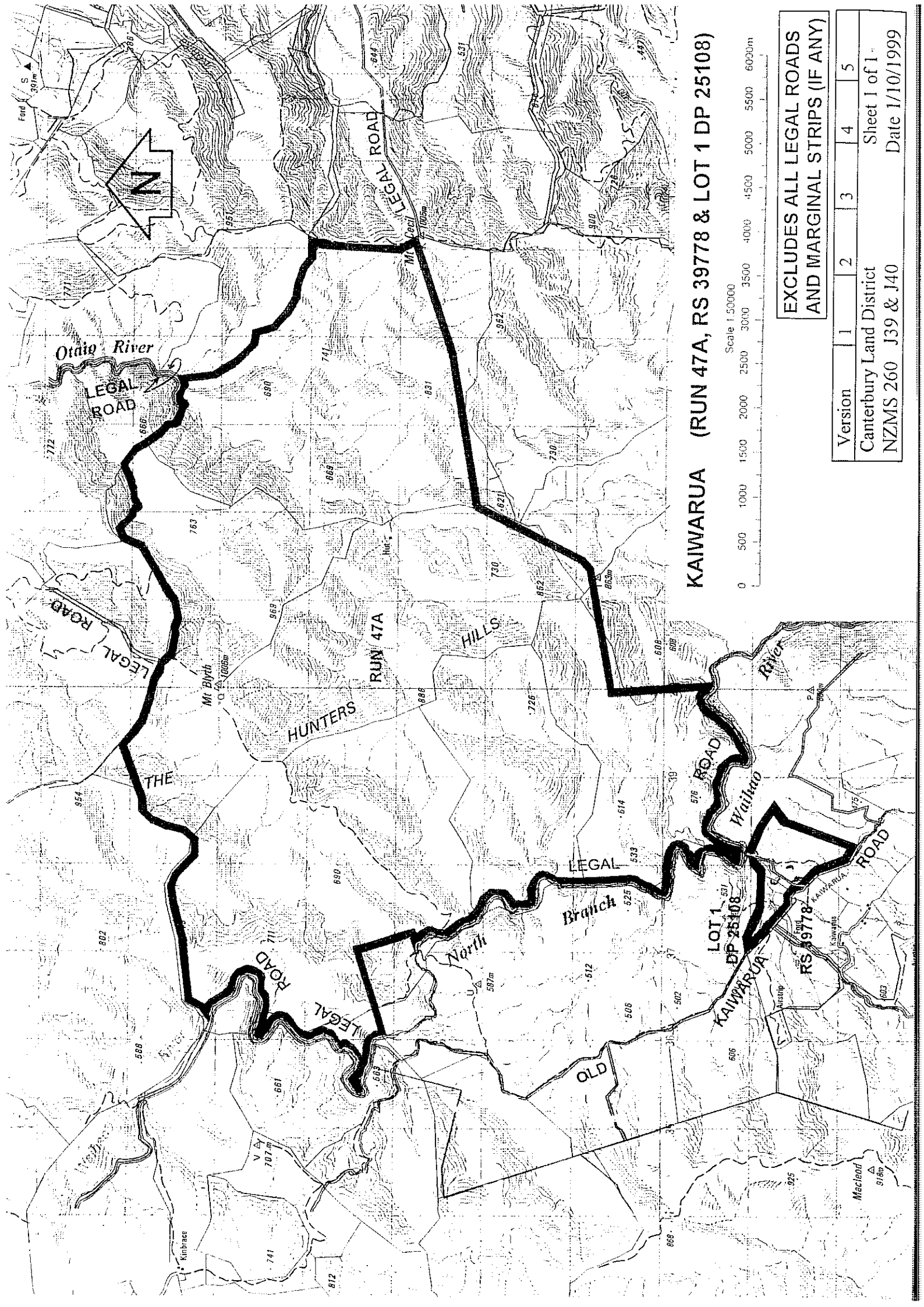
KAIWARUA (RUN 47A, RS 39778 & LOT 1 DP 25108)



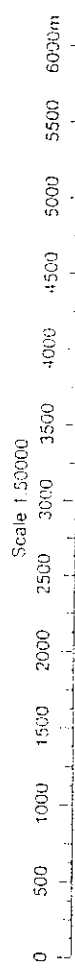
Canterbury Land District
Cadastral data correct
as at 1/10/1999
Reference NZMS 260 - J39 & J40

RUN 47A
SO 5511
3700.8502

Note: All legal roads and or marginal strips are excluded from pastoral run "KAIWARUA".



KAIWARUA (RUN 47A, RS 39778 & LOT 1 DP 25108)



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

Version	1	2	3	4	5
Canterbury Land District					
NZMS 260	J39	J40			
	Sheet 1 of 1				Date 1/10/1999

No. 7B/465

Former Ref. Vol. 529 fol. 210
7A fol. 1270

10th day of July

S. Ref. No. P 114

1969, at 1.53 p.m.

REGISTER

Issued in substitution for
Pastoral Occupational Licence P.114
Registered as Vol. 529 fol. 210



A. Mowat
Asst Land Registrar

Pastoral Lease under the Land Act 1948

This Deed, made the 1st day of January 1969 between HER MAJESTY THE QUEEN (hereinafter referred to as "the Lessor") of the one part, and PENTLAND HILLS STATION LIMITED a duly Incorporated Company having its registered office at Timaru

(hereinafter referred to as "the Lessee"), of the other part: WITNESSETH that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements herein contained and 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 parcel of land containing by estimation 9372 acres 3 roods 20 perches more or less, situated in the Land District of Canterbury, and being Run 47A (Pentland Hills) and Lot 1 Deposited Plan 25108 being part Rural Sections 29669, 31754 and 29669Y situated in Blocks XIV, XV and XVI Nimrod Survey District and Blocks *III, IV and VII Waihao Survey District

Encumbrance 334325 to Meebur (affects part) 25.11.1969 at 3 p.m.
A. Mowat
A.L.R.

No. 784222 Certificate of Alteration varying the conditions of the within Lease - 17/12/1969 at 12.20 p.m.
A. Mowat
A.L.R.

Subject to the provisions of Section 58 of the Land Act 1948 (affects part)
A. Mowat
A.L.R.

Transfer 784223 to Waihao Valley Station Limited at Timaru - 17/12/1969 at 12.20 p.m.
A. Mowat
A.L.R.

Mortgage 626812 to the Trustees Executors and Agency of New Zealand Limited 17/12/1969 at 2.1 p.m. (affects part)
A. Mowat
A.L.R.

Mortgage 784224 to The Perpetual, Trustees Estate and Agency Company of New Zealand Limited 17/12/1969 at 12.20 p.m.
A. Mowat
A.L.R.

Memorandum of Priority 627814 making Mortgage 626812 first mortgage and Mortgage 334325 second mortgage - 8/6/1964 at 2.4 p.m.
A. Mowat
A.L.R.

Mortgage 784225 to The State Advances Corporation of New Zealand - 17/12/1969 at 12.20 p.m.
A. Mowat
A.L.R.

Mortgage 725504 to The State Advances Corporation of New Zealand - 22/11/1967 at 2.15 p.m. (affects part)
A. Mowat
A.L.R.

Variation of Mortgage 784225 - 26.2.1971 at 1.30 p.m.
A. Mowat
A.L.R.

725506 Memorandum of Priority making Mortgage 725504 second mortgage and Mortgage 334325 third mortgage - 22/11/1967 at 2.15 p.m.
A. Mowat
A.L.R.

No. 835181 Land Improvement Agreement under the Soil Conservation and Rivers Control Act 1941 - 28.6.1971 at 9.30 a.m.
A. Mowat
A.L.R.

Gazette Notice 775775 closing the road passing through Lot 1 D.P. 25108 - 10/9/1969 at 1.45 p.m.
K. Barnes
D.L.R.

35788/1 Certificate of alteration incorporating herein R.S. 39778 containing 1.7173 hectares. 22.5.1975 at 9.30 a.m.
K. Barnes
D.L.R.

No. 7B/465

7B/465

casements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of 33 years, commencing on the 1st day of January 1965, to ~~run~~ ^{run} ~~with the period between the date of this lease and the aforesaid 1st day of~~ ^{YIELLING} -49, and paying therefor unto the Department of Lands and Survey at Christchurch the annual rent of £\$1080 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 £ (which has already been paid) and thereafter by half-yearly instalments of £ on the 1st day of ~~January and the 1st day of July in each and every year.~~

AND the Lessee doth hereby covenant with the Lessor as follows:

- 1. THAT without derogating from or restricting the covenants contained and implied in this lease and on the part of the Lessee to be performed or complied with the Lessee will not at any time during the said term depasture on the land hereby demised more than 3750 sheep which number shall not include more than 2800 breeding ewes nor more than 50 cattle which number shall not include more than breeding cows PROVIDED HOWEVER that the Lessee may with the prior written consent of the Land Settlement Board carry such additional stock on such terms and conditions as may therein be specified subject nevertheless to the right of the Land Settlement Board to revoke or vary such consent at any time.
- 2. That the Lessee will at all times farm the land hereby demised in a manner to promote soil conservation and prevent erosion and will comply with the provisions of the Soil Conservation and Rivers Control Act 1941.

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

THAT pursuant to the provisions of the Noxious Animals Act 1956 officers and employees of the New Zealand Forest Service and other authorised persons shall at all times have a right of ingress, egress and regress over the land comprised in this lease for the purpose of determining whether such land or any adjoining land is infested with deer, wild goats, wild pigs, opossums or other animals which the said Service is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers, employees and other authorised persons in the performance of the said duties shall at all times avoid undue disturbance of the Lessee's stock.

AND it is hereby declared and agreed that these presents are intended to take effect as a Pastoral Lease of pastoral land under section 66 of 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 hereto in the same manner as if such provisions had been fully set out herein.

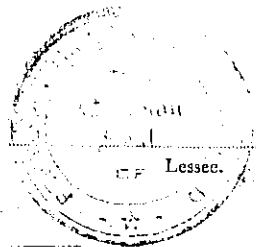
~~SCHEDULE OF IMPROVEMENTS BELONGING TO THE CROWN~~

IN WITNESS whereof the Commissioner of Crown Lands for the said Land District, on behalf of the Lessor, has hereunto set his hand, and these presents have also been signed by the said Lessee.

Signed by the said Commissioner on behalf of the Lessor, in the presence of—
 Witness: J. Burger
 Occupation: Prob. Lands Survey Dept.
 Address: Christchurch

M. J. ...
 Assistant Commissioner of Crown Lands.

Signed by the above-named Lessee, in the presence of—
 Witness: Vicky Greer Director
 Occupation: J. ... Secretary
 Address: ...

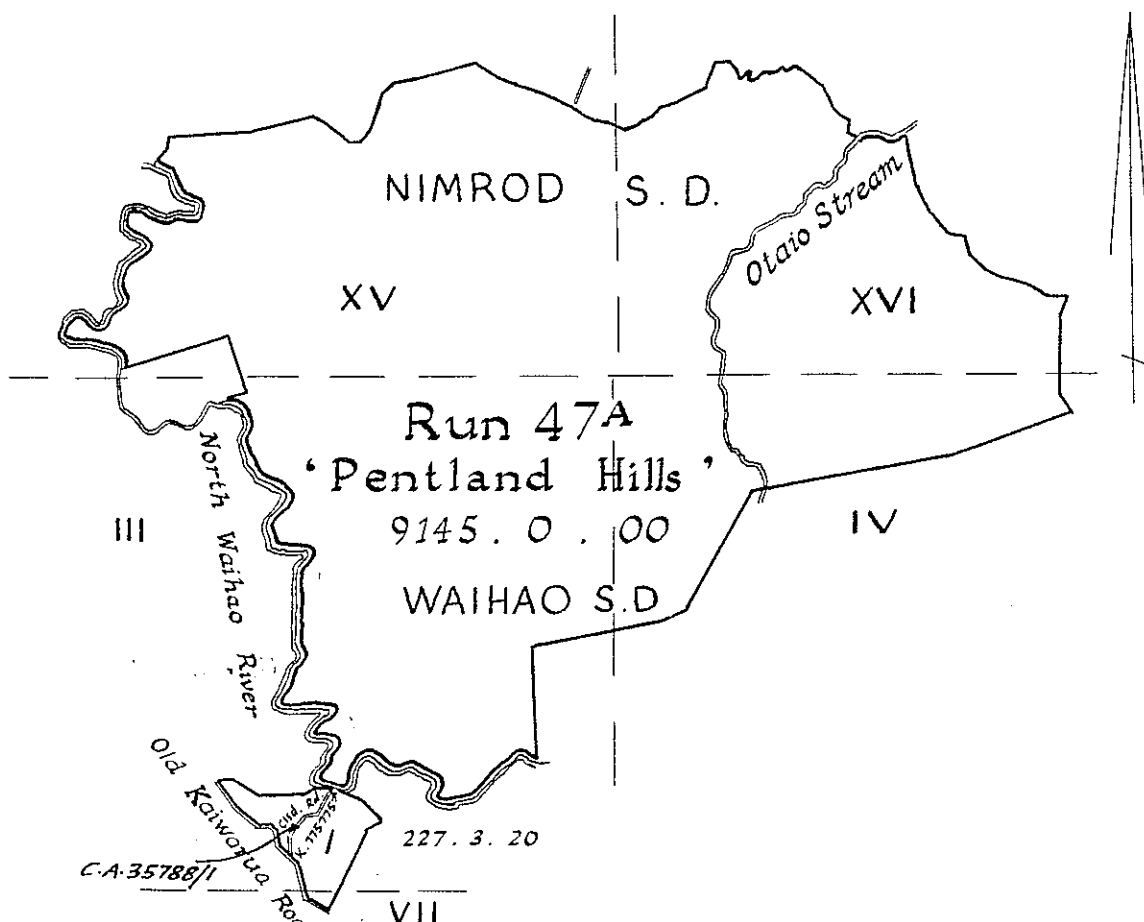


Variation of Mortgage 10510073 - 4.10.1979 at

TB/465

40.05 a.p.
Error

For A.R.L.R.



For boundary distances see DP. 25108 & S O. 5511

Total Area 9372. 3. 20

Scale: 1 mile = 1 inch
Metric Area: 3793.0678 ha
Add 1.7173 ha. Cert Alt. 35788/1
3794.7851 ha.

Mortgage 105166/3 to the Public Trustee -
10.11.1976 at 9.19 a.m.

DISCHARGED
28 NOV 1985
M. Lead

78/465

Mortgage 350949/1 to The Rural Banking and
Finance Corporation 30.8.1988.1981 at 9.34 a.m.

DISCHARGED
30.8.1988
J. Bristow

A.L.R.

No.105166/4 Memorandum of Priority making
Mortgage 105166/3 first mortgage and
Mortgage 784225 second mortgage -
10.10.1976 at 9.19 a.m.

X CAVEAT 559032/1 BY NATWEST LOMBANK
(NEW ZEALAND) LIMITED - 31.7.1985
at 9.35 a.m.

for A.L.R.

A.L.R.

Variation of Mortgage 784225 - 26.1.1979
at 11.01 am.

A.L.R.

Mortgage 217149/9 to The Mount Fortune
Pastoral Company Limited 28-3-1979 at 11.42a.m.

Mortgage 578533/2 to the Public
Trustee of New Zealand 11.11.1985
at 9.16a.m.

DISCHARGED
30.11.1985
M. Lead

DISCHARGED
M. Lead

for A.L.R.

for A.L.R.

Variation of Mortgage 105166/3 - 4.10.1979 at 10.07 a.m.

Memorandum of Priority 578533/3
making Mortgages 578533/2, 324958/2,
324958/3, 279390/4, 350949/1, first,
second, third, fourth and fifth
mortgages respectively - 28.11.1985
at 9.16a.m.

Mortgage 279390/4 to the National Bank
of New Zealand Limited 28.11.1985 at
11.34 a.m.

DISCHARGED
29.11.1985
M. Lead

for A.L.R.

for A.L.R.

No.324958/1 Change of Name of the registered
proprietor to Kaiwarua Station Limited -
13.5.1981 at 1.44 pm.

Variation of the terms of Pastoral Lease
P114 and extension of the term for 33
years commencing on 1.1.1998 - 7.11.1996
at 11.41am

for A.L.R.

for A.L.R.

Mortgage 324958/2 to The Rural Banking and
Finance Corporation 13.5.1981 at 1.44 pm.

DISCHARGED
30.11.1981
M. Lead

for A.L.R.

Mortgage 324958/3 to The Rural Banking and
Finance Corporation 13.5.1981 at 1.44 pm.

DISCHARGED
30.11.1981
M. Lead

for A.L.R.

No.324958/4 Memorandum of Priority making
Mortgage 324958/2, 324958/3 and 279390/4
second, third and fourth mortgages
respectively - 13.5.1981 at 1.45 pm.

M. Lead
for A.L.R.

SEARCHED
SERIALIZED
INDEXED
FILED
10 JUL 1969
1.53
4325