

ASSETS AND SERVICES COMMITTEE

11 MARCH 2021

AGENDA ITEM C2
PUBLIC EXCLUDED

PURCHASE OF LAND

Purpose of Report

To recommend the purchase of additional land adjacent to the Greytown wastewater treatment and treated wastewater to land sites.

Recommendations

Officers recommend that the Council:

1. *Receive this report regarding the purchase of land at Papawai.*
2. *Recommend to Council to agree to the purchase of 3.94 Ha identified as WN145/25 and legally described at Papawai 17D Block.*
3. *Recommend to Council to agree to the purchase of 4.0469 Ha identified as WN133/273 and legally described as Papawai 17C Block.*
4. *Recommend to Council to agree the Chief Executive has delegation to negotiate a purchase of land at Papawai up to a maximum purchase price of [REDACTED] (as provided for in the professional valuation obtained) and noting that a purchase price above this amount would require a further resolution.*
5. *Recommend that Council note the benefits of this purchase are to provide additional capacity for the distribution of treated wastewater (if necessary), provide additional strategically positioned land for anticipated Māori Land swaps and address potential reverse sensitivity issues.*
6. *Recommend that Council note that capital expenditure has been set aside for this purchase in the 2020/21 Annual Plan.*
7. *Recommend to Council to acknowledge the transaction is significant in terms of the Significance and Engagement Policy.*
8. *Agree that the Report/Recommendation/Minutes be transferred into the Open section of the meeting when the land in question has been purchased or when the reasons for withholding no longer exist.*

1. Executive Summary

South Wairarapa District Council ("SWDC") currently owns approximately 173 Ha of land on Pa Road and Tilsons Road at Papawai for the purposes of wastewater treatment and distribution of treated wastewater to land.

Two titles of freehold land have become available for purchase contiguous with SWDC's current land holding at Papawai:

- 12.1406 Ha identified as WN145/25 and legally described at Papawai 17D Block owned by Gloriata Hineariki Te Rangi
- 4.0469 Ha identified as WN133/273 and legally described as Papawai 17C Block owned in half shares by SWDC and Gloriata Hineariki Te Rangi

Officers consider that it is prudent for SWDC to purchase these two titles for the following three reasons:

- The purchase of this land would provide additional capacity for the distribution of treated wastewater to land (if necessary in the future).
- The purchase of this land provides sensible land that SWDC can swap with Papawai Ahuwhenua Trust (who manages Māori land adjacent to Council's land holding) to secure other land that is considered strategically important to the overall effectiveness of the Greytown treated wastewater to land operation.
- Purchase by SWDC removes the risk that the property is purchased by a Lifestyler leaving SWDC open to reverse sensitivity issues.

Accordingly, officers request that Council agree to the Chief Executive having delegated authority to negotiate the purchase of these two titles up to a combined purchase price of ██████████ (as provided for in the professional valuation obtained).

2. Background

2.1 SWDC's Papawai Land holding

South Wairarapa District Council ("SWDC") currently owns approximately 173 Ha of land on Pa Road and Tilsons Road at Papawai for the purposes of wastewater treatment and distribution of treated wastewater to land. This land was purchased in three stages:

- Site A: SWDC has held 37ha land surrounding the Greytown wastewater treatment plant ("GWWTP") for some time.
- Site B: In 2013 SWDC purchased approximately 118ha of land adjacent to the original land holding.
- Site C: In 2018 SWDC purchased an additional 15 ha of land to extend its contiguous land holding.

A map of this land is attached as Appendix 1.

2.2 Resource consent

In 2016 a resource consent (WAR080254) was granted for SWDC to distribute treated wastewater to Sites A and B across several stages (Site C was purchased subsequent to the granting of this resource consent and is therefore outside its scope).

Stages 1A and 1B of resource consent WAR080254 are complete and SWDC distributes 20% of treated wastewater to 30 Ha of land adjacent to the GWWTP via a centre pivot irrigator.

Stage 2A involves irrigation of 62% of annual wastewater to the remaining consented land by 2030.

2.3 Māori Land

The Council land at Papawai is adjacent to and interspersed with a number of blocks of Māori Land. Council have committed to, and partially negotiated, land swaps with three Māori Land Trusts for the purpose of:

- Consolidating Council's land holding to maximise the area available for wastewater distribution and grazing.
- Gaining legal access to Tilson's road.
- Enabling Council to own all the land on which the Soaring Centre's runway is situated to give the Soaring Centre surety on the future of its operation.

These negotiations lost momentum as SWDC's Legal Counsel left the area and is uncontactable and there have been a number of officer changes at SWDC meaning some of the detailed knowledge of the negotiations has been lost. Further detail about the history and current state of these negotiations is set out below.

2.3.1. Native Land Strip

Much of Council's land holding at Papawai has no legal access to Tilsons Road due to the existence of two strips of Māori Land which run parallel with Tilson's Road on its Southern boundary.

Evidently, these strips came about because in 1868 when Tilsons Road was originally surveyed it was positioned to run through a number of properties and directly through the front parlour of an existing dwelling. To give the house and other properties clearance, the actual road ended up being positioned approximately 30m further north than surveyed. The actual road was eventually vested as legal road, and the strip of land that had been originally surveyed as road was determined by the Māori Land Court to revert to its original owners; listed as Hoani Rangitakaiwaho and others ("Native land Strip").

SWDC has been in negotiations for a number of years with the agents appointed by the Māori Land Court to represent the interests of the original owners of the Native Land Strip to affect a land swap of the Native Land Strip for an equivalent land area opposite Papawai Marae. From the agent's perspective this land swap is valuable as it will result in a usable block of land both in terms of shape and legal access that could potentially be utilised for Papakāinga housing.

2.3.2. Papawai and Kaikōkirikiri Land Trust – Alienated Land

While the new placement of Tilson's road cleared the house and properties, it had its own complication as it severed a small piece of land from the large Māori Land holding to the North of Tilsons Road, now managed by Papawai and Kaikōkirikiri Trust ("PKK Trust").

SWDC has been in negotiations for a number of years with PKK Trust to affect a land swap of the alienated land for an equivalent land area elsewhere.

Various options have been discussed with PKK Trust and Charmaine Kawara (nominated by PKK Trust to be Council's primary contact on the matter) has advised that the Trust's preference is to swap the alienated land for agricultural land contiguous with its current land holding.

2.3.3. Papawai Ahu Whenua Trust

Papawai Ahu Whenua Trust ("PA Trust") manages a number of blocks of Māori Land to the South of Tilson's road. These blocks are not contiguous and have no legal access to Tilson's Road which makes them challenging for PA Trust to manage or get a reasonable lease return for.

Council are interested in completing a land exchange with PA Trust as Council has had a long-standing interest in land owned by PA Trust known as "the Hook" (Registered title WN72/9, legally described as Part Papawai 13 Block) (see Appendix 1). The Hook interferes with Council's contiguous land holding (and therefore its ability to distribute wastewater) and accordingly Council have committed to acquiring the Hook in a Heads of Agreement with PA Trust. The Hook is also an issue for the Greytown Soaring Centre as the Centre's primary runway crosses the Hook. Council have entered a Heads of Agreement with the Greytown Soaring Centre committing Council to use its best endeavours to purchase the Hook so it can long term lease this land to the Soaring Centre.

3. Discussion

3.1 Land under consideration

At the time of the purchase of Site C it was thought that Site C was the only remaining freehold land on the south eastern side of Tilsons road, and that the remaining land was multi owned Māori Land. Subsequently, two titles of freehold land have become available for purchase contiguous with SWDC's current land holding:

- 12.1406 Ha identified as WN145/25 and legally described at Papawai 17D Block owned by Gloriata Hineariki Te Rangi
- 4.0469 Ha identified as WN133/273 and legally described as Papawai 17C Block owned in half shares by SWDC and Gloriata Hineariki Te Rangi

This land, referred to collectively as "Gloriata's Land", is identified in Appendix 1.

To ascertain its value, SWDC has commissioned a valuation of Gloriata's Land and has set aside capital expenditure in the 2020/21 Annual Plan to cover its potential purchase.

3.2 Benefits of Purchase

The extra land will enable greater capacity to accommodate growth. Resource consent WAR080254 provided for a population of 2200 and assumed a population growth of zero percent out to 2031 (based on the 2012 Statistic New Zealand population projections). In reality the Greytown population was 2466 by 2018 (2018 Census data) presenting a growth rate of 10% from 2012 to 2018, and population projections for the Wairarapa produced by Infometrics indicate that the Greytown population is likely to continue to grow.

In addition, it is not until wastewater application actually commences, and monitoring of that application, that we can fully understand the assimilative capacity of the land held for distribution of treated wastewater. It may be that Sites A and B combined are not able to assimilate the 62% of annual wastewater that has been forecast for Stage 2A of the resource consent.

If additional land is required, it is unlikely that other land contiguous with Council's current holding, and suitable for the distribution of wastewater, will become available in the future. Other than Gloriata's land there is only one small block (less than 1 Ha) of General Land remaining on the south eastern side of Tilsons road that is not already owned by Council, all other land in this area is Māori Land.

In addition, the purchase of Gloriata's is considered strategically sensible in preparation for land swaps contemplated between SWDC and PA Trust with the goal of giving each party a usable, contiguous land holding. Given its location, Gloriata's land could be part of the land SWDC swaps with PA Trust in exchange for the Hook. As outlined above at paragraph 2.3.3 acquisition of the Hook is an important component in the effective distribution of treated wastewater to land at Papawai in the future.

In the meantime, before being used for wastewater distribution or as part of a Māori Land swap, Gloriata's land can be leased for grazing at a reasonable rate of return (current average rate of █████/Ha/annum) and in general terms land appreciates well when compared to other asset classes.

Finally, the valuation commissioned has identified that Gloriata's Land could appeal to a lifestyle purchaser.¹ If SWDC purchases the land rather than a private party we eliminate a neighbour and avoid the potential reverse sensitivity that could arise if a purchaser builds and resides on the available land.

3.3 Consultation

The Significance and Engagement Policy is engaged because Gloriata's land, if purchased, will become a strategic asset, however consultation is not appropriate given the need for commercial sensitivity around the negotiation and potential purchase of Gloriata's land.

3.4 Legal Implications

Apart from the normal legalities around land purchase, there are no other legal implications arising from this land purchase. There are legal implications associated with the anticipated Māori Land swaps which will be discussed when each land swap proposal goes to Council for decision-making.

¹ As noted by the valuation this risk is mitigated by the land's proximity to the WWTP, issues with legal access and its position within a flood plain.

3.5 Financial Considerations

The valuation (include das Appendix 2) has valued the land at a total of [REDACTED] made up as follows:

Registered Title	Total value of block	Value of percentage to purchase
WN145/25	[REDACTED]	[REDACTED]
WN133/273	[REDACTED]	[REDACTED]
Total		[REDACTED]

In addition to the purchase price, it is anticipated that approximately [REDACTED] of conveyancing fees will be accrued.

Capital expenditure of [REDACTED] has been set aside in the 2020/2021 Annual Plan to cover this purchase.

4. Conclusion

Officers consider that it is prudent to purchase Gloriata's Land because:

- Population growth in Greytown is higher than forecast.
- The current land holding may not be able to assimilate as much treated wastewater as forecast.
- If additional land is required, it is unlikely that other contiguous land will become available in the future, and accordingly SWDC should take this opportunity.
- The purchase would provide sensible land that SWDC can swap with PA Trust (who manages Māori land adjacent to Council's land holding) to secure other land that is considered strategically important to the overall effectiveness of the Greytown treated wastewater to land operation.
- If SWDC does not purchase this land it could be purchased by a Lifestyler leaving the SWDC open to reverse sensitivity issues.

5. Supporting Information

5.1 Existing Policy

The potential purchase of Gloriata's land is subject to the Acquisition and Disposal of Property Policy.

6. Appendices

Appendix 1 – Map of Land

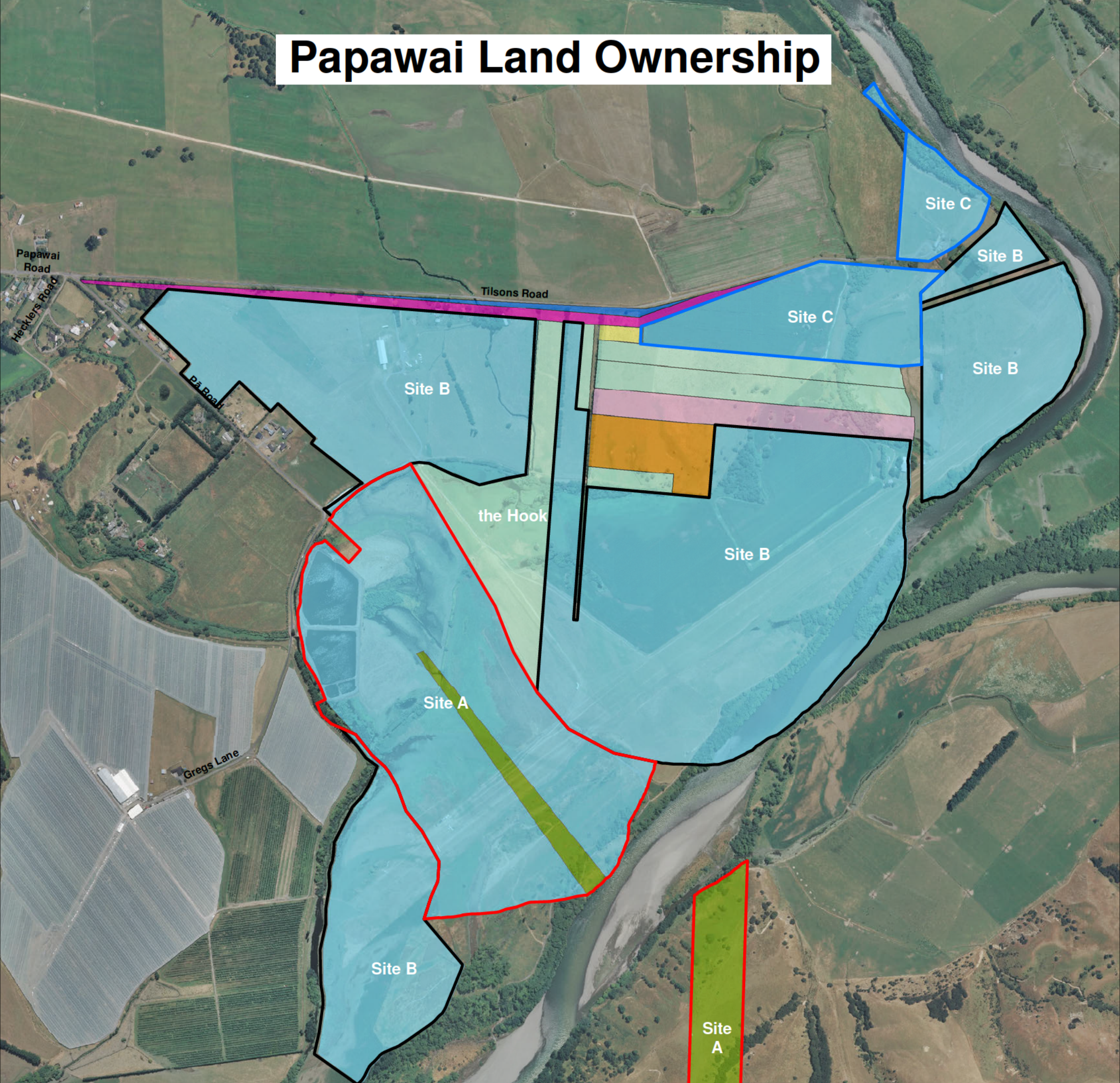
Appendix 2 – Valuation

Contact Officer: Sarah Pearson-Coats, Council Property Portfolio Advisor

Reviewed By: Euan Stitt, Group Manager Partnerships and Operations, Katrina Neems, CFO, Karen Yates, Group Manager Policy & Governance, Harry Wilson, CEO

Appendix 1 – Map of Land

Papawai Land Ownership



Legend

Council Land

- Site A
- Site B
- Site C

Ownership

- South Wairarapa District Council
- Maori Land - Papawai Ahuwhenua Trust
- Gloriata Te Rangī
- Half shares by SWDC and Gloriata Te Rangī
- Part shares by SWDC, Blanche Ethel Jury and John Marshall Jury
- Maori Land - Agents on behalf of Hoani Rangutakaiwaho and others
- Maori Land – Papawai and Kaikokirikiri Trust
- Roseann McTaggart

Appendix 2 – Valuation



VALUATION REPORT

Current Market Valuation

Tilson's Road
Greytown



Prepared for: South Wairarapa District Council

Inspection Date: 28 February 2020

13 March 2020

Ref: PJG4216

South Wairarapa District Council
P O Box 6
MARTINBOROUGH

Attention – Bryce Neems

Dear Sir

MARKET VALUATION – TILSON'S ROAD, GREYTOWN

The following report outlines a brief property description, together with market sales evidence and methodologies adopted in the formation of our opinion of the market values assessed.

This market value has been completed in accordance with the International Valuation Standards (IVS) and Property Institute of New Zealand (PINZ) Practice Standards and Guidance Notes. However, as per your request, we have provided an abbreviated report only. This report does not meet reporting standards and therefore cannot be used for mortgage lending purposes.

Should a full report be required, this can be provided at your request.

Thank you for your instruction. If you require any further advice please do not hesitate to contact us.

Yours faithfully

WAIRARAPA PROPERTY CONSULTANTS LTD



P J Guscott Dip VFM MPINZ NZIV
Registered Valuer & Farm Consultant

1 SCOPE OF WORK

1.1 Valuer Qualifications

Valuer	Qualifications
Philip Guscott	Dip VFM MPINZ NZIV, Registered Valuer & Farm Consultant

- The Registered Valuer is in a position to provide an objective and unbiased valuation.
- The Registered Valuer has no material connection or involvement with the subject of the valuation or the party commissioning the valuation.
- The Registered Valuer is competent to undertake the valuation.
- We confirm that the Registered Valuer is a Member of the Property Institute of New Zealand and a Registered Member of the New Zealand Institute of Valuers, holding an Annual Practising Certificate.

1.2 Instructions and Purpose of Valuation

Instructions have been received from Bryce Neems to provide a current market valuation of the subject property located at Tilson's Road, Greytown for potential purchase purposes.

1.3 Basis of Value

We have assessed the market value as defined in International Valuation Standards (IVS) 2017 – Framework, as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

1.4 Valuation Date

We confirm we inspected the subject property on 28 February 2020. This is the effective date of valuation.

1.5 Extent of Valuation

A full inspection of the property was undertaken and we have also performed analysis and investigation of relevant sales and review of industry information.

1.6 Information Relied Upon

- All publicly sourced information has been relied on as being correct; this includes the Computer Freehold Register information, Resource Consents and Resource Management Plans.
- Wairarapa Property Consultants Limited (W.P.C. Ltd) internal sales analysis database.
- General farm information including stock numbers, pasture renewal history, fertiliser history and soil test results, if provided.

1.7 Valuation Assumptions

Assumptions used in the formation of value are contained within the report.

1.8 Valuation Limitations

No limitations or restrictions have been identified that have prevented the instructed work from being carried out.

1.9 Restrictions of Report

The valuation has been prepared for the purpose outlined. We do not accept any responsibility to the Client for this report for any purpose other than for the specific purpose for which it was commissioned.

No person other than the Client, referred to in Section 1.2, may rely on this report for any purpose without the express authority of W.P.C. Ltd. The report is to be read in conjunction with our Statement of Valuation Policies.

Given the abbreviated nature of this report it does not meet required reporting standards and therefore cannot be used for mortgage lending purposes.

1.10 Valuation Standards

The valuation has been undertaken within the requirements of the International Valuation Standards effective as at 1st January 2020 and the Australian and New Zealand Valuation Standards and Guidance Notes effective as at 1st October 2009, with particular reference to:

- IVS 101 – Scope of Work
- IVS 102 – Investigations and Compliance
- IVS 104 – Basis of Value
- IVS 105 – Valuation Approaches & Methods
- IVS 400 – Real Property Interests
- ANZVTIPN11 - Valuation Procedures – Real Property

As per our Client's instructions we have provided an abbreviated report only. As such this report does not comply with:

- IVS 103 – Reporting
- ANZVTIP12 – Valuation for Mortgage and Loan Security Purposes

2 STATUTORY INFORMATION

2.1 Registered Proprietor(s)

WN133/273	South Wairarapa District Council as to a half share and Gloriata Hineariki Te Rangi as to a half share.
WN145/25	Gloriata Hineariki Te Rangi.

2.2 Area

WN133/273	4.0469 hectares more or less.
WN145/25	3.9394 hectares more or less.

2.3 Legal Description and Area

An Estate in Fee Simple held within two Computer Freehold Register Identifiers within the Wellington Land Registration District.

Title	Legal Description	Area Ha
WN133/273	Papawai 17C Block	4.0469
WN145/25	Papawai 17D Block	3.9394

2.4 Tenure

An Estate in Fee Simple. These two Titles have been changed from Maori Land Title to General Land.

2.5 Interests

Please see a list of Interests registered on the Computer Freehold Register Identifiers attached as an Appendix.

WN133/27/3	824005	Status declaration by the Registrar of the Maori Land Court.
WN145/75	824006	Status declaration by the Registrar of the Maori Land Court.

These are the Notice of the cancellation of Maori Land Status.

WN145/25 Part of this Title was transferred in 1907. When James Bicknell sold this to South Wairarapa District Council a new Title was issued, which was amalgamated into Title WN38A/69. The remaining area in WN145/25 is 3.9394 hectares.

2.6 Resource Management

Territorial Authorities:	South Wairarapa District Council.
Plan Name:	Combined Wairarapa District Plan.
Plan Status:	Operative as at 25 May 2011.
Permitted Activity:	The current property use is permitted within the zoning.
Land Contamination:	The subject property is not highlighted within the Selected Land Use Register for Contaminated Land.
Resource Consents:	There are no Resource Consents registered to the subject property.

2.7	Rating Information	WN145/25	WN133/273
	Roll Number	18230/17100	Unavailable
	Rating Valuation as at 1 September 2017:		
	Value of Improvements	\$	Nil
	Land Value	\$	99,000
	CAPITAL VALUE	\$	99,000
	Current Rates (Incl. G.S.T.)	\$	1,170.21

We note the rating valuation is for statutory purposes only and may not reflect the market value.

3 BRIEF DESCRIPTION

WN133/273 4.0469 hectares

This is a small lifestyle type holding in an area that has been farmed as part of a larger farm and with most land around it being Maori Land. It is located on Tilson's Road approximately 4.9 kilometres from the centre of Greytown.

It is all flat alluvial land on two terraces.

Breakdown: -	Top terrace	2.8 ha
	Bottom terrace	1.25 ha
		4.05 ha

There is no formed driveway to this property to Tilson's Road approximately 180 metres away, but there is an assumed road providing practical access.

To be able to be sold as a lifestyle block it would have to have this road formed, fenced and legalised.

Where Tilson's Road physically is located is not on the legal road, but the assumed road meets the legal part of Tilson's road in one plan done in 1926 which was never legalised. In practical terms access would continue to Tilson's Road as it has for many years.

Currently, there is no legal access to these blocks as the paper road running just south of Tilson's Road is separated from Tilson's Road by two strips of land; one which is part of Papawai 42 Moroa District (owned by Papawai & Kaikokirikiri Trust) and the other is Maori Land, whose ownership was determined by the Maori Land Court to be Maori Freehold vested in its original owners. A legal opinion from Ed Cooke of WCM Legal acting for Gloriata Hineariki Te Rangi states that he has no hesitation in saying that upon an application (likely to the Maori Land Court) that an order would be made at the least granting an Easement of right-of-way to Tilson's Road.

The lack of legal access to these blocks is a result of mistakes made in the past by the Local Council and the Maori Land Court. In our view legal access would likely be granted if applied for, but with significant cost and time taken.

The Title is owned 50% by Gloriata Te Rangi and the South Wairarapa District Council in undivided shares. It is a long (747m) narrow (63m) Title typical of many old Maori Titles. However, with a width of 63 metres approximately it is wide enough to still be able to attract a lifestyle purchaser, albeit with some discount.

WN145/25 3.9394 hectares

This is adjacent to the previous Title, is also no longer Maori Land. It is all flat on the top terrace in a more square shape.

This too has no formed road to its boundary and has the same issue as the previous Title to Tilson's Road. It would need a driveway of approximately 243 metres.

Both Blocks have some fencing on them, but not on the legal boundaries and much of those there are fair to poor in condition.

4 VALUATION OVERVIEW

4.1 Valuation Methodology

The subject property has been valued under the following methodology:

4.2 Market and Cost Approach

This is the primary valuation methodology adopted in the formation of our market value assessed. The land and improvements have been valued under the following methodology:

Land Value – Market Approach

This is assessed through the analysis of recent sales that are comparable to the subject property in terms of land use and contour following adjustments for size, soil type, locality, and timing of sale and general desirability of property. The section values are assessed via direct comparison with recent vacant lifestyle blocks.

Improvement Value

Improvements have been valued on the basis of two approaches, being the depreciated replacement cost approach and the added value approach.

- **Cost Approach**

This approach calls for an assessment of the current replacement cost of the buildings and other improvements following adjustments for depreciation, obsolescence, over-design and optimised reproduction, as well as any other special features which affect the saleability of the improvements. This assessment is not intended to be a valuation for insurance purposes.

- **Added Value Approach**

This method has regard to the added value of buildings and improvements on the property.

5 VALUATION

WN133/273

1.0 ha	Site value in this area		████████	
	Less cost to fence and provide metalled access - say		████████	
	Less discount for lifting building heights & risk		████████	
	Less discount for cost, risk & time re legal access		████████	
				\$ ██████████
1.8 ha	Top terrace	@	25,000 / ha	████████
<u>1.2469 ha</u>	Bottom terrace	@	30,000 / ha	████████
4.0469 ha				\$ ██████████
				Say \$ ██████████
				∴ 50% say \$ ██████████

WN145/25

1.0 ha	Site value in this area		████████	
	Less cost to fence and provide metalled access - say		████████	
	Less discount for lifting building heights & risk		████████	
	Less discount for cost, risk & time re legal access		████████	
				\$ ██████████
2.9394 ha	Top flat terrace	@	25,000 / ha	████████
				\$ ██████████
				Say \$ ██████████

- N.B.**
1. We have discounted the site value due to the fact that these Blocks are in the flood zone and will have to apply to S.W.D.C. for a building permit and a Resource Consent from Greater Wellington Regional Council with an Engineers report to mitigate. There is likely cost and risk around this.
 2. We have also discounted the site value due to the legal access question. While we have historical evidence that there was an intention to provide legal access, and a legal opinion suggesting that legal access would likely be granted on application, it will incur cost (legal fees & surveying) plus it is likely to need to go through the Maori Land Court to be legalised, which will take time. We think there is some significant risk here due to the time and cost it is likely to take going through the Maori Land Court.

6 VALUATION CONSIDERATIONS

6.1 Sales Analysis

The table below outlines the value parameters.

Location	Date	Sale Price \$	Area Ha	Analysis	
Glenmorven Rd	04/19	██████	2.7	Site 1.0 - ██████	Balance @ ██████/ha plus ██████ for 1/5 of Lot 4
Glenmorven Rd	2019	██████	1.8	Site 1.0 - \$ ██████	Balance @ ██████/ha plus ██████ for 1/5 of Lot 4
Glenmorven Rd	2019	██████	3.0	Site 1.0 - ██████	Balance @ ██████/ha plus ██████ for 1/5 of Lot 4
Flaxcutter Lane	02/20	██████	2.1	Site 1.0 - ██████	Balance @ ██████ ha
WN133/273		██████	4.0469	See Valuation detail	
WN145/25		██████	3.9314	See Valuation detail	

These two Blocks are flat sites with no special features other than a rural outlook. The fact that the subject Blocks are in Maori land area (predominantly) and in the area where S.W.D.C. is using the land for spreading sewage reduces the market considerably. One hectare blocks in Martinborough are selling at ██████ to ██████, which makes us think that buyers would buy these before these two Blocks hence our assessment of the starting site value of ██████. Then they have to be put into saleable state at a significant cost.

The values and indices assessed for the subject property are consistent with comparable sales analysed.

6.2 Summary

These two Lots have a good rural outlook but are located in an area that is unlikely to be very well sought after given their location in a flood zone proximity to S.W.D.C. sewage ponds and the spreading of treated effluent, as well as the closeness of quite a lot of Maori Land. The small length of metalled road (despite being so close to Greytown) detracts as well when compared with other Lots on the market.

They would need to be re-fenced and have good driveway access put in to attract the interest of the present market, as without being able to see what they are buying, most buyers will simply go elsewhere.

They also have the added complication over their legal access, which will require some surveying and legal costs to legalise and there always remains the risk that the Maori Land Court may not agree there is legal access, despite the legal opinion (attached) that we have obtained.

We consider that with the state of the market as it is (driven by the fear of missing out) that even with all the detractions of these two blocks that someone would buy them priced where they are. We have seen over the years and in other areas that where public services are built there is a very negative reaction in the planning stages and implementation stages, but some years later there is virtually no loss of value. We think that parts of the market understand this and will take the risk.

In summary, having given consideration to the attributes and disadvantages of the subject property, and in light of the sales analysed, we consider the value assessed is well supported.

7 VALUATION POLICIES

Purpose & Disclaimer of Liability

Our appraisal and report are strictly confidential to the party to whom it is addressed and is prepared solely for the specific purpose to which it refers. No responsibility whatsoever is accepted for reliance on the appraisal report for other purposes. Furthermore, no responsibility whatever is accepted to persons other than the party to whom the appraisal and report is addressed for any errors or omissions whether of fact or opinion.

Publication

Neither the whole nor any part of our reports, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way without our written approval of the form and context of such publication or disclosure. Such approval is required whether or not the Valuer or Wairarapa Property Consultants is referred to by name and whether or not the reports are combined with others.

Date of Valuation

Unless otherwise stated the effective date of the valuation is the date of the inspection of the property. The valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

Without limiting the generality of the above comments, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of inspection, or such earlier date if you become aware of any factors that have any effect on the valuation.

Legislation

Unless otherwise stated in our report we have not obtained a Land Information Memorandum (LIM) or a Property Information Memorandum (PIM) for the property. Unless otherwise stated, it is assumed the property conforms to all the requirements of the Resource Management Act 1991, the New Zealand Building Code contained in the First Schedule to the Building Regulations 1992, the Building Act 1991, the Building Act 2004 and any Historic Places Trust Registration. Our valuation is also on the basis that the property conforms to the Health and Safety in Employment Act 1992, the Fire Safety and Evacuation of Buildings Regulations 1992, and the Disabled Persons Community and Welfare Act 1975.

Information Supplied

Where stated in the report that another party has supplied information to us, the information is believed to be reliable however we accept no responsibility should it prove not to be so. Where information is given without being attributed directly to another party the information has been obtained by our search of records and examination of documents or by inquiry from Government or other appropriate sources.

Site Conditions

We do not carry out investigations on site in order to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. Unless notified to the contrary, our appraisal is on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.

In the case of properties that may have redevelopment potential, we assume that the site has a load bearing capacity suitable for the anticipated form of development without the need to additional expensive foundations or drainage systems.

Environmental Contamination

Our appraisal assumes that no contaminative or potentially contaminative use is, or ever has been, carried out on the property. Unless specifically instructed, we do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Goods and Services Tax

In preparing our appraisal, no allowances are made for any liability, which may arise for payment of income tax or any other property related tax, whether existing or that may arise on development or disposal, deemed or otherwise. When analysing comparable sales/rental evidence, we have attempted to ascertain the G.S.T. status of the transaction. If not stated in general terms we refer to residential properties as being inclusive of G.S.T. and non-residential properties being plus G.S.T., (if any).

Title

Where specifically stated in the report, we assume that all improvements lie within the Title boundaries and that the subject property has a good and marketable Title free from any pending litigation.

We also assume that all documentation is satisfactorily drawn and that there are no unusual or onerous easements, restrictions, covenants or other outgoings that would adversely affect the value or negotiability of the relevant interest(s). Such registration may include Wahi Tapu and Historic Places Trust Registrations.

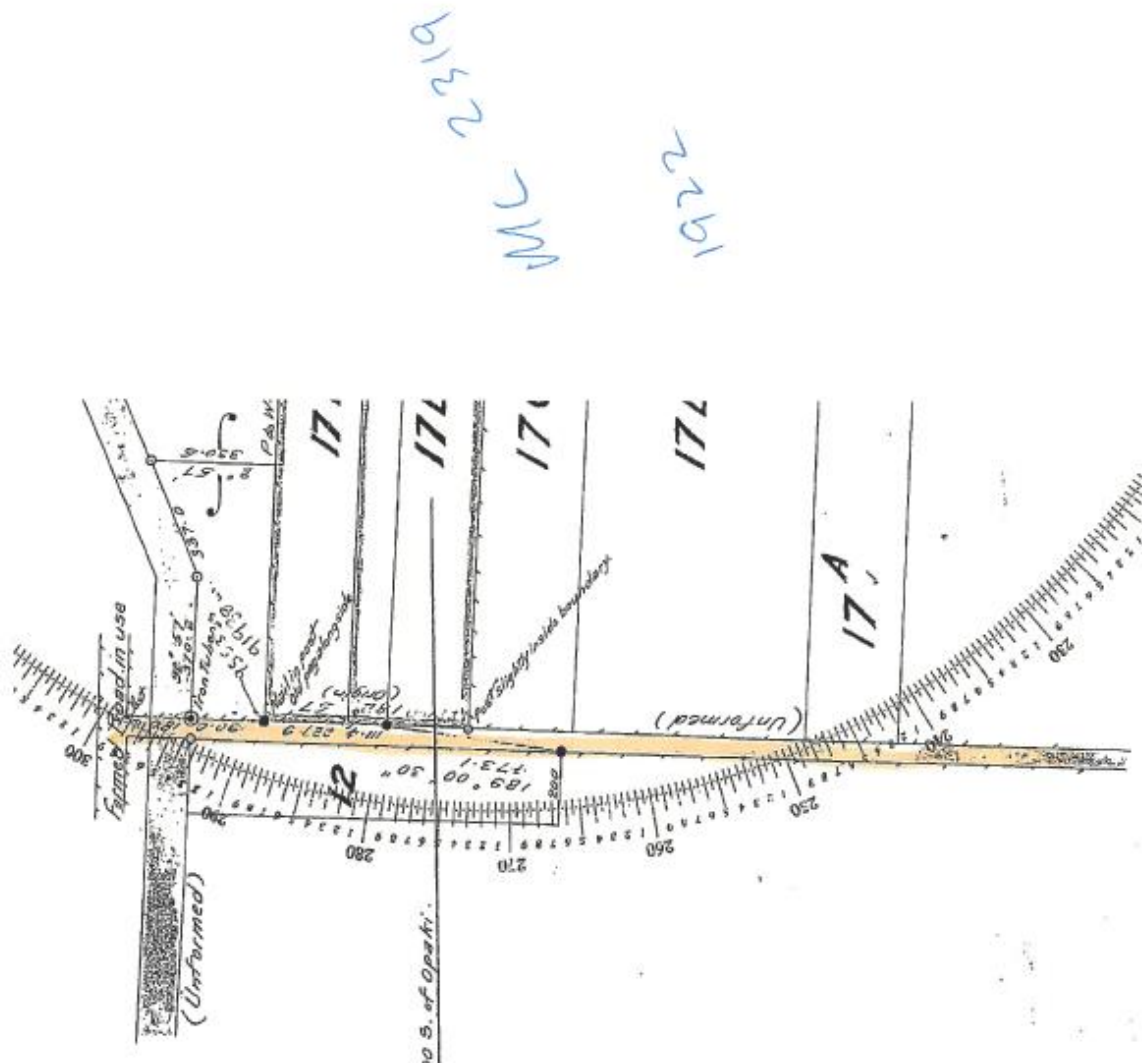
Inspections

We undertake such inspections and conduct investigations as are, in our opinion, correct, appropriate and possible in the particular circumstances. Our inspections of buildings are for valuation purposes and do not purport to be structural surveys.

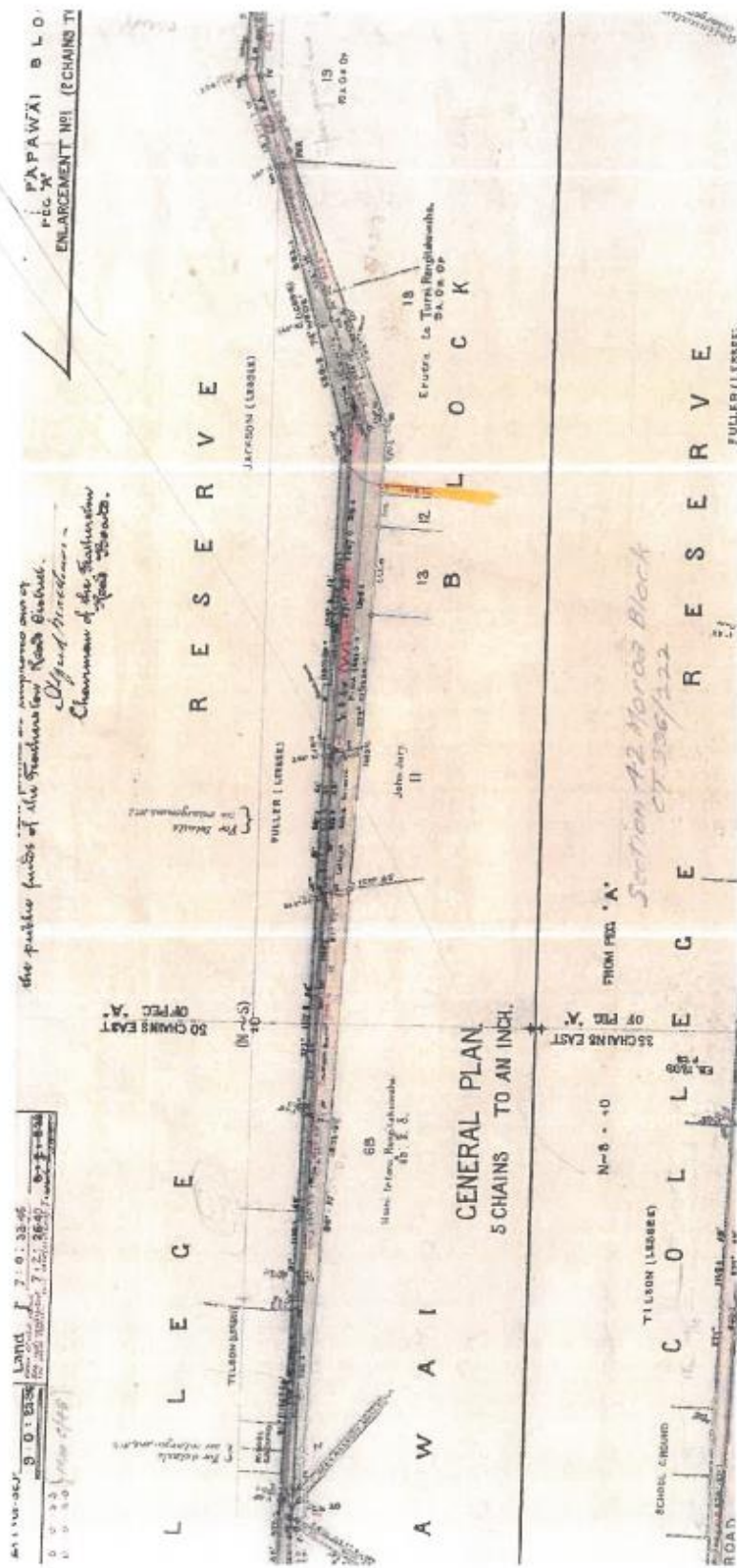
Professional Indemnity

It is confirmed that W.P.C. Ltd holds Professional Indemnity Insurance.

APPENDIX



5013736





**RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy**



R. W. Muir
Registrar-General
of Land

Identifier **WN145/25**
Land Registration District **Wellington**
Date Issued 30 August 1905

Part-Cancelled

Prior References

WN87/76

Estate	Fee Simple
Area	12.1406 hectares more or less
Legal Description	Papawai 17D Block

Registered Owners

Gloriata Hineariki Te Rangi

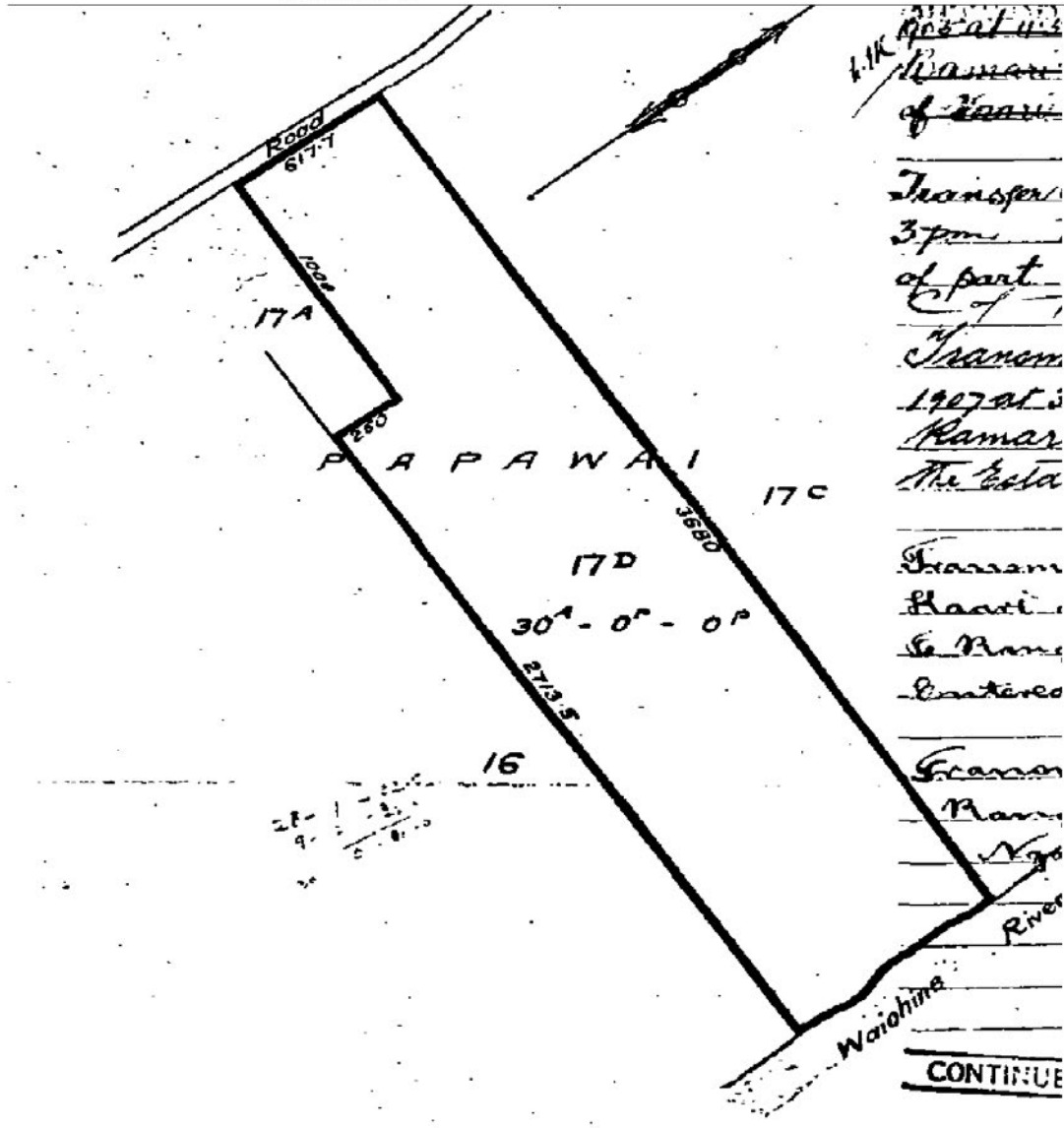
Interests

65096 Transfer of part within land - CFR WN167/107 issued - 15.11.1907 at 3.00 pm

824006 Status Declaration by the Registrar of the Maori Land Court - 29.4.1970 at 1.44 pm

Identifier

WN145/25





**RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy**



R. W. Muir
Registrar-General
of Land

Identifier **WN133/273**
Land Registration District **Wellington**
Date Issued 28 June 1904

Prior References

WN87/76

Estate	Fee Simple
Area	4.0469 hectares more or less
Legal Description	Papawai 17C Block

Registered Owners

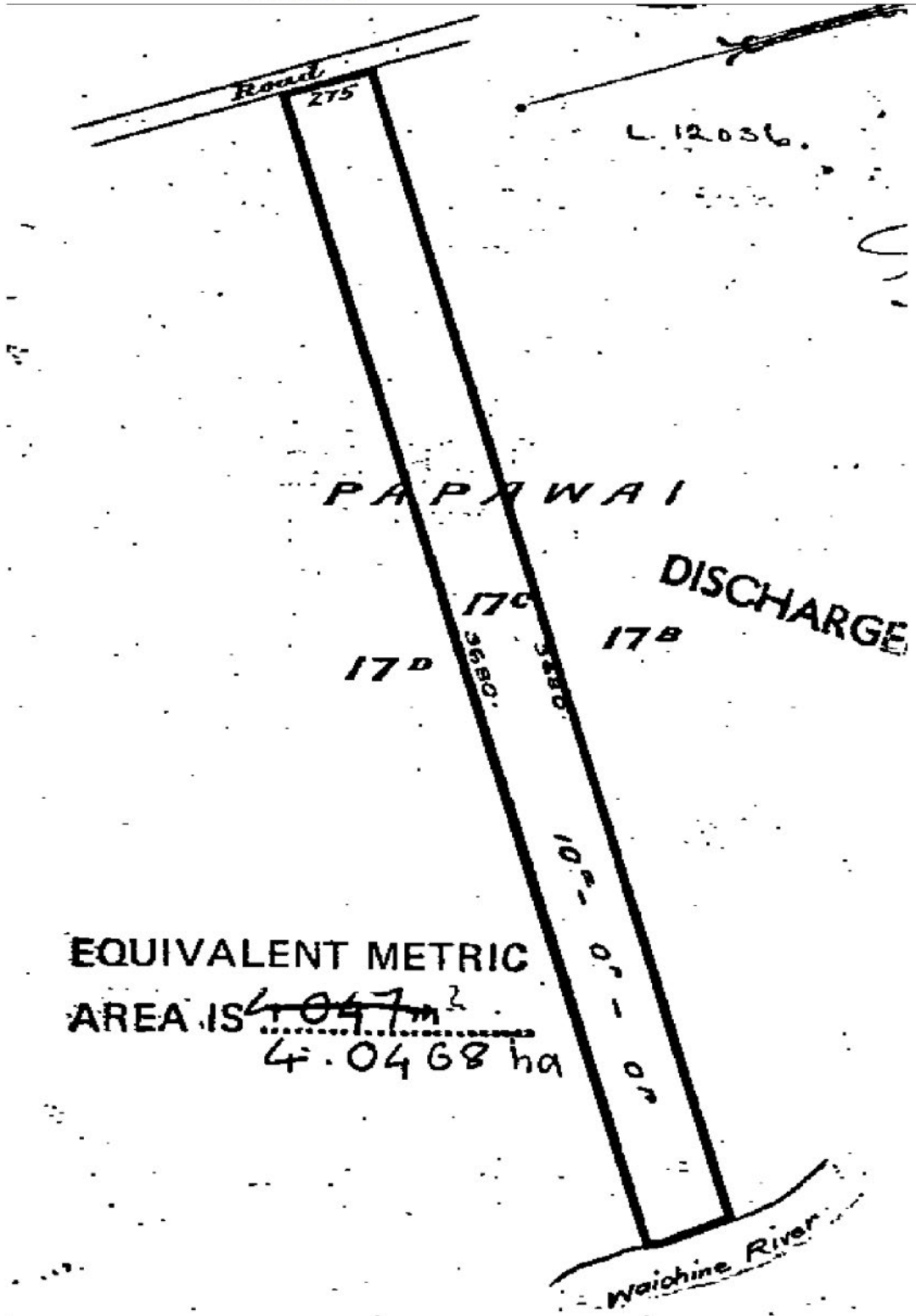
South Wairarapa District Council as to a 1/2 share
Gloriata Hineariki Te Rangi as to a 1/2 share

Interests

824005 STATUS DECLARATION BY THE REGISTRAR OF THE MAORI LAND COURT - 29.4.1970 AT 1.43 PM

Identifier

WN133/273



Transaction Id
Client Reference PJG

Search Copy Dated 28/02/20 2:53 pm, Page 2 of 2
Register Only



CERTIFICATE OF CHIEF SURVEYOR

Papawai Sec. 17C BLOCK

For the purposes of registration under Section 7 Maori Affairs Amendment Act 1967, the following particulars are correct according to my records.

1. DIAGRAM ATTACHED TO COURT ORDER

- (a) Is sufficient for registration purposes it being in terms with M.L. 1048.
- ~~(b) Is insufficient for registration purposes there being no parent plans.~~
 - ~~(i) A compiled plan can be prepared.~~
 - ~~(ii) A survey will be required to complete registration.~~

2. SURVEY LIENS

- ~~(a) There are/are not outstanding survey liens.~~
 - ~~(i) Amount outstanding~~

Principal	\$
Interest	\$
Irregular Interest	\$
Rating Liens	\$
Total	\$
 - ~~(ii) Outstanding survey liens have been remitted.~~
 - ~~(iii) (a) Liens are protected by Caveat NO. _____~~
 - ~~(b) Attached is Caveat prepared to protect outstanding liens, which should be registered along with status declaration.~~

3. EXISTING REGISTRATION

- (a) Land is contained in existing Certificate of Title 133/273
Deeds Index ✓
Provisional Register ✓

(b) Land is registered as

Papawai Sec. 17C
10. 0. 00.
C.T. 133/273 issued 28.6.04
Owners - M. te Ao & M.K. te Ao
Latest action - Transmission 47936 to present owners.
D.L.R.

[Signature]
 Chief Surveyor
 29/1/09

Copy for your information.

M.A. 830A

**DECLARATION OF CHANGE OF STATUS OF LAND
(PART I OF THE MAORI AFFAIRS AMENDMENT ACT 1967)**

In the Maori Land Court
of New Zealand

Ikaroa

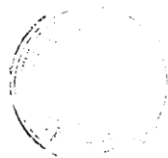
District.

Papawai Section 17C

Block.

UPON being satisfied in respect of the land described in the schedule hereto (being land to which Part I of the Maori Affairs Amendment Act 1967 applies) as to the matters specified in section 6 of that Act I HEREBY DECLARE that the status of the land shall cease to be that of Maori land.

Dated at Palmerston North this 25th day of April 1970



F. V. E. Kane
Deputy Registrar/Registrar

SCHEDULE

All that parcel of land containing 10 acres more or less situated in Block XIV Tiffin Survey District being the Maori Land Court subdivision Papawai Section 17C Block and being the whole of the land contained in Certificate of Title Volume 133 Folio 273 Wellington Registry.

Owners: Ngamiro te Ao and Matenga Kairahui te Ao, in equal shares.

Note: Upon the registration of this declaration the above-described land will, in terms of subsection (2) of section 7 of the above-mentioned Act, cease to be Maori land.

46918-68A

824005

213

RECALL FILE LABEL

F5000002803348

PARTICULARS REFERRED TO IN THE REGISTER-BOOK
VOL. 133 FOLIO 273

THE DAY OF
AT 1.43 O'CLOCK

J. Keenan
Assistant Land Registrar

LAND & DEEDS	
Nature:	SD
Firm:	M L L
Date:	29 APR 1970
Time:	1.43
Foot:	
Alt:	2835

JK