

METHOD OF PURCHASE.

14. The method adopted in the acquisition of interests in Orakei No. 1 Reserve may appropriately be dealt with here.

Generally, the transfer taken by the Crown from a Native was a transfer of his undivided share or a determinate part thereof for the consideration expressed in the transfer.

In four cases, however, the transfers are accompanied by modifying agreements. These were the transfers by Te Rere Arama, Mere Paora Tuhaere, Mata Hare Terewai, and Rotana Ropiha Reihana. Put briefly, the procedure was as follows: The Native vendor would sign a memorandum of transfer expressed to be of the whole of her interest in the block, or of a definite part thereof, for a named consideration, being the price for that interest, but a collateral agreement was signed at the same time under which it was stipulated that 1 acre, or whatever was desired, was reserved, and that the real consideration for the sale should be not the amount named in the transfer, but a sum which was the figure named in the transfer less an amount proportionate to the area reserved.

In each case, however, agreements were subsequently made modifying the earlier arrangements, either by reducing the area to be reserved or by cancelling any right to reserve, until in the end the transfer became effective to pass to the Crown the whole interest referred to therein for the full consideration mentioned in the transfer. Except in the case of Rotana Ropiha Reihana, later agreements executed by the persons mentioned provided for payment by the Crown for the improvements on the land belonging to the vendors. Such payments for improvements were duly made, and, in the result, the Crown acquired the whole of the Native vendor's interest in the land included in the transfer and in the improvements thereupon.

By way of illustration, the transfer taken from Te Rere Arama, and the agreements collateral therewith, may be considered.

- (a) On the 24th August, 1915, Te Rere Arama executed a memorandum of transfer of all her interest in Orakei No. 1 Reserve, both as an original owner and as a successor to Hori Winiata, for the sum of £717. Contemporaneously, she signed a memorandum which was also signed on behalf of His Majesty the King. This recited that Te Rere Arama was entitled to a share or interest in Orakei No. 1 Block and was desirous of selling to His Majesty the King the whole of her interest, after reserving to herself 1 acre of land on which her two dwellinghouses were built; that the Crown was willing to purchase the interest subject to such reservation; and that, because of the absence of a partition order, the purchase and reservation as agreed upon by the parties could not for the time being be given effect to by direct transfer, His Majesty the King and Te Rere Arama effected the following arrangement—namely, that Te Rere Arama, when called upon on behalf of His Majesty the King, would apply for a partition of her interest; that immediately on partition she would execute a memorandum of transfer of the whole of her interest, after reserving to herself 1 acre, together with the two dwellinghouses thereon; and that the consideration to be expressed in the transfer to be executed should be £477, that is to say, so long as Te Rere Arama reserved the right to cut out for herself 1 acre and the dwellinghouses, His Majesty the King should be liable to pay her £477 and no more for the residue of her interest in the said land. The agreement also provided that the consideration of £717 expressed in the memorandum of transfer executed that day did not include the value of the two dwellinghouses, and that, until the execution of the further memorandum of transfer, Te Rere Arama was entitled to the possession, occupation, and profits of the said 1 acre and dwellinghouses free of all rent or other charges, and should have all the benefits of complete ownership thereof, but that His Majesty the King should not be liable for the payment of interest, rates, or other imposition whatever.
- (b) On the 29th September, 1916, a further agreement was signed providing for the payment of a sum of £120 over and above the £477, Te Rere Arama now reserving merely half an acre.
- (c) A memorandum dated 4th January, 1917, recited payment of £60 for a quarter of an acre, bringing the total amount to £657, and declared that all that Te Rere Arama now reserved was one-quarter of an acre upon which the two houses stood.
- (d) By memorandum dated 31st January, 1917, the receipt of a further £60 in payment for all her remaining interest in the block was acknowledged, bringing the total payment up to £717, the amount named in the original transfer. It was declared that in consideration of such payment Te Rere Arama surrendered the whole of her interest in the block, and that if, on partition by the Native Land Court, the portion of the land upon which her two houses and outbuildings stood was awarded to the Crown, a further sum equivalent to the value of such houses and buildings as assessed by the Valuer-General was to be payable by the Crown to Te Rere Arama.
- (e) By memorandum executed on the 3rd March, 1921, Te Rere Arama acknowledged that she had received payment for all her interest in the land, and in consideration of a further £300, the receipt of which was thereby acknowledged, transferred to His Majesty the King the whole of her interest in all and every of the buildings, erections and other improvements on the land.

The result, therefore, was that Te Rere Arama transferred the whole of her interest in the land and improvements to the Crown, without any reservation, and received payment therefor. It should be mentioned that the payment of £300 made in respect of improvements covered one house only, the other house having been destroyed by fire in 1917.