

## **Crown Pastoral Land Tenure Review**

**Lease name : LONG GULLY**

**Lease number : PO 055**

### **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**

**05**



# SUBMISSION TO COMMISSIONER OF CROWN LANDS

LAND RESOURCES DIVISION

## Contact Energy - Long Gully & Sandy Point

(Submission No A9084, A9085)

Knight Frank House  
41 - 43 Tarbert Street, Alexandra  
Telephone: (03) 448 6935  
Facsimile: (03) 448 9099

**KF REF:** Po055, ~~Po350~~ **CCL REF:** **CASE NO:**

A letter was received from Opus on behalf of Contact Energy dated March 1999. It appears that Opus are acting on behalf of the Crown (*Treasury*) to finalise outstanding matters with regard to the purchase of areas from Sandy Point and Long Gully Pastoral Leases. Our last correspondence on this was dated 27 October 1992.

Opus are now requesting that we confirm that the Commissioner of Crown Lands consent on this matter is still current and that prices negotiated before for Sandy Point are still acceptable. They also wish to know what the lessor's interest in Long Gully would be.

### Background:

On 13 May 1992 Knight Frank (*then Landcorp*) prepared a submission for the Commissioner of Crown Lands outlining the proposed disposal of parts of four pastoral leases to Electricity Farm Holdings No 1 Limited (*Electricorp*).

Electricorp had negotiated the purchase of significant areas of freehold land in anticipation of future hydro electric development at Luggate and Queensberry in the Upper Clutha. They had also negotiated the purchase of the lessee's interest in part of four pastoral leases and now seek the Crown's consent to subdivision and transfer (*or freeholding*) of these areas.

As part of these proposals 81 ha was to be purchased from Long Gully and approximately 30 ha from Sandy Point.

On 29 August 1992 the Commissioner of Crown Lands (*Mr Edmonds*) approved recommendations with regard to Long Gully and Sandy Point. The approved recommendations were:

- (1) That you accept surrender of 81.0 ha (*approximately*) from Po055 "Long Gully" and 30.0 ha (*approximately*) from Po350 "Sandy Point".
- (2) That you dispose of the above areas on freehold title to Electricity Farm Holdings No 1 Limited the purchase price yet to be determined by Landcorp.

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#### Postal Address:

P O Box 27, Alexandra

Knight Frank (NZ) Limited  
(An LPL Group Company)

INTERNATIONAL PROPERTY CONSULTANTS

- (3) That the above transactions be subject to the following:
  - (a) Electricorp obtaining the consent of the relevant District Councils to the subdivisions and providing evidence of such consent to Landcorp.
  - (b) Agreement being reached with DoC regards protection of natural values within the area on Po055 "Long Gully".
  - (d) No adjustment to the base stock limits or current rentals on the pastoral leases.
  - (e) Electricorp meet all survey legal and consent cost in relation to the above proposals.

The Commissioner of Crown Lands also provided a copy of the reply from the Ngai Tahu Maori Trust Board in respect to his consultation with the Board (*letter enclosed dated 3 August 1992*).

The decisions were relayed to Opus (*then Works Consultancy Services*) on 27 October 1992. Subsequent to this a meeting was held between Robin Whelan of Works Consultancy and Ken Taylor of Landcorp on 5 February 1993. Mr Whelan had some difficulty with the level of values being promoted by Landcorp and discussions took place as to the relevant level of value. It appears that the following was determined.

<i>Lease</i>	<i>Current Valuation</i>	<i>Offer</i>
Po055	\$ 14,000	\$7,000 - \$14,000
Po350	\$ 5,000	\$3,000 - \$5,000

***Current Situation:***

With regard to the Commissioner of Crown Lands consents it appears Opus have got the appropriate Resource Consents underway and they advise they are discussing issues of the RAP area (*the area of DoC interest*) with the Department of Conservation.

I contacted the Department of Conservation on 23 March 1999, to ask what progress had been made with Opus and negotiating this matter. Dave Gage on behalf of the Department of Conservation replied on 30 March 1999. It appears that the proposed works would destroy part of the RAP area. They want by preference for Contact Energy to purchase another significant part of the RAP. However, it appears that previously Contact Energy had been reluctant to do this and there the matter had rested for some 12 months. It appears there has been no recent approach to the Department of Conservation on this matter.

***Discussion:***

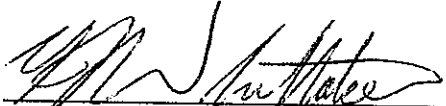
We assume the Commissioner of Crown Lands consent is still current. However, the values taken about with regard the Po350 and Po055 will no longer be current and we believe that new valuations would be required.

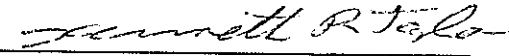
With regard to the Department of Conservation interest there is little point in proceeding unless some agreement can be reached between the Crown and Contact Energy and we believe other matters should await advice from DoC that the matter has reached some reasonable level of agreement.

**RECOMMENDATION:**

- (1) That the Commissioner of Crown Land's previous decision be re-affirmed and advice to Opus.
- (2) That Opus be advised in that in order for the Commissioner's approval to be actioned agreement with DoC must be advised.
- (3) That once (2) above is advised Knight Frank be instructed to undertake further valuations of the lessor's interest in both Po055 Long Gully and Po350 Sandy Point. Based on these valuations Opus will be advised of the Crown's purchase price.
- (4) Based on the above valuations Opus to be advised of the Crown's purchase price.

**Signed for Knight Frank (NZ) Limited**

  
 Consultant 21 14 199.

  
 Manager 28 14 1998

\_\_\_\_\_  
 G Holgate / /

**Approved/Declined**

\_\_\_\_\_  
 Commissioner of Crown Lands / /

**pendices:**

Current Request:

1. Request from Opus dated 9 March 1999.
2. Letter of acknowledgement dated 15 March 1999.
3. Fax from DoC dated 30 March 1999 (with attachments).

Previous History:

4. Original request dated 1 October 1990.
5. Advice to Electricity Corporation of NZ dated 9 January 1991.
6. Submission to CCL dated 13 May 1992.
7. Advice from Ngai Tahu dated 3 August 1992.
8. CCL approval dated 28 August 1992.
9. Advice to Works Consultancy dated 27 October 1992.
10. Letter from Works objecting to the prices set, dated 30 October 1992.
11. Note for file re discussions dated 6 February 1993.

File A9054  
P. 111 A 9055

“RELEASED UNDER THE OFFICIAL INFORMATION ACT”

9 March 1999

The Manager  
Knight Frank  
PO Box 27  
ALEXANDRA

KNIGHT FRANK  
ALEXANDRA  
11 MAR 1999  
RECEIVED



ATTENTION: Mr K Taylor

6NCE01.03 5YD

Dear Sir

**PASTORAL LEASE - CONTACT ENERGY**

I refer to your letter dated 27 October 1992 (copy attached) and recent discussion Taylor/Whelan.

I note that approval has been obtained to the surrender from the Pastoral leases for P350 Sandy Point and Po 55, Long Gully (Po 55 subject to DOC consent).

My notes record that the payment for the lessor's interest was agreed at \$3,000.00 plus GST for the portion from P350, Sandy Point.

The matters have been delayed however, with the impending sale of Contact Energy, the Crown (Treasury) and Contact wish to finalise outstanding issues.

Action to complete survey is now underway and issues with regards resource consent is underway. In relation to the Department of Conservation, I am discussing the issue of the RAP area.

Can you please confirm that the prior approvals from the Commissioner of Crown Land are still current and that the \$3,000.00 for the area out of P350 is acceptable. Also could you please advise the assessed lessor's interest for Po 55 Long Gully.

Yours faithfully

J R Whelan  
Manager, Property

JW:SS

Encl.

g:\contact\nce01.03\corresp\long gully.doc

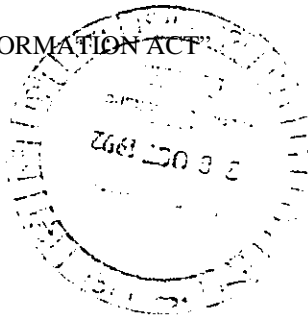
Opus International Consultants Limited  
MREINZ, Dunedin Office  
Quality Management Systems Certified to ISO 9001

144 Rattray Street  
Private Bag 1913  
Dunedin, New Zealand

Telephone: (03) 474 8899  
Facsimile: (03) 474 8995  
Website: www.opus.co.nz

Formerly Works  
Consultancy  
Services Limited

Mr Ref: P55, P253  
P246, P350  
Your Ref: 92/12/93/6/3  
92/12/94/6/8  
92/12/94/6/9  
93/12/93/6/14



27 October 1992

Manager  
Works Consultancy Services  
Private Bag  
DUNEDIN

ATTENTION: J R WHELAN

Dear Sir

**PROPOSED PURCHASE OF PART PASTORAL LEASES - UPPER CLUTHA**

I refer to past correspondence and in particular my letter of 13 May 1992.

I am pleased to advise that the Commissioner of Crown Lands has approved the following:

1. The surrender of:

- 81.0 hectares (approx) from Po 55 "Long Gully" *338/75*
- 298.2 hectares from Po 253 "Queensberry Hills" *A2/1221*
- 137.5 hectares from Po 346 "Locharburn" *90/1263*
- 30.0 hectares (approx) from Po 350 "Sandy Point" *A2/1206*
- 546.7 hectares TOTAL

2. The disposal of the above areas on freehold title to Electricity Farm Holdings No 1 Ltd at a purchase price of the lessors interest yet to be determined by Landcorp Property for Po55 and Po350 and at a price of \$67,000 for Po353 and \$37,000 for Po345.

3. The above transactions are subject to the following:

- (a) Electricorp obtaining the consent of the relevant District Councils to the subdivisions and providing evidence of such consent to Landcorp.



- (b) Agreement being reached with DOC regards protection of natural values within the area on Po55 "Long Gully".
- (c) No adjustment to the base stock limits or current rentals on the pastoral leases.
- (d) Electricorp meeting all survey, legal and consent costs in relation to the above proposals.

I have now requested valuations for the areas from Po55 and Po350 and will advise you when these have been received.

Please advise at your earliest convenience your acceptance of this offer and survey details for Po55 and Po350.

Yours faithfully

K R Taylor  
Manager, Alexandra  
**LANDCORP PROPERTY LIMITED**





LAND RESOURCES DIVISION

**Our Ref: Po055, Po350**

Knight Frank House  
41 - 43 Tarbert Street, Alexandra  
Telephone: (03) 448 6935  
Facsimile: (03) 448 9099

15 March 1999

The Manager  
Opus International Consultants  
Private Bag 1913  
**DUNEDIN**

**ATTENTION: MR J R WHELAN**

Dear Sir

**RE: PASTORAL LEASES - CONTACT ENERGY - LONG GULLY & SANDY POINT**

I refer to your letter of 9 March 1999.

Due to the passage of time (*nearly 7 years*) I need to refer the matter to the Commissioner of Crown Lands for guidance.

I will advise you of his decision in due course.

Yours faithfully

**K R Taylor**  
**Manager, Alexandra**  
**KNIGHT FRANK (NZ) LIMITED**

*Tim*  
*Please pick up on this.*  
*Review the history (copy relevant*  
*folios) and consider what course*  
*recommendations you would make*  
*(if any)*  
*then prepare a submission to*  
*CCL for me to look at.*

*Thanks*  
*Jim*

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**INTERNATIONAL PROPERTY CONSULTANTS**



fax

Name Tim Whitlaker

Organisation Knight Frank

Address Alexandra

Fax Number 448 9099 Date 30.3.99

From Dave Gaze No. of pages 9  
DOC Dunedin (including cover sheet)

**Statement of Confidentiality**

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Long Gully P55

Contact Energy acquisition.

Attached copies of relevant most recent correspondence

The purpose of the Contact Energy acquisition is for a staging area for the possible building of an electricity generating plant.

The area ~~covered~~ covers part of a Recommended Area for Protection under the Protected Natural Areas programme. The proposed use would destroy the values present within the staging area.

DOC has indicated that provided the balance of the RAP is protected we would not object to the purchase ~~and~~ and proposed use of the staging area. Our preference is for purchase of a further significant part of the RAP by Contact and transfer to DOC.

Contact are reluctant to do this and that is where the matter has rested for 12 months

Otago Conservancy

P.O. Box 5244, 77 Stuart Street, Dunedin, New Zealand  
Telephone 03-477 0677, Fax 03-477 8626. www.doc.govt.nz

It is timely from DOC's perspective to reactivate.

As early as Jan '91 Ken Taylor proposed to ECNZ an on site meeting between ECNZ, DOC and Landcorp plus contact with Ngai Tahu.

ECNZ / Contact's interest in the matter has waxed and waned depending on developments / proposals from time to time.



2 April 1998

The Conservator  
Department of Conservation  
PO Box 5244  
DUNEDIN



ATTENTION Mr Gage

DEPT OF CONSERVATION  
OTAGO CONSERVANCY  
- 6 APR 1998  
RECEIVED

Dear Sir

**LONG GULLY PASTORAL LEASE**

I refer to your letter dated 30 March 1998.

As advised I consider that it is unlikely that Contact Energy would wish to be put in a position of approaching Mr Nyhon.

The situation will be discussed with Contact Energy and possibly a solution identified that would assist all parties.

Yours faithfully

J R Whelan  
Manager, Property

CONSERVATOR	
A.M.	
C.R.M.	
E.S.M.	

Telephone: (03) 474 8899 Formerly Works  
Facsimile: (03) 474 8995 Consultancy  
Web site: www.opus.co.nz Services Limited



Te Papa Atawhai

112

Our ref: P 55

30 March, 1998

Resource Management Consultant  
Opus International  
Private Bag 1913  
DUNEDIN

ATTENTION: J R Whelan

Dear Sir

**LONG GULLY PASTORAL LEASE**

Your letter of 4 February 1998 refers. Also our correspondence of 29 March 1996 (copy attached).

DOC's position is unchanged from our March letter.

The subject RAP (Lindis A14) is an important one with high conservation values, particularly with regard to the botanical/fauna/soil ecosystem which is of a type now largely gone from the upper Clutha.

If as part of the proposed partial freeholding and acquisition by Contact Energy the area shown in yellow on the attached map were to be transferred to DOC this would sufficiently protect a viable and adequately representative area of the values and we would have no objection to the balance to the RAP being purchased by Contact Energy for hydro electricity associated purposes.

In the same arena DOC has been negotiating with Contact Energy for a conservation covenant on the RAP area within Wanaga property in the Cromwell Gorge and there have also been some preliminary discussions regarding possible purchase of DOC land in the Wanaka area by Contact.

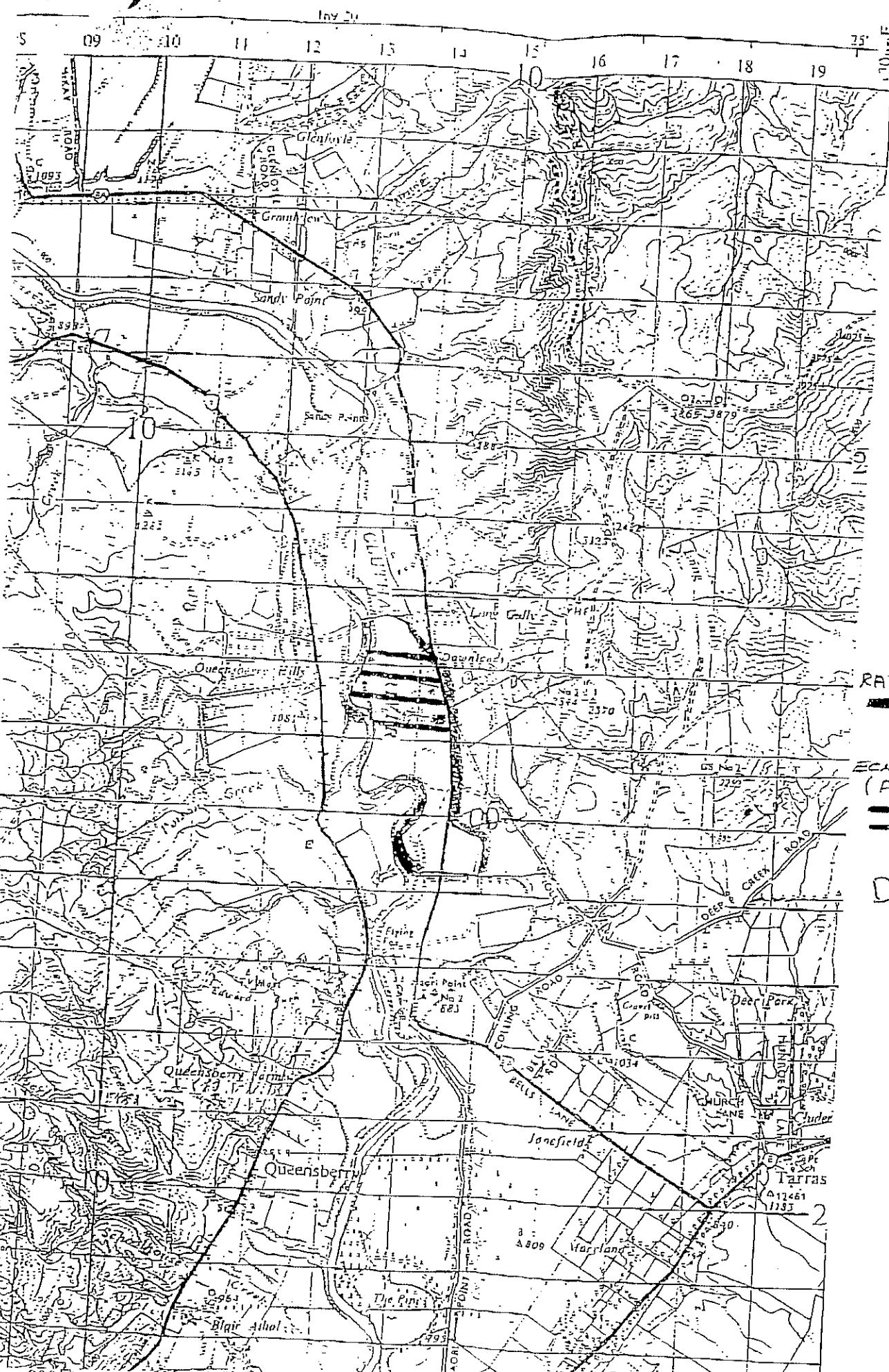
We would be appreciative if these outstanding matters could now be resolved/completed.

Yours faithfully

A D Gage  
CO/Programme High Country Tenure Review  
for Conservator

Otago Conservancy

P.O. Box 5244, 77 Stuart Street, Dunedin, New Zealand  
Telephone 03-477 0677, Fax 03-477 8626, [www.doc.govt.nz](http://www.doc.govt.nz)



RAP LINDIS A14

ECNZ Purchase (Approx.)

DOC interest

Our ref: P55

29 March 1996

The Manager  
Property Services  
Works Consultancy Services  
Private Bag  
DUNEDIN

ATTENTION Dave Payton

Dear Sir

**LONG GULLY PASTORAL LEASE**

Your previous letters.

While the area shown is sufficient to cover the values present, DOC is not agreeable to only covenant protection for this part of the Recommended Area for Protection and would seek to acquire the area. This would not necessarily mean the area could no longer be grazed by the owners of Long Gully.

We have discussed the issue with Knight Frank who have suggested that an approach from Works Consultancy as well as from DOC is now timely.

Yours faithfully



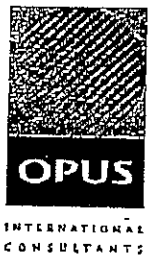
Dave Gage  
Senior Conservation Officer (PNA/Pastoral)  
for Regional Conservator

**Otago Conservancy**

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Telephone 03-477 0677, Fax 03-477 8626

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DEPT OF CONSERVATION  
INFORMATION AGENCY  
- 5 FEB 1998  
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4 February 1998

The Regional Conservator  
Department of Conservation  
PO Box 5244  
DUNEDIN

ATTENTION: Mr D Gage

Dear Sir

CONTACT ENERGY COMPLETION OF PURCHASE - PT LONG GULLY PASTORAL LEASE

I refer to previous correspondence on this matter, copies attached.

Contact Energy have taken over the Upper Clutha scheme from ECNZ. Two purchases of portions of pastoral leases are incomplete and action is now required to complete them.

One matter which has not been concluded and has the potential to hold matters up is the matter associated with the RAP.

Would you please consider your Department's position and contact me to discuss the progressing of this matter.

Yours faithfully

J R Whelan  
Manager, Property

JW:SS

Encl.

CONSERVATOR	
A.M.	
C.R.M.	
E.S.M.	
T.S.M.	
H.R.A.	
P.O.T.R.M.	
...	
OTHER	



13 February 1996

NE001.02

The Regional Conservator  
Department of Conservation  
PO Box 5244  
DUNEDIN

ATTENTION: Mr D Gage

Dear Dave

**PROPOSED PURCHASE PART LONG GULLY PASTORAL LEASE**

Further to my letter of 13 September 1995 and our subsequent telephone discussions.

As our client requires us to make application to purchase the lessors interest in part of the above pastoral lease, we urgently require your response to the two points raised in my earlier letter.

We have delayed submitting our freeholding application and initiating negotiations with Mr Nyhon until we have received your response and unfortunately this matter has now become urgent.

I would be grateful if you could please provide the necessary information by the end of this month.

Please do not hesitate to contact me should you require any additional information or wish to discuss this matter further.

Yours faithfully

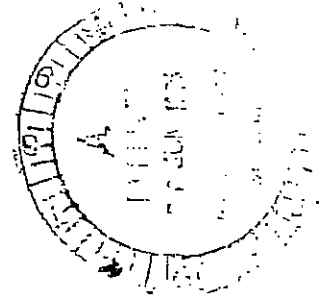
*Chas to again  
18/3  
D  
Dine will get something  
back to us tomorrow*

D M G Payton  
for Manager, Property

DP:SS



Department of Conservation  
Te Papa Atawhai



Our ref: P 55

19 June 1995

The Manager  
Works Consultancy Services  
Private Bag  
DUNEDIN

ATTENTION Dave Payton

Dear Sir

PROPOSED PURCHASE "LONG GULLY"

Your letter of 10 April 1995 refers.

As previously advised to ECNZ by Landcorp (copy of letter attached), DOC does have an interest in the subject area which has high conservation values, particularly historical and botanical, and is part of a Recommended Area for Protection (RAP Lindis A14).

Provided your clients are able to achieve for us adequate protection of the balance of the RAP, DOC would then be inclined not to object to the proposed purchase.

Yours faithfully

Dave Gage  
Senior Conservation Officer (PNA/Pastoral)  
for Regional Conservator

Principal	R W Wilson
City	
Number	
Project Manager	

*Discussed with Dave Gage. He is providing copy of draft Conservation Covenant doc - RAP. He advised that DOC has not contacted Nylson as DOC alone had Conservation Covenant - since the lease to Nylson is not aware of until they prior to sale to Nylson. Dave suggests DOC interest in this land. It will be OK over the area to the south of the ECNZ property would satisfy DOC requirements. The CC would offer that he intends to form as he always present cultivation and boundary styling to protect the land. Could you please obtain a copy of RAP Lindis A14*

*Mr Payton*

*D 13/7*

*3/7/95*

Otago Conservancy dryland terrace vegetation.  
P.O. Box 5214, 77 Stuart Street, Dunedin, New Zealand  
Telephone 03-477 0677, Fax 03-477 8626



Electricity Corporation of New Zealand Limited

LAND CORPORATION ALEXANDRA
RECEIVED
1 OCT 1990
A/EM ALEXANDRA

1 October 1990

The Manager  
Land Corporation Limited  
P O Box 27  
ALEXANDRA

ATTENTION : S F Smith

Dear Madam

**ELECTRICITY FARM LAND HOLDINGS NO. 1 LIMITED TO YOUNG**

The Corporation has an agreement with Michael William Young to purchase part of the land in Pastoral Lease P.55 as shown in CT 338/75 (Otago).

Could you please forward the relevant documents to enable the Corporation to get consent to this sale.

Thank you.

Yours faithfully

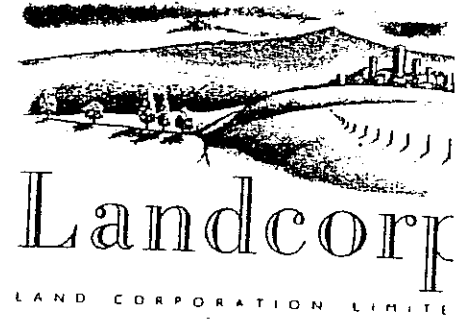
Susie Mills  
SOLICITOR

RJF:296

Reply ALEXANDRA

Our Reference: P 55  
Your Reference: RJF:339

8 January 1991



The General Manager  
Electricity Corporation of New Zealand Ltd  
P O Box 930  
WELLINGTON

Attention: S Mills, Solicitor

Dear Madam

ELECTRICITY FARM LAND HOLDINGS NO 1 LTD AND M W YOUNG

I refer to your letter of 27 November 1990. Thankyou for the copy of the agreements between Electricorp and Mr Young.

As previously advised a number of matters have to be considered before consent to the transfer and subsequent freeholding can be considered. In particular it is necessary for the site to be surveyed for Wahi Tapu and conservation values. I know that DOC are particularly interested in part of this area.

The subdivision, transfer and freeholding will be considered in the light of values identified, the effect on the pastoral lease and the requirements of the District Scheme.

As I have already had representations from the Department of Conservation I would like to suggest an early meeting on site between your representative, DOC and David Pickens of this office. I also recommend that you contact the Ngai Tahu Trust to ascertain their requirements for an assessment of Wahi Tapu.

I look forward to your early response regards the above. Please contact me if you require further clarification.

Yours faithfully

K R Taylor  
Managing Consultant

RC		
MNGR FUNCTIONS		
MNGR OPERATIONS		
MNGR PERSONNEL		
MNGR FINANCE		
EDM		
PLANNING		
		✓

INCORPORATING LANDCORP INVESTMENTS LIMITED & LANDCORP MANAGEMENT SERVICES LIMITED

- REGIONAL OFFICE
- DISTRICT OFFICES
- Christchurch: Southstate Tower, Cashel Street, Private Bag, CHRISTCHURCH
- Westport: Government Buildings, Palmerston Street, P.O. Box 65, WESTPORT
- Hokitika: Landcorp House, 49 Tancred Street, P.O. Box 176, HOKITIKA
- Timaru: Public Trust Building, 1st Floor, Cnr Church & Sophia Sts, P.O. Box 564
- Alexandra: 4 Limerick Street, P.O. Box 27, ALEXANDRA, Telephone (03) 448-6935
- Dunedin: 258 Stewart Street, P.O. Box 5744 Moray Place, DUNEDIN, Telephone (07) 240-5333
- Invercargill: Land Corporation Building, 192 Spey Street, P.O. Box 825, Invercargill, Telephone (07) 222-2200



**Our Reference:** P 55, P 253, P 346, P 350  
**Your Reference:** LANDS 11/5

13 May 1992

Commissioner of Crown Lands  
Office of Crown Lands  
Department of Survey and Land Information  
CPO Box 170  
WELLINGTON

Dear Sir

**ELECTRICORP: PROPOSED PURCHASE OF PASTORAL LEASEHOLD LAND**

Please find attached submission in relation to the above.

Yours faithfully

K R Taylor  
Manager  
LANDCORP MANAGEMENT SERVICES LTD

# UBMISSION TO THE COMMISSIONER OF CROWN LANDS

Our reference: Po 55  
Po 253  
Po 346  
Po 350

Your reference: LANDS 11/5

13 May 1992

**Proposal:**

To dispose of parts of four pastoral leases to Electricity Farm Land Holdings No 1 Ltd.

**Background:**

This matter has been under review since late 1989 and I refer to your letter of 11 January 1990.

Electricorp has negotiated the purchase of significant areas of freehold land in anticipation of future hydro electric development at Luggate and Queensberry in the Upper Clutha. They have also negotiated the purchase of the lessees interest in parts of four pastoral leases and now seek the Crown's consent to the subdivision and transfer (or freeholding) of these areas.

**Properties:**

**Po 55 "Long Gully"**

**Lessee:** M W Young (subject to a proposal for transfer, details unknown).

**Area:** 1703.1282 hectares

**Term:** 33 years from 1 July 1985

**Rental Value:** \$200,000.00

**Annual Rent:** \$3,000.00 (first 11 years)

**Stock Limitation in Lease:** 1166 sheep

**Personal Stock Limitation:** January 1991

4000 Sheep (including not more than 3200 breeding ewes)

50 Cattle

Subject to block limitations

**Area proposed for purchase:** 81 hectares (subject to survey)

Po 253 "Queensberry Hills"

Lessee: Electricity Farm Holdings No 1 Ltd and Mrs E R Fastier.

Area: 3375.6456 hectares

Term: 33 years from 1 July 1960

Annual Rent: \$333.10

**Stock Limitation in Lease:**

1760 sheep (including not more than 600 breeding ewes)

**Personal Stock Limitation: August 1989**

3150 Sheep (including not more than 2150 breeding ewes)

40 Cattle (including not more than 30 breeding cows)

Area proposed for purchase: 298.2 hectares

Po 346 "Locharburn"

Lessee: G R & J M Brown

Area: 2499.8646 hectares

Term: 33 years from 1 July 1960

Annual Rent: \$300.00

**Stock Limitation in Lease:**

2000 sheep (including not more than 940 breeding ewes)  
35 cattle

**Personal Stock Limitation: March 1989**

5000 Sheep (including not more than 1500 wethers)

260 Cattle (including not more than 150 breeding cows)

400 wether goats (marked and confined)

Subject to block limits

Area proposed for purchase: 137.5 hectares

Po 350 "Sandy Point"

Lessee: D J Wilson

Area: 1793.46 hectares

Term: 33 years from 1 January 1961

Annual Rent: \$128.00

Stock Limitation in Lease: 1000 sheep

**Personal Stock Limitation: December 1984**

3000 Sheep (including not more than 2200 breeding ewes)

125 Cattle (including not more than 65 breeding cows)

Area proposed for purchase: 30 hectares (subject to survey)

Discussion:

Electricorp can no longer use the Public Works Act to acquire land for establishing electricity generation facilities. Acting through its agents (Works Consultancy), Electricorp has negotiated the purchase of the lessees interest in portions of the four pastoral leases.

We had communication with both your office and your Dunedin office in 1989/90 and it was agreed that freeholding could be investigated subject to an investigation of Wahi Tapu and conservation interests. DOC have advised of a direct interest in the area on Po 55 and an extension of this. Negotiations will be proceeding with the lessee and Electricorp regards this area. Delays have been encountered establishing the appropriate negotiations with the Ngai Tahu.

The lessees are now requiring urgent settlement of their interest. Electricorp cannot undertake this until agreement is reached with the Crown regards subdivision and title.

The effect on Po 55 and Po 350 of a partial surrender will be minimal as the area is relatively small. Po 253 and Po 346 are moderately affected but will continue to be viable. In all cases the land will be leased back to the current occupiers until work on the power projects commences.

Options:

There are three options available:

1. Subdivide the pastoral leases and transfer the areas referred to to Electricorp. *Pastoral lease is not an appropriate stand alone tenure for the areas referred to.*
2. Accept the surrender of the areas referred to and grant special leases to Electricorp pending completion of the investigations to freehold. *This appears to be an unnecessary administrative step.*
3. Accept the surrender of the areas referred to and grant freehold title to Electricorp subject to a "buy back" provision in relation to Maori interests. *This option covers the major concern with the proposal and appears best. As part of obtaining use consents in the future a full Wahi Tapu investigation will be required for both leasehold and freehold lands anyway.*

Valuations:

These have not been completed for Po 55 and Po 350 as the areas are not yet finalised. The Crown interest in 298.2 hectares of Po 253 has been assessed by Landcorp at \$67,000 and in 137.5 hectares of Po 345 at \$37,000.

Conclusion:

It is most desirable that Electricorp be given some definite direction on this proposal as soon as possible. Freehold with a "buy back" provision relating to Maori interests appears the best option to achieve this.



**Recommendations:**

1. That you accept the surrender of:
  - 81.0 hectares (approx) from Po 55 "Long Gully"
  - 298.2 hectares from Po 253 "Queensberry Hills"
  - 137.5 hectares from Po 346 "Locharburn"
  - 30.0 hectares (approx) from Po 350 "Sandy Point"

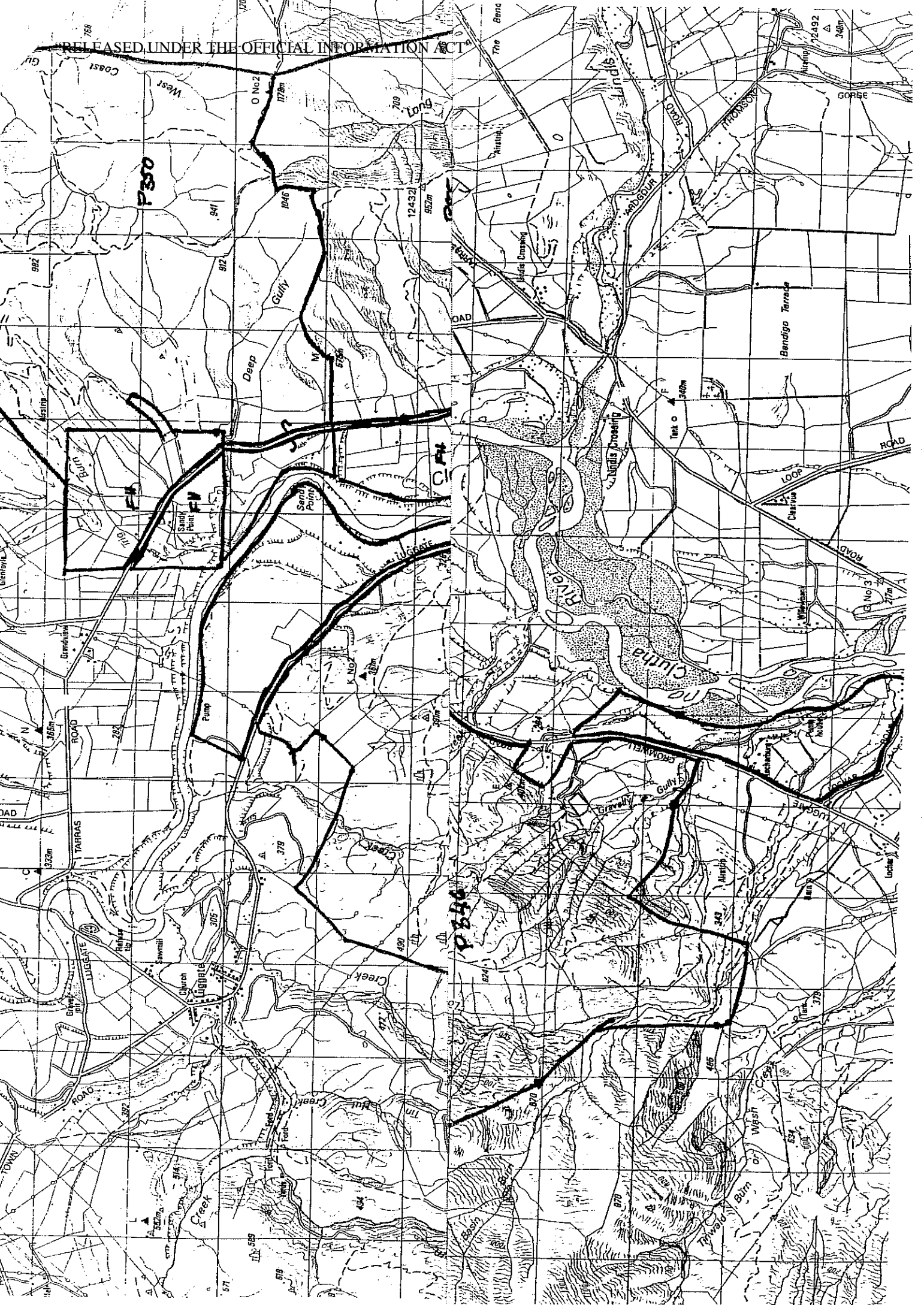
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546.7 hectares TOTAL
2. That you dispose of the above areas on freehold title to Electricity Farm Land Holdings No 1 Ltd at a purchase price yet to be determined by Landcorp.
3. That the above transactions be subject to the following:
  - a. Electricorp obtaining the consent of the relevant District Councils to the subdivisions and providing evidence of such consent to Landcorp.
  - b. Agreement being reached with DOC regards protection of natural values within the area on Po 55 "Long Gully".
  - c. The freehold titles being subject to a "buy back" provision should areas of significance to Ngai Tahu be identified.
  - d. No adjustment to the base stock limits or current rentals on the pastoral leases.
  - e. Electricorp meeting all survey, legal and consent costs in relation to the above proposals.

**Prepared by:**

K R Taylor  
Manager Alexandra  
LANDCORP MANAGEMENT SERVICES LTD

RELEASED UNDER THE OFFICIAL INFORMATION ACT



3/8/92  
B



LAND RECOVERY COMMITTEE  
**NGAI TAHU MAORI TRUST BOARD**

4th FLOOR, TE WAIPOUNAMU HOUSE,  
127 ARMAGH STREET, TELEPHONE 667-154.  
P.O. BOX 13042, CHRISTCHURCH 1.  
FAX No. (03)654 098.

YOUR REFERENCE: 5200-D14  
OUR REFERENCE: CROMWELL VILLAGE

3 August 1992

Commissioner of Crown Lands  
Department of Survey and Land Information  
P O Box 170  
WELLINGTON

ATTENTION: MR D GULLEN

Dear Sir

RE: DISPOSAL OF SURPLUS GOVERNMENT PROPERTIES - CROMWELL VILLAGE

Thank you for your letter of 8 June 1992.

I am instructed to advise that the Board has approved the request to freehold small portions of pastoral leases to Electricorp.

Yours faithfully  
NGAI TAHU MAORI TRUST BOARD

  
S B Ashton  
SECRETARY



OFFICE OF CROWN LANDS

Your Reference: ~~P55, P253, P346~~ P350

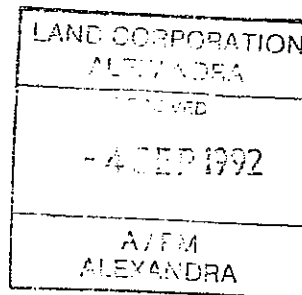
*Copy on each side PSE*

Charles Fergusson Building  
Bowen Street  
Private Box 170  
Wellington  
New Zealand  
Phone 0-4-473 5022  
Fax 0-4-472 2244

Our Reference: 5200-D14

28 August, 1992

Manager  
Landcorp  
Box 27  
ALEXANDRA



Dear Sir

**ELECTRICORP: PROPOSED PURCHASE OF PASTORAL LEASEHOLD LAND**

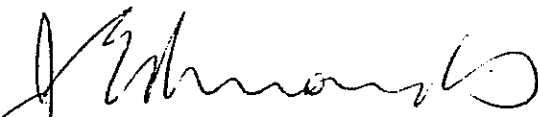
I refer to your letter of 13 May 1992.

I approved your recommendations with the exception of 3C for the surrenders and disposals to Electricorp. I have previously advised that recommendation 3C is not appropriate. Please action your recommendations accordingly. The District Manager/Chief Surveyor is authorised to sign documentation in this case.

I enclose for your information a copy of the reply from the Ngai Tahu Maori Trust Board in respect of my consultation with the board.

I have sent a copy of this letter the Regional Manager, Christchurch.

Yours faithfully

  
Johnny Edmonds  
COMMISSIONER OF CROWN LANDS

6

Ref: P55, P253  
P246, P350  
Your Ref: 92/12/93/6/3  
92/12/94/6/8  
92/12/94/6/9  
93/12/93/6/14

THIS  
COPY



27 October 1992

Manager  
Works Consultancy Services  
Private Bag  
DUNEDIN

**ATTENTION: J R WHELAN**

Dear Sir

**PROPOSED PURCHASE OF PART PASTORAL LEASES - UPPER CLUTHA**

I refer to past correspondence and in particular my letter of 13 May 1992.

I am pleased to advise that the Commissioner of Crown Lands has approved the following:

1. The surrender of:
  - 81.0 hectares (approx) from Po 55 "Long Gully"
  - 298.2 hectares from Po 253 "Queensberry Hills"
  - 137.5 hectares from Po 346 "Locharburn"
  - 30.0 hectares (approx) from Po 350 "Sandy Point"
  - 546.7 hectares TOTAL
2. The disposal of the above areas on freehold title to Electricity Farm Holdings No 1 Ltd at a purchase price of the lessors interest yet to be determined by Landcorp Property for Po55 and Po350 and at a price of \$67,000 for Po353 and \$37,000 for Po345.
3. The above transactions are subject to the following:
  - (a) Electricorp obtaining the consent of the relevant District Councils to the subdivisions and providing evidence of such consent to Landcorp.

ALEXANDRA OFFICE  
4 LIMERICK STREET  
PO BOX 27  
ALEXANDRA NZ  
PHONE 0-3-448 6935  
FAX 0-3-448 9099



- (b) Agreement being reached with DOC regards protection of natural values within the area on Po55 "Long Gully".
- (c) No adjustment to the base stock limits or current rentals on the pastoral leases.
- (d) Electricorp meeting all survey, legal and consent costs in relation to the above proposals.

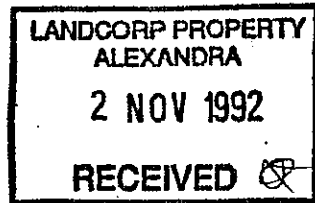
I have now requested valuations for the areas from Po55 and Po350 and will advise you when these have been received.

Please advise at your earliest convenience your acceptance of this offer and survey details for Po55 and Po350.

Yours faithfully

K R Taylor  
Manager, Alexandra  
**LANDCORP PROPERTY LIMITED**

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"



WORKS PROPERTY MANAGEMENT MREINZ  
Philip Laing House, Rattray Street, Private Bag, Dunedin, New Zealand  
Phone (03) 474-8899, Fax (03) 474-8995

30 October 1992 92/12/93/6/3, 14  
92/12/94/6/8, 9

The Manager  
Landcorp Property Limited  
PO Box 27  
ALEXANDRA

*Copies on*  
*PSS 353*  
*350 346*  
*PSC*

Dear Sir

**PROPOSED PURCHASE OF PART PASTORAL LEASES  
UPPER CLUTHA**

I refer to your letter dated 27 October 1992.

The prices quoted in your letter are considered to be quite unrealistic. I will obtain a current market assessment of the Lessor's interest.

Yours faithfully

J R Whelan  
for Manager

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

~~P 55~~  
~~P 25~~  
~~P 346~~  
 F 350

met with Robin Uhlerson 5/2/93.

Values may have to be revised as subdivision and/or subsequent disposal may be subject to amalgamation with adjoining titles.

Robin is offering \$40,000 for all four areas. If we could settle in the range \$70,000 to \$90,000 I would be happier. This is made up as follows:

Lease	Current Valuation	Offer (mine)
P253	\$67,000	\$40,000 - \$50,000
P346	\$37,000	\$20,000 - \$23,000
P55	\$14,000	\$7,000 - \$14,000
P350	\$5,000	\$3,000 - \$5,000
	<hr/>	<hr/>
	\$123,000	\$70,000 - \$92,000

Total Area = \$546.70/ha

Robins offer = \$73.17/ha = \$40,000

Lease renewal P35 was for an LEI of \$67/ha over  
 As this is low country this should be 2 - 2.5 times the average

i.e. \$134/ha = \$73,000  
 to \$167/ha = \$92,000

Ken Taylor  
 6/2/93





Our ref: P 55

19 June 1995

The Manager  
Works Consultancy Services  
Private Bag  
DUNEDIN

ATTENTION Dave Payton

Dear Sir

**PROPOSED PURCHASE "LONG GULLY"**

Your letter of 10 April 1995 refers.

As previously advised to ECNZ by Landcorp (copy of letter attached), DOC does have an interest in the subject area which has high conservation values, particularly historical and botanical, and is part of a Recommended Area for Protection (RAP Lindis A14).

Provided your clients are able to achieve for us adequate protection of the balance of the RAP, DOC would then be inclined not to object to the proposed purchase.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Dave Gage', written over a circular stamp.

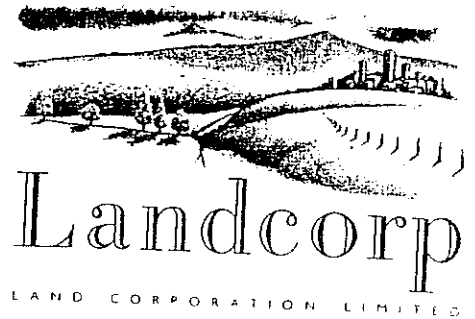
Dave Gage  
Senior Conservation Officer (PNA/Pastoral)  
for Regional Conservator

**Otago Conservancy**

P.O. Box 5244, 77 Stuart Street, Dunedin, New Zealand  
Telephone 03-477 0677, Fax 03-477 8626

Reply to ALEXANDRA

Our Reference: P 55  
 Your Reference: RJF:339



8. January 1991

The General Manager  
 Electricity Corporation of New Zealand Ltd  
 P O Box 930  
 WELLINGTON

Attention: S Mills, Solicitor

Dear Madam

ELECTRICITY FARM LAND HOLDINGS NO 1 LTD AND M W YOUNG

I refer to your letter of 27 November 1990. Thankyou for the copy of the agreements between Electricorp and Mr Young.

As previously advised a number of matters have to be considered before consent to the transfer and subsequent freeholding can be considered. In particular it is necessary for the site to be surveyed for Wahi Tapu and conservation values. I know that DOC are particularly interested in part of this area.

The subdivision, transfer and freeholding will be considered in the light of values identified, the effect on the pastoral lease and the requirements of the District Scheme.

As I have already had representations from the Department of Conservation I would like to suggest an early meeting on site between your representative, DOC and David Pickens of this office. I also recommend that you contact the Ngai Tahu Trust to ascertain their requirements for an assessment of Wahi Tapu.

I look forward to your early response regards the above. Please contact me if you require further clarification.

Yours faithfully

K R Taylor  
 Managing Consultant

RC		
MNGR FUNCTIONS		
MNGR OPERATIONS		
MNGR PERSONNEL		
MNGR FINANCE		
RCR		

INCORPORATING LANDCORP INVESTMENTS LIMITED & LANDCORP MANAGEMENT SERVICES LIMITED

- REGIONAL OFFICE**
- DUNEDIN**  
 258 Stewart Street  
 P.O. Box 5744 Moray Place  
 DUNEDIN  
 Telephone (03) 448-6935
- CHRISTCHURCH**  
 5 Cashel Street  
 Private Bag  
 CHRISTCHURCH
- DISTRICT OFFICES**
- Westport**  
 Government Buildings  
 Palmerston Street  
 P.O. Box 65  
 WESTPORT
- Hokitika**  
 Landcorp House  
 49 Tancred Street  
 P.O. Box 175  
 HOKITIKA
- Timaru**  
 Public Trust Building  
 1st Floor  
 Cnr Church & Sophia Sts  
 P.O. Box 564
- Alexandra**  
 4 Limerick Street  
 P.O. Box 27  
 ALEXANDRA  
 Telephone (03) 448-6935
- Invercargill**  
 Land Corporation Building  
 192 Spey Street  
 P.O. Box 825  
 Telephone (03) 44-1399

LANDCORP PROPERTY  
ALEXANDRA  
2 NOV 1992  
RECEIVED



WORKS PROPERTY MANAGEMENT MREINZ  
Philip Laing House, Rattray Street, Private Bag, Dunedin, New Zealand  
Phone (03) 474-8899, Fax (03) 474-8995

30 October 1992

92/12/93/6/3, 14  
92/12/94/6/8, 9

The Manager  
Landcorp Property Limited  
PO Box 27  
ALEXANDRA

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file: PSS Vol 3/425

Copies on  
PSS, 283  
350, 346  
PSC

Dear Sir

**PROPOSED PURCHASE OF PART PASTORAL LEASES  
UPPER CLUTHA**

I refer to your letter dated 27 October 1992.

The prices quoted in your letter are considered to be quite unrealistic. I will obtain a current market assessment of the Lessor's interest.

Yours faithfully

J R Whelan  
for Manager



424

C - Ref: P55, P253  
P246, P350  
Your Ref: 92/12/93/6/3  
92/12/94/6/8  
92/12/94/6/9  
93/12/93/6/14



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27 October 1992

Manager  
Works Consultancy Services  
Private Bag  
**DUNEDIN**

**ATTENTION: J R WHELAN**

Dear Sir

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ALEXANDRA OFFICE  
4 LIMERICK STREET  
PO BOX 27  
ALEXANDRA NZ  
PHONE 0-3-448 6935  
FAX 0-3-448 9099



- (b) Agreement being reached with DOC regards protection of natural values within the area on Po55 "Long Gully".
- (c) No adjustment to the base stock limits or current rentals on the pastoral leases.
- (d) Electricorp meeting all survey, legal and consent costs in relation to the above proposals.

I have now requested valuations for the areas from Po55 and Po350 and will advise you when these have been received.

Please advise at your earliest convenience your acceptance of this offer and survey details for Po55 and Po350.

Yours faithfully

K R Taylor  
Manager, Alexandra  
**LANDCORP PROPERTY LIMITED**



OFFICE OF CROWN LANDS

Your Reference: P55, P253, P346, P350

*Copy on each side PSE.*

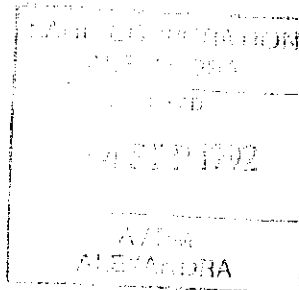
Charles Fergusson Building  
Bowen Street  
Private Box 170  
Wellington  
New Zealand

Our Reference: 5200-D14

Copied for purposes of CPL Phone 0-4-473 5022  
tenure review due diligence from 0-4-472 2244  
file: P55 Vol 3/423

28 August, 1992

Manager  
Landcorp  
Box 27  
ALEXANDRA



Dear Sir

**ELECTRICORP: PROPOSED PURCHASE OF PASTORAL LEASEHOLD LAND**

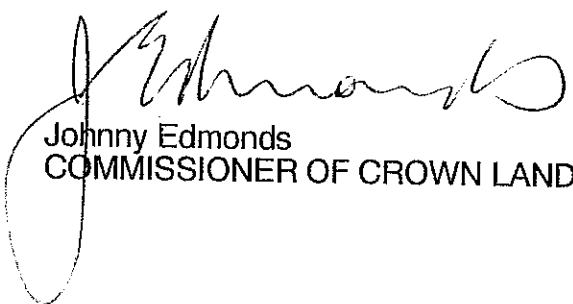
I refer to your letter of 13 May 1992.

I approved your recommendations with the exception of 3C for the surrenders and disposals to Electricorp. I have previously advised that recommendation 3C is not appropriate. Please action your recommendations accordingly. The District Manager/Chief Surveyor is authorised to sign documentation in this case.

I enclose for your information a copy of the reply from the Ngai Tahu Maori Trust Board in respect of my consultation with the board.

I have sent a copy of this letter the Regional Manager, Christchurch.

Yours faithfully

  
Johnny Edmonds  
COMMISSIONER OF CROWN LANDS

3/8/92  
B



LAND RECOVERY COMMITTEE  
**NGAI TAHU MAORI TRUST BOARD**

4th FLOOR, TE WAIPOUNAMU HOUSE,  
127 ARMAGH STREET, TELEPHONE 667-154.  
P.O. BOX 13042, CHRISTCHURCH 1.  
FAX No. (03)654098.

YOUR REFERENCE: 5200-D14  
OUR REFERENCE: CROMWELL VILLAGE

3 August 1992

Commissioner of Crown Lands  
Department of Survey and Land Information  
P O Box 170  
WELLINGTON

ATTENTION: MR D GULLEN


Dear Sir

RE: DISPOSAL OF SURPLUS GOVERNMENT PROPERTIES - CROMWELL VILLAGE

Thank you for your letter of 8 June 1992.

I am instructed to advise that the Board has approved the request to freehold small portions of pastoral leases to Electricorp.

Yours faithfully  
NGAI TAHU MAORI TRUST BOARD

  
S B Ashton  
SECRETARY

PSS

413



Landcorp

LAND CORPORATION LIMITED

FAX MESSAGE

DATE: 12 June 1992

TO: Works Consultancy, DUNEDIN

ATTENTION: Robin Whelan

FROM: Ken Taylor

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tenure review due diligence from  
file: PSS Vol 3/ 413

TOTAL NUMBER OF PAGES (INCLUDING THIS COVER SHEET): TWO

RE: TELECOM EASEMENTS

I have now received advice from the Commissioner of Crown Lands (in response to the Mt Difficulty request) that such easements should only be for the life of the current installation due to the rapid change in communication technology.

He has therefore requested my further advice as to an appropriate term and a limitation as to the existing developments. I wish to advise that the current thinking is for a ten year term with any new structures within that term requiring separate consent. I also wish to note that the fee being considered is a one off payment of \$5000 (plus GST) for the 10 year term plus your client meeting the costs associated with obtaining the easement..

I look forward to your confirmation that your client will accept these terms and a redraft of the easement document accordingly. I believe that you could assume a similar position re Waikerikeri and Hillend and prepare the documents accordingly.

RE: ELECTRICORP PURCHASES LUGGATE AND QUEENSBERRY

I have been advised by the Commissioner that he favours freeholding of the required portions of the four properties. This process requires him to consult with the Ngai Tahu Maori Trust Board. He has referred the matter to the Board and will instruct me further when he has their advice. Current thinking within Government does not favour the creation of new leasehold interests.

Please contact me if I can be of further assistance.

Yours faithfully

K R Taylor  
Manager, Alexandra  
LANDCORP MANAGEMENT SERVICES LTD

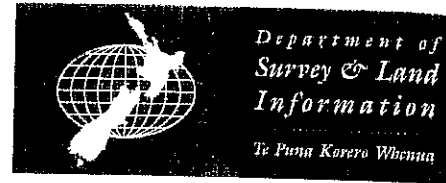
INCORPORATING LANDCORP INVESTMENTS LIMITED & LANDCORP MANAGEMENT SERVICES LIMITED

Alexandra Branch Office  
4 Limenck Street  
P.O. Box 27  
ALEXANDRA, N.Z.  
Tel (03) 448-6935  
Fax (03) 448-9099



P55

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"



**OFFICE OF CROWN LANDS**

Your Reference: P55, P253,  
P346, P350

Our Reference: 5200-D14

Charles Fergusson Building  
Bowen Street  
CPO Box 170  
Wellington  
New Zealand  
Phone: 0-4-473 5022  
Fax: 0-4-472 2244

2 June, 1992

The Manager  
Landcorp  
Box 27  
ALEXANDRA

Dear Sir

**ELECTRICORP : PROPOSED PURCHASE OF PASTORAL LEASEHOLD LAND**

I refer to your letter of 13 May 1992 and submission.

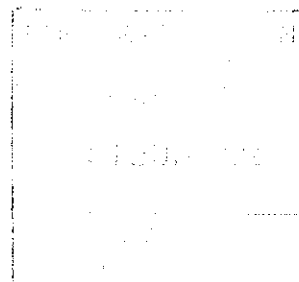
I have considered your submission and consider it preferable to freehold the land to Electricorp if the transaction is to proceed at all. The 'buy back' option is not supported. There is no statutory authority under the land Act 1948 for it and in any case government already has a policy covering what is contemplated by the situation you have outlined. It is called the "Ngai Tahu Early Warning System". It requires me to consult with the Ngai Tahu Maori Trust Board.

I am now referring the matter to the Ngai Tahu Maori Trust Board and will instruct you further once I have that advice.

Yours faithfully

*David Gullen*

David Gullen  
for **Commissioner of Crown Lands**



404

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"



Electricity Corporation of New Zealand Limited

LAND CORPORATION  
ALEXANDRA  
RECEIVED  
30 NOV 1990  
A/EM  
ALEXANDRA

27 November 1990

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file: P055 Vol 31404

K R Taylor  
Landcorp  
P O Box 27  
ALEXANDRA

Dear Sir

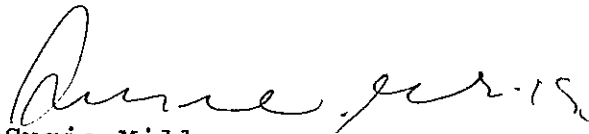
**ELECTRICITY FARM LAND HOLDINGS NO.1 LIMITED - M W YOUNG -  
YOUR REF: P55**

Thank you for your letter of 16 October 1990.

Attached is a copy of the agreement between Electricorp and M W Young. The land is for works related to the proposed Queensbury Power Station and would ultimately be freehold.

Please contact the writer if any further information is required.

Yours faithfully

  
Susie Mills  
SOLICITOR

RJF:339

MEMORANDUM OF AGREEMENT made this <sup>11<sup>th</sup></sup> day of <sup>July</sup> 1988 BETWEEN MICHAEL WILLIAM YOUNG of Tarras farmer (hereinafter together with his successors executors and assignees called "the Owner") of the one part AND ELECTRICITY FARM LAND HOLDINGS No 1 LIMITED a company under the Companies Act 1955 (hereinafter together with its successors assignees and transferees called 'Electricorp') of the other part.

WHEREAS

a THE Owner is the registered proprietor of estates in leasehold and freehold in all that land more particularly described in the First Schedule hereto (hereinafter called "the said land")

b ELECTRICORP wishes to acquire the said land for proposed power generation development

NOW THEREFORE IT IS AGREED AS FOLLOWS

1 SUBJECT to clause 2 hereof the Owner shall transfer the said land to Electricorp.

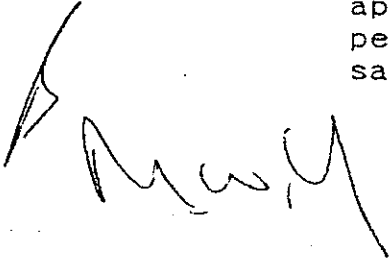
2 THE following consents, approvals and exemptions are required to allow the transfer of the said land and if any or all are not obtained by 15 May 1994 or such extended date as provided in clause 13 hereof (hereinafter called the said date) then this agreement shall be void and of no further effect between the parties.

(a) THE said land is subject to survey and may require subdivision approval pursuant to the relevant District Scheme. Electricorp will be responsible for such survey and will arrange for any necessary consents to be applied for pursuant to the District Scheme AND the Owner shall do all acts and things necessary or desirable to enable any such applications to be dealt with.

and

(b) IF the contract relates to a transaction to which the Land Settlement Promotion and Land Acquisition Act 1952, or the Land Act 1948 applies then:

1 The contract is subject to the provisions of the appropriate Act and each party will within such period as shall be reasonable having regard to the said date do all such things as may be necessary:



- a To comply with the provisions of the appropriate Act; and
- b To obtain any necessary consent; or
- c To make and lodge with the District Land Register a statutory declaration so as to avoid the necessity for obtaining such consent.

II If such consent is required the contract is subject to consent being granted by the said date and that consent being either unconditional or conditional only upon any one or more of the following:

- a The payment of outgoings in respect of the property.
- b The payment of fees in respect of the granting of such consent
- c The termination of concessional rates of rental or interest.

III The filing fee payable in respect of an LSP application shall be paid by Electricorp.

(c) THE said land is part of the land contained in a pastoral lease in terms of the Land Act 1948 and the consent of the Crown to Electricorp freeholding the said land on terms acceptable to Electricorp must be obtained. The Owner will do all things necessary or desirable to enable such consent to be obtained as requested by Electricorp and at the cost of Electricorp.

3 ELECTRICORP shall be responsible for any stamp duty payable in respect of this transaction and shall arrange for the stamping of this agreement.

4 THE date of settlement shall be one month after the conditions set out in clause 2 hereof have been met and Electricorp advises the Owner in writing that such have been met.

5 VACANT possession of the said land shall be given and taken on settlement.

6 ELECTRICORP will pay the Owners the sum of ~~THIRTY~~ <sup>Forty</sup> SEVEN THOUSAND DOLLARS (~~\$37~~ <sup>\$40</sup> 000.00) for the said land on the following terms and conditions:

- a the sum of THIRTY THOUSAND DOLLARS (\$30 000.00) (the first sum) shall be paid within 30 days of the date this agreement is signed by both parties.
- b the sum of ~~SEVEN~~ <sup>ten</sup> THOUSAND DOLLARS (~~\$7~~ <sup>\$10,000</sup> 000.00) shall be paid on settlement.

c the first sum shall be interest free for the first ~~twelve~~ <sup>twenty four</sup> months after payment but in the event of settlement not being completed within this period then the Owner will pay interest from the expiration of the ~~one~~ <sup>one</sup> month period at the standard first mortgage rate then applying to rural land on the first sum to Electricorp by equal monthly payments in arrears for the first ~~12~~ <sup>24</sup> months of such payment.

The interest rate shall be reviewed at the expiration of ~~12~~ <sup>24</sup> months of such payment and at intervals of ~~12~~ <sup>24</sup> months thereafter AND the terms and conditions contained in the attached mortgage will apply mutatis mutandis to the first sum AND further if any dispute shall arise between the parties as to the standard first mortgage rate the dispute shall be referred to arbitration.

d the Owner will execute a valid mortgage on the terms and conditions contained in paragraphs (c) and (e) hereof in favour of Electricorp in respect of the first sum if so requested by Electricorp and Electricorp may register the mortgage at its cost against the land described in the third schedule.

e if any of the consents approvals or exemptions in clause 2 cannot be obtained the Owner will repay the first sum in total with any interest then due thereon within seven days of receiving a request for payment from Electricorp and shall be given in return a registrable release of the mortgage. It is acknowledged that this obligation to repay may arise before the said date.

f The purchase price for the said land (~~\$37,000.00~~ <sup>\$40,000</sup>) being net of Goods and Services Tax GST on the purchase price shall be paid by Electricorp on payment of the first sum.

7 IF for any cause whatever other than the default of the Owner the purchase price of the said land shall not be paid on settlement the unpaid purchase money shall carry interest at the rate of \$20.00 per centum per annum from the date such payment was due until payment of the purchase price.

8 UPON settlement the Owner and all necessary parties shall execute in favour of Electricorp a valid conveyance transfer or other assurance of the said land free from encumbrances other than that provided in clause 12 hereof such assurance to be prepared by and at the expense of Electricorp and to be tendered to the Owner for execution.

9 FROM the date this agreement becomes unconditional the said land shall be at the risk of Electricorp with regard to fire tempest and earthquake or deterioration of any kind.

*Handwritten signature*

10 ALL current rates taxes assessments premiums in respect of insurance and other outgoings payable in respect of the said land shall be apportioned as at the date of settlement

11 FROM the settlement date Electricorp shall lease to the Owner the said land for a term of six years from the date of execution of this agreement by both parties together with a right of renewal for a further term of six years on the same terms and conditions PROVIDED THAT if at any time during the term hereby created and any renewal thereof the said land is required for Electricorp's purposes then Electricorp may terminate the lease on six month's written notice.

The initial annual rental shall be ~~\$1,320.00~~ <sup>M.V.V.</sup> \$100.00 p.a. and the rent together with the GST payable thereon shall be paid quarterly in advance. Such rent <sup>shall not be</sup> ~~to be~~ reviewable at ~~two yearly intervals by agreement and falling agreement to be referred to a single arbitrator and in accordance with the Arbitration Act 1908.~~ <sup>during the initial lease or any renewal</sup>

*M.V.V.*

The Owner shall be liable for all outgoings including but not exclusively land tax and rates.

The Owner undertakes to manage the said land in a good and husbandlike manner. The lease shall be on the terms and conditions set out in the attached lease agreement.

The Owner shall have the right to sublease all or part of the said land if so required subject to compliance with the terms and conditions of the lease.

12 THE Owner acknowledges that Electricorp wish to purchase the said land for the purpose of erecting a water powered power station on the said land and other lands AND the Owner will enter into a memorandum of encumbrance providing for a rent charge to be attached to and registered against title to the other adjoining land of the Owner to the effect that the Owner will forbear from objecting on the basis of noise, visual impact, injurious affection or other adverse conditions to the building of the power station on Electricorp land.

13 IF Electricorp advises the Owner in writing by 15 May 1994 that the said date should be extended to 15 May 1999 then the said date shall be accordingly extended with no further formality.

14 NOTWITHSTANDING any statutory powers or rights which exist the Owner will forbear from exercising any right which will prejudice the interest of Electricorp under this agreement.

*M.V.V.*

15 ELECTRICORP shall meet reasonable accounting and other associated costs (including legal and Ministry of Agriculture Fees) relating to matters directly pertaining to this agreement in respect of work completed on behalf of the Owner to a maximum of \$4 000.00 *plus GST*

16 IN addition to accepting responsibility for any subdivision and survey costs necessary in meeting the terms and conditions of this agreement Electricorp acknowledges responsibility for any fencing necessary to separate the said land from the balance of the Owner's land when the said land is required for Electricorp purposes

17 IF the said land is not needed for any other purpose and becomes surplus to Electricorp's requirements Electricorp shall offer to the Owner that part of the land which is contiguous to the Owner then existing landholding and which is surplus to Electricorp's requirements on the terms and conditions of the Agreement of Sale and Purchase of Real Estate approved by the Real Estate Institute of New Zealand and the New Zealand Law Society latest edition. Without limiting the foregoing it is acknowledged that the said land or part thereof will be deemed required for any other purpose or be surplus if all or part of the said land is required for road by Transit New Zealand or the local authority. The purchase price will be the current market value of the land as agreed and failing agreement, shall be referred to a single arbitrator in terms of the Arbitration Act 1908.

18 THE Owner grants an option to Electricorp to purchase the land described in the second schedule hereto (the second land) for a period of 50 years from the date hereof (the said period) on the following terms and conditions

- a The option shall be exercisable by Electricorp at any time within the said period.
- b Electricorp shall give the Owner one months notice in writing of its desire to purchase the second land.
- c The purchase price of the second land shall be <sup>the</sup> full freehold current market value at the date of exercising the option to purchase AND if the purchase price of the second land cannot be agreed upon then the price shall be settled by arbitration in accordance with the Arbitration Act 1908 and any amendment thereof.
- d The second land will be subject to the consents and approvals set out in clause 2 hereof being obtained and the sale and purchase of the second land shall be conditional upon such consents and approvals being obtained in the manner provided in clause 2 hereof within one year of the option being exercised.

*MWY*

*A*

*once MWY*

e Should Electricorp exercise the option to purchase the second land then the purchase shall be on the terms and conditions of the agreement for Sale and Purchase of Real Estate approved by the Real Estate Institute of NZ and the NZ Law Society latest edition. Electricorp shall prepare an agreement and tender it to the Owner for execution and the Owner shall execute it. *The agreement shall include a similar provision to clause 22 herein*

For the purposes of such agreement possession date shall be one month after the purchase price has been agreed or settled by arbitration, or the agreement becomes unconditional whichever is the later.

f Electricorp may register a caveat against title to the second land.

g Any notice in terms of this option is to be sent as follows

i to the Owner by registered mail to the second land

and

ii To Electricorp by registered mail to the Director, Production Development, Electricity Corporation of NZ Ltd, Rutherford House, Wellington.

h If the Owner wishes to sell the second land within the said period he shall first offer it to Electricorp in writing and if Electricorp wishes to purchase the second land then the provisions of paragraphs c d and e hereof shall apply mutatis mutandis to such purchase PROVIDED THAT if Electricorp advises the Owner that it does not wish to purchase the land then this option shall absolutely determine and have no further effect between the parties.

*M.W.*

19 ELECTRICORP agrees at no cost to the owner to plant a shelter belt over a maximum distance of 950 m as shown marked ~~blue~~ *green* on the attached plan to comprise of three rows of Radiata, Pina Nigra or Ponderosa trees and to be enclosed by standard rabbit proof fencing. The shelter belt shall be planted by 31 October 1980. *Electricorp shall maintain the shelter belt for a period of one year from planting.*

*M.W.*

20 IF Electricorp purchases from the Crown the Crown Land adjoining the said land that the Owner currently leases from the Crown then it will lease that land to the Owner on the same terms and conditions as the Crown leases to the Owner PROVIDED THAT if the Crown amends similar leases the same amendments will apply to that land AND PROVIDED FURTHER THAT the same conditons relating to termination as set out in the lease will apply.

21 THE provisions of this agreement which have not been completed on settlement will not merge on settlement.

*M.W.*

22. *Electricorp shall at all times ensure that the owner and his successors in title shall have free and uninterrupted stock access to the lake or alternatively shall supply a stock water system to adjoining paddocks in so far as it is within Electricorp's abilities*

*M.W.*



IN WITNESS whereof these presents have been executed the day and year first before written

SIGNED by the said  
MICHAEL WILLIAM YOUNG

In the presence of:

*M.W. Young*

WITNESS:

*[Signature]*

ADDRESS:

*Solihull*

OCCUPATION:

*husb*

SIGNED for and on  
behalf of  
ELECTRICITY FARM  
LAND HOLDINGS NO. 1  
LIMITED by

*Dir Co.*

In the  
presence of:

*[Signature]*

WITNESS:

ADDRESS:

*Wellington*

OCCUPATION:

*Advisory officer.*

*MWY*

FIRST SCHEDULE

All that land containing 81 hectares subject to survey being Part Run 236J Block XII and part sections 10 and 14 Block VII Tarras Survey District being part certificates of title 338/75 and 5A/1069 Otago Land Registry as is more particularly shown outlined in red on the attached plan.

SECOND SCHEDULE

All that land containing 9 hectares subject to survey being part Run 236J Block XII Tarras Survey District being part certificate of title 338/75 Otago Land Registry as is more particularly shown outlined in yellow on the attached plan.

*M. W. G.*

Dated

1989

MICHAEL WILLIAM YOUNG

and

ELECTRICITY FARM LAND  
HOLDINGS No.1 LIMITED

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AGREEMENT FOR SALE  
AND PURCHASE

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A handwritten signature in black ink, appearing to be 'M. Young', is located in the bottom right corner of the page.

MEMORANDUM OF MORTGAGE.

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

WHEREAS the mortgagor named and described in the schedule hereto (hereinafter called "the mortgagor") is registered as proprietor of the rates and or interests set out in the said schedule (hereinafter called "the schedule") subject however to such encumbrances of the rates and interests as are set out in the schedule in the land detailed in the schedule now therefore in consideration of the sum set out in the schedule lent and advanced to the mortgagor by the mortgagee named and described in the schedule (hereinafter called "the mortgagee") the receipt whereof is hereby acknowledged and in consideration of the request of any other person named and described in the schedule as guarantor (hereinafter called "the guarantor") and in consideration of any other matters set out in the schedule the mortgagor HEREBY COVENANTS and agrees with the mortgagee as follows:—

1. THAT the mortgagor will repay to the mortgagee the said sum advanced as set out in the schedule (all hereinafter called "the principal sum") or so much thereof as shall then be owing upon the date set out in the schedule as the due date or if no date is so set out then upon demand and in the meantime will reduce the principal sum by the instalments if any set out in the schedule payable at the times and in the manner therein set out while any moneys remain owing under this security such instalments as and when received by the mortgagee and until default by the mortgagor to be applied by the mortgagee if payable at intervals of three months or more in reduction of the principal sum and if payable at intervals of less than three months first at the option of the mortgagee in payment of the interest principal and other moneys from time to time payable under the prior memoranda of mortgage if any hereinafter mentioned then in payment of the interest hereinafter reserved then at the option of the mortgagee in payment of the local body rates and insurance premiums from time to time payable in respect of the mortgaged premises and of the rent and other moneys from time to time payable under the leases if any undermentioned then in payment of any book-keeping fees inspection fees and any other costs charges expenses and moneys from time to time payable under the provisions hereof and finally in reduction of the principal sum.

2. THAT the mortgagor will pay to the mortgagee interest in the meantime computed from the interest commencement date set out in the schedule and payable at the ordinary rate set out in the schedule by a first and proportionate payment on the date set out in the schedule calculated on the principal sum and thereafter by periodic equal payments on the dates set out in the schedule (hereinafter referred to as "the interest days") in every year so long as any part of the principal sum shall remain unpaid calculated at the rate set out on so much of the principal sum as shall have been owing on the interest day then next preceding (so that no allowance of interest shall be made in respect of any payments made on account of the principal sum during the intervening period).

3. THAT all moneys payable under this security shall be paid by the mortgagor to the mortgagee at such place in New Zealand as the mortgagee shall in writing direct together with a quarterly book-keeping fee as fixed by the mortgagee from time to time not exceeding in total in any one year a sum equivalent to 0.25% per annum of the principal sum.

4. IF the mortgagor shall fail to comply with any of the terms of this mortgage which are specified in Clauses (1) (2) (4) (5) (6) (7) and (13) and such failure to comply shall not be remedied on or before the fourteenth day after the date on which compliance was due then the ordinary interest rate shall be increased to the penalty interest rate and the interest payable shall be calculated at the penalty interest rate (in lieu of the ordinary interest rate) on a daily basis for the period beginning on the date for payment of the last instalment due and paid by the mortgagor (and where no instalment has been paid by the mortgagor then from the interest commencement date and terminating on the date on which the failure to comply has been remedied and the mortgagee has been paid all such penalty interest and all expenses and legal costs in relation to obtaining remedy of the failure to comply. For the purposes of this paragraph any money payable by the mortgagor as interest or in repayment of the principal sum or any part thereof is deemed to be an instalment payable by the mortgagor.

5. IF the mortgagee obtains judgement against the mortgagor for any sum payable pursuant to this mortgage, the mortgagor shall pay to the mortgagee interest on the sum adjudged at the penalty interest rate from the date of judgement until payment.

6. THAT the mortgagor will at all times during the continuance of this security duly and punctually pay all rates taxes assessments and other charges from time to time payable in respect of or assessed charged or levied upon the said land or its occupier.

7. THAT the mortgagor will keep observe and perform the covenants conditions and agreements of any prior mortgages charges and encumbrances mentioned in the schedule or hereafter registered against the title and having priority to this security.

8. THAT the mortgagor will at all times during the continuance of this security duly and punctually pay the rent reserved by any lease keep observe and perform all the covenants conditions and provisions contained in any memoranda of lease mentioned in the schedule and on the part of the lessee to be kept observed and performed and will keep the mortgagee indemnified therefrom and will in due course obtain and complete at the cost and expense of the mortgagor further leases for renewed terms in accordance with the procedure specified in the said memoranda of lease and will if practicable cause such renewed leases to be registered subject to this mortgage in accordance with the provisions of the Land Transfer Act 1952 and the mortgagor doth hereby irrevocably appoint the mortgagee a trustee of the mortgagor and if more than one severally and separately to be attorney or attorneys of the mortgagor in the name of the mortgagor to apply for procure and register good and effectual new leases at such rentals and upon such terms and conditions as the mortgagee in the absolute discretion of the mortgagee may determine and to join in and do all such acts including the appointment of valuers as may seem to the mortgagee to be necessary or expedient for the purpose of obtaining and completing such renewals and if necessary for preparing executing completing and registering such new mortgages of the premises comprised in such renewals containing such covenants conditions provisions and agreements as the mortgagee in the absolute discretion of the mortgagee may deem requisite and to receive and give discharges for all moneys from time to time payable to the lessee by way of valuation for buildings and improvements under or by virtue of the provisions of the said memoranda of lease and if deemed by the mortgagee necessary or expedient to purchase the rights of such leases when offered for sale and it shall be lawful for but not obligatory upon the mortgagee to so effect such renewals or purchases of rights in the name of the mortgagor or otherwise and in that case even such new lease and the premises thereby demised shall remain and be a security to the mortgagee as well for the payment of all moneys paid by the mortgagee for the fines fees and expenses of such renewal as for the payment of the principal sum interest and other moneys owing hereunder.

9. THAT the mortgagor will keep all buildings gates and all fixtures and fittings in and about such buildings in proper substantial repair and condition and will not dismantle any buildings nor remove any buildings or erections from the said land with the written consent of the mortgagee and will keep all boundary and other fences in good repair all gardens in good order all hedges properly and regularly trimmed and all ditches drains culverts and watercourses on or in the mortgaged premises properly cleaned in good working order and as to any rural or farm land if any hereby secured will farm manage and cultivate the said land in a proper and proper manner in accordance with the best rules of husbandry prevailing in the district concerned and as far as practicable keep the same free from noxious weeds orchard and garden diseases and from rabbits and other pests and if the mortgagor shall in the opinion of the mortgagee have failed fully to carry out the obligations of the mortgagor hereunder then the mortgagee may at any time and without notice have such work done and such other action taken as in the opinion of the mortgagee should have been done by the mortgagor and the costs and expenses of doing so shall be added to and form part of the principal sum and shall as from the date of payment thereof bear interest at the ordinary rate set out in the schedule.

10. THAT if the mortgagor shall neglect or fail to pay the said rates taxes assessments rent and other outgoings as aforesaid shall neglect or fail to keep on foot the insurance policy or policies in respect of the property hereby mortgaged and pay the premium in respect thereof or shall neglect or fail to pay the principal interest or other moneys due under the prior mortgages charges and encumbrances if any then the mortgagee may but without being under any obligation so to do pay such moneys as aforesaid and any moneys so expended or in lawfully exercising or enforcing any power right or remedy herein contained or implied in favour of the mortgagee shall be payable to the mortgagee by the mortgagor on demand and until paid shall be charged on the said land together with interest at the ordinary rate set out in the schedule computed from the date or dates of such moneys being expended until full payment thereof.

11. THAT subject to the rights of any prior mortgagees and of any lessor all insurances to be effected under the covenants in that behalf contained in the fourth schedule to the Property Law Act 1952 and implied herein together with full insurance against earthquake and fire following and against war risks shall be effected with such insurance office in New Zealand as the mortgagee may from time to time nominate provided that in any event no such insurance shall be removed by the mortgagee from one insurance office to another unless a written declaration of intention to do so shall have been given by the mortgagee to the mortgagee this proviso to confer no right on the mortgagee to effect such removal except with the prior written approval of the mortgagee and all insurances shall be effected by the mortgagee on a replacement basis wherever this can be procured.

12. THAT the mortgagee will upon demand pay to the mortgagee the costs and expenses of any inspections of the mortgagee premises made by or on behalf of the mortgagee at any time or times which the mortgagee may in the absolute discretion of the mortgagee deem fit provided however that if the mortgagee shall have duly and punctually kept and observed all the covenants conditions and agreements herein contained or implied and on the part of the mortgagee to be kept observed and performed then the mortgagee shall not be required to pay the costs and expenses of any such inspection made more frequently than once every third year

13. THAT if as a result of any such inspection the mortgagee not unreasonably requires all or any part of the buildings and improvements erected on the property hereby mortgaged to be repaired and/or painted the mortgagee may by notice in writing to the mortgagee delivered to the mortgagee or posted to the mortgagee at the usual or last known place of abode or business of the mortgagee in New Zealand require the mortgagee to repair and/or paint such buildings and improvements or such part thereof within such period to be stipulated in such notice as the mortgagee in the absolute discretion of the mortgagee shall think fit and that the mortgagee will repair and/or paint or cause to be repaired and/or painted in accordance with such notice and in a workmanlike manner to the reasonable satisfaction of the mortgagee the said buildings and improvements and if the mortgagee shall not within the period so stipulated have such repairs and/or painting so effected then the mortgagee may without being under any obligation so to do have such repairs and/or painting so effected and all moneys paid out by the mortgagee in respect of any such inspections and in effecting such painting and repairs shall be added to and form part of the principal sum and shall as from the date of payment bear interest at the ordinary rate set out in the schedule.

14. THAT in so far as the mortgaged premises consist if at all of mortgages the mortgagee hereby irrevocably appoints the mortgagee and all persons deriving title under the mortgage and if more than one severally and separately to be the attorney or attorneys of the mortgagee to demand sue for and receive all sums secured by the said mortgages and upon payment thereof or any part thereof to give good receipts and discharges for the same and upon non-payment of the same or any part thereof to exercise the power of sale and all other powers contained or implied in the said mortgages and to execute all transfers discharges and documents and generally to exercise such power of sale and other powers as fully and effectually as though the name of the mortgagee were inserted in the said mortgages in lieu of that of the mortgagee.

15. THAT the mortgagee will pay the costs charges and expenses of and incidental to this mortgage the exercise or attempted exercise of any right or power contained or implied herein or in any security collateral hereto and of the discharge hereof and of any transfer in lieu of a discharge and that if any mortgagee hereunder shall be a solicitor he shall be entitled to make and receive all such fees and charges for business (whether of an ordinary or professional character or not) done by him or his firm in relation to the preparation stamping and registering of this mortgage or of any variation or discharge or transfer in lieu of discharge thereof and in relation to the sale or attempted sale or letting or leasing of the said land and the exercise or attempted exercise of all or any of the rights or powers contained or implied herein as he would have been entitled to make and receive if he were not the mortgagee hereunder but if he or his firm had been employed by the mortgagee as his solicitor.

16. THAT if default shall be made for fourteen days in payment as herein provided of any of the said instalments if any or of any amount of the said interest or principal or any part thereof or of any other payment herein specified which shall become due on any of the days appointed for payment thereof or in the observance performance or keeping of any covenant condition or provision on the part of the mortgagee herein contained or implied or if the mortgagee shall become bankrupt or enter into any assignment or composition for the benefit of creditors or shall suspend payment or shall suffer any execution or charging order to be issued against any property of the mortgagee or shall make any proposal under part XV of the Insolvency Act 1967 or if the mortgagee being a body corporate an order is made or an effective resolution is passed for winding up or dissolution or a receiver of the assets or any part thereof is appointed the principal sum may immediately at the option of the mortgagee notwithstanding the acceptance of interest or principal by the mortgagee be treated as having become payable and be recovered accordingly either by an action at law or by means of a sale under this security.

17. THAT there shall be vested in the mortgagee such power of sale and incidental powers as are in that behalf provided by the Property Law Act 1952 but so that all the said land or any part thereof or any interest therein shall be saleable immediately without previous notice or demand of payment if default shall be made by the mortgagee in any payment of principal money or interest for the space of fourteen days after any of the days on which the same respectively shall become due and payable under or by virtue hereof or in the due and punctual observance or performance of any covenant or agreement on the part of the mortgagee herein contained or implied or if the mortgagee shall become bankrupt or enter into any assignment or composition for the benefit of creditors or shall suspend payment or shall suffer any execution or charging order to be issued against any property of the mortgagee or if the mortgagee shall make any proposal under part XV of the Insolvency Act 1967 or if the mortgagee being a body corporate an order is made or an effective resolution is passed for winding up or dissolution or a receiver of the assets or any part thereof is appointed or if the said principal sum shall become immediately due and payable in any manner herein provided.

18. THAT upon such default or event as aforesaid and in addition to the powers of sale and other powers herein contained or implied it shall be lawful for the mortgagee to enter into and upon the land detailed in the schedule or any part thereof and to let and manage the same and to hold and enjoy the same and to receive the rents and profits thereof without any interruption or disturbance by the mortgagee and that in such case the mortgagee may charge and retain a commission not exceeding five dollars per centum out of the gross rents and profits and may appropriate any moneys received during such possession in such order manner or priority as the mortgagee may deem fit in the absolute discretion of the mortgagee and that no lessee or tenant from the mortgagee shall be in any way interested or entitled to enquire whether the events empowering the mortgagee to grant a lease or tenancy have arisen and the fact that any such lease or tenancy has been granted by the mortgagee shall be conclusive evidence of the right of the mortgagee to make and grant such lease or tenancy and that any lease granted by the mortgagee from time to time may be on such terms and conditions as the mortgagee may think fit and may in particular contain an optional or compulsory purchasing clause such price to be exercised at such time and in such manner as the mortgagee may deem fit and that no person accepting any such lease shall be obliged or concerned to enquire whether any default has been made or otherwise as to the necessity regularity or propriety of such lease nor shall such person be affected by notice that no default has been made or that the lease is otherwise irregular or improper and that the mortgagee may make such improvements or alteration to the buildings or other improvements on the said land as the mortgagee shall consider desirable in order to make the same better suited for letting or leasing or sale or to comply with the reasonable requests of any tenant or lessee and the costs and expenses of doing so shall be added to and form part of the principal sum and shall as from the date of payment bear interest at the ordinary rate set out in the schedule.

19. THAT at the time of any sale or lease of the mortgaged premises or of any part thereof by the mortgagee under the provision of this security any floor coverings furnishings chattels or household appliances then fitted or fixed to the mortgaged premises shall be and be deemed to be part of the mortgaged premises and may be leased or sold by the mortgagee accordingly and either together with the mortgaged premises or separately and from time to time at the discretion of the mortgagee and the mortgagee warrants that all such fixtures and chattels are now or will be at the relevant time the unencumbered property of the mortgagee.

20. THAT the mortgagee may pursue all legal remedies for the recovery of the moneys hereby secured or any part thereof or a part of them or sue upon any covenant for payment or otherwise either before concurrently with or after any sale which may have taken place of the said land under the power of sale contained or implied in this security and that the mortgagee will not exercise any such remedies together with any other person or body claim to marshal in respect of this mortgage or in respect of any collateral security.

*[Handwritten signature]*

21. THAT so long as any money shall remain owing on this security the mortgagee shall be entitled to the exclusive possession of all monuments of title relating to the said land and that all costs of the discharge of this security pursuant to paragraph 10 of the fourth schedule to the Property Law Act 1952 shall be paid by the mortgagor and that the mortgagee shall not be bound to produce at the Land Registry Office or elsewhere the said monuments of title or this mortgage unless and until all moneys which she have accrued due or become payable hereunder and the reasonable costs of such production have first been paid and unless and until prior covenants and provisions hereof shall have first been performed and observed by the mortgagor.

22. THAT in the event of the hereby mortgaged premises or any part thereof being sold exchanged or otherwise disposed of during the currency of this security and whether an immediate title is taken thereto or not the principal sum or the balance thereof for the time being owing hereunder shall notwithstanding anything hereinbefore contained to the contrary at the option of the mortgagee immediately become due and payable together with interest to the date of repayment thereof and three months' additional interest by way of premium.

23. THAT where the mortgagor is a company then in the event of any transfer sale exchange or other disposal of any share shares in the mortgagor whether in the legal or beneficial ownership thereof (and whether an immediate title is taken thereto or not without the prior written consent of the mortgagee or in the event of any change in the directorship of the mortgagor other than death or by operation of law or by the automatic application of the articles of the mortgagor without the prior written consent of the mortgagee the principal sum or the balance hereof for the time being owing hereunder shall notwithstanding anything hereinbefore contained to the contrary at the option of the mortgagee immediately become due and payable together with interest to the date of repayment thereof and three months' additional interest by way of premium.

24. THAT on any sale by the mortgagee under the powers herein contained or implied the mortgagee shall be entitled to deduct and pay from the proceeds all proper and reasonable charges and expenses whether of a usual nature or not and also the commission and other reasonable expenses of any agent employed in or about such sale calculated at the usual and proper rate upon the total sale price of the premises and not calculated upon the sale price of the equity only any rule of law to the contrary notwithstanding a that where the mortgaged premises are sold in different lots the mortgagee shall not be bound to make any apportionment of the purchase price between the various lots.

25. THAT the mortgagor will not without the prior written consent of the mortgagee sell exchange or further encumber or charge the mortgaged premises or any part thereof nor dismantle or substantially alter any buildings erections or improvements thereon nor permit any buildings to be used except for such purpose or purposes as they are clearly intended for, and as to any dwelling will not permit it to be used except as a home for the mortgagor and the mortgagor's family.

26. THAT the execution hereof by the guarantor or by any other person or body corporate other than the mortgagor is in consideration of the advancing of the principal sum by the mortgagee to the mortgagor at the request of such guarantor or other person or body or if the context so requires in consideration of the advancing of the principal sum by the mortgagee to such guarantor or other person or body at the request of the mortgagor and binds and obliges such guarantor and such person or body (as such guarantor and other person or body hereby covenants and agrees) and the executors administrators and successors of such guarantor or other person or body if more than one jointly and severally to keep observe and perform the covenants conditions and agreements herein contained or implied as a principal party hereto and that no such guarantor or other person or body or as the case may be such mortgagor shall be released by any concession grant of time waiver or variation or by any act or thing whereby a surety or might be released and all such guarantors and such other persons and bodies hereby waive suretyship and all other rights inconsistent with this provision.

27. THAT the principal sum and interest hereby secured are the same principal sum and interest as are intended to be collateral secured by the securities if any described in the schedule all being of even date herewith except as otherwise mentioned and that the mortgagor will keep observe and perform all covenant conditions and agreements contained or implied in the said securities and that the mortgagor will duly and punctually pay all life insurance premiums payable from time to time in respect of any life insurance policy assigned or mortgaged as any such security.

28. THAT notwithstanding anything herein contained it shall be lawful for the mortgagee at any time after the execution hereof to increase or decrease the rates at which the ordinary and penalty interest rates are to be payable under this security at any time and from time to time when the mortgagee may deem it necessary or advisable to do so. Notice of such increase shall be given to the mortgagor and to any person liable under the terms of this mortgage by notice in writing given by or on behalf of the mortgagee shall operate from the next ensuing interest day after the giving of the notice. The alteration in the rates of interest may at the option of either party be embodied in a variation of the terms of the mortgage and any such variation shall be completed by and at the expense of the mortgagor. The mortgagor or any person liable under the terms of this mortgage shall have the option, to be exercised within one month of the giving of such notice by return notice to the mortgagee specifying a date for repayment being not less than one month more than two months from the date of the receipt by the mortgagee of the return notice of repaying the whole of the principal sum and other monies for the time being owing under this mortgage with interest to the date of repayment thereof at the rate adjusted pursuant to the mortgagee's notice aforesaid.

29. THAT for the purpose of giving full effect to the mortgage hereby created and of fully securing the principal sum and interest and other money due hereunder to the mortgagee and for ensuring the full observance fulfilment and performance by the mortgagor of all the covenants conditions agreements and provisions set out or implied herein the mortgagor hereby irrevocably appoints the mortgagee and where there is more than one mortgagee each of them severally to be the attorney or attorneys of the mortgagor without rendering the mortgagee liable as mortgagee in possession) in the name and on behalf of the mortgagor to enter into execute all such notices agreements leases documents deeds and writings and to do all such acts matters deeds and things as the attorney or attorneys may in the absolute discretion of such attorney or attorneys think expedient for the purpose aforesaid and to demand sue for recover and receive all or any rents or sums of money now and from time to time owing to the mortgagor in respect of the said land under any lease or tenancy or otherwise howsoever and to distrain for any such rents or sums or money and to compromise any claim with respect thereto and to do acts and things necessary or expedient in the interests of the mortgagor to conserve the rights of the mortgagee hereunder and the production of these presents shall be conclusive evidence of the consent of the mortgagor to any act or thing done by the mortgagee in pursuance of the powers hereby conferred.

30. THAT the mortgagee may at any time after default by the mortgagor pay to the lessor or licensor any moneys for or towards the freeholding of any lease or licence included in this security and may execute as attorney for the mortgagor any deeds and documents requisite for effecting such freeholding all sums so paid to be treated as further advances hereunder.

31. THAT the expression "the mortgagor" shall wherever the context permits include the guarantors and all other persons executing this security and all such mortgagors as so defined jointly and severally if more than one the executors administrators successors and assigns of each such mortgagor all proprietors of any estate or interest hereby charged and generally all successors in title of the mortgagors all such mortgagors if more than one being jointly and severally bound by and liable under the covenants conditions and agreements herein contained or implied whether expressed herein to be jointly and severally so liable or not and the expression "the mortgagee" shall also include all the mortgagees if more than one and the executors administrators successors and assigns of each mortgagee and that the words "upon demand" and the words "further advances" shall respectively have the meaning given to them in the fifth schedule to the Chattels Transfer Act 1924 substituting in the latter case the words "mortgage" and "mortgagee" for the words "grantor" and "grantee" respectively and that words importing the singular shall include the plural and vice versa and that in general all the covenants conditions agreements and provisions contained or implied herein shall be construed with the fullest and most liberal interpretation in favour of the mortgagee any rule or canon of construction to the contrary notwithstanding.

AND for the better securing to the mortgagee the repayment in manner aforesaid of the principal sum and interest of the mortgagor hereby mortgaged unto the mortgagee all the interests of the mortgagor in the land and also in the licence if any described in the schedule

**MORTGAGOR:**  
 "RELEASED UNDER THE OFFICIAL INFORMATION ACT"

**GUARANTOR:**

**MORTGAGEE:**

**SUM ADVANCED (Amount of Credit):**

**TOTAL COST OF CREDIT: (Other than interest)**

**INTEREST COMMENCEMENT DATE:** The \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_

**PRINCIPAL DUE DATE:** The \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_

**INSTALMENTS:** Equal \_\_\_\_\_ instalments of \_\_\_\_\_

**First Instalment Payable:** The \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_ **Subsequent Payments**  
 shall be made monthly/fortnightly thereafter.

**ORDINARY INTEREST RATE** \_\_\_\_\_ per cent P.A. **PENALTY INTEREST RATE** \_\_\_\_\_ per cent P.A.

**FINANCE RATE:**  
 (In calculating the total cost of credit and the finance rate the Mortgagee has assumed that the Mortgagor will not exercise any right or option for early repayment of the whole of the amount of credit or any part thereof.)

**INTEREST DAYS:** First Payment: The \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_

Subsequent payments: Equal quarterly payments to be made on the first days of the months of March, June, September, December.

**ESTATE OR INTEREST:** In fee simple/As lessee under lease No. \_\_\_\_\_ /As mortgagee under Mortgage No. \_\_\_\_\_  
 A stratum estate under the Unit Titles Act 1972.

AREA	DESCRIPTION	TITLE REFERENCE
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**ENCUMBRANCES, LIENS & INTERESTS**

*[Handwritten signature]*

**COLLATERAL SECURITIES:**

**PAYMENTS REQUIRED:** For the purpose of disclosure under S.21 of The Credit Contracts Act 1981 payments to be made (as ascertained at the date of the preparation of this disclosure) (and not included as a term of this mortgage) are:—

**FULL ADDRESS AND ADDRESS FOR SERVICE OF THE MORTGAGEE/CREDITOR:**

**PLACE FOR PAYMENT:** ALL payments or principal, cost of credit and interest and other moneys hereby secured are to be made free of all deductions at the above mentioned address of the mortgagee.

THE mortgagor and guarantor acknowledge they have each been handed a copy hereof on the date of execution which they understand to constitute the disclosure required by the Credit Contracts Act 1981.

IN WITNESS WHEREOF this memorandum of mortgage has been executed this \_\_\_\_\_ day of \_\_\_\_\_

SIGNED by the mortgagor )  
 )  
 )  
 )  
 )  
 )  
(by the affixing of its Common seal) )  
in the presence of:— )



**"RELEASED UNDER THE OFFICIAL INFORMATION ACT"**

*Solicitor for the Mortgagee.*

..... *Mortgagor*

..... *Mortgagee*

The within-written mortgage is hereby discharged so far as the same affects the land within described but without releasing any mortgagor guarantor or any other person from any personal or other liability in respect of the within mortgage and without releasing any other security or securities for the time being held by the mortgagee or mortgagees (whether such security or securities is or are mentioned or not in the said mortgage as collateral hereto) from payment of any moneys whatsoever remaining owing to the mortgagee or mortgagees whether under the said mortgage or under any collateral security or otherwise howsoever.

DATE this                day of                19

SIGNED by the Mortgagee                                        )

)  
)  
)  
)  
)  
)  
)

(by the affixing of its Common Seal)                         )  
in the presence of:—    )

*Correct for the purposes of "The Land Transfer Act."*

*Solicitor for the Mortgagor.*

