

- (f) As at the 26th July, 1928, an apportionment of the valuation for Orakei No. 1 Reserve C 2 was made. At the same time the sum of £890 was added for new improvements. The following are the assessments as shown in the district valuation roll :—

Block.	Area.			Capital Value.	Unimproved Value.	Improvements.
	A.	R.	P.	£	£	£
Orakei No. 1 Reserve C 2A 1	1	0	11·1	1,225	300	925
Orakei No. 1 Reserve C 2A 2	7	1	23·4	2,795	2,050	745
Interests purchased in Orakei No. 1 Reserve C 2B	19	3	18·5	5,305	5,305	Nil
Non-sellers' interests in Orakei No. 1 Reserve C 2B	3	0	06	2,340	810	1,530

- (g) The total valuation for Orakei No. 1 Reserve appearing in the district valuation roll on the 17th August, 1938, is as follows :—

	£
Capital value	16,090
Unimproved value	10,640
Improvements	5,450

41. Subsequent to the completion of the purchase of the papakainga interests, very large scale developments have taken place in the district. These have had the effect of increasing the value of the land. The waterfront road has been constructed, access to Orakei by two concrete bridges has been provided, and, within the Orakei Block, road-formation has been carried out and a sewerage system installed. The capital charges to the Department of Lands and Survey in respect of the works are :—

	£
Waterfront road to Orakei	84,000
Road to Whakatakataka Bay	13,603
Orakei Bridge	12,284
Internal roading and sewerage	116,522
Surveys and contingencies	4,483
Total expenditure	<u>£230,892</u>

Exclusive of any interest charge, the costing per acre works out at about £366. Inclusive of interest—eight years at 5 per cent.—the costing per acre is, roughly, £500.

The Auckland City Council expended approximately £200,000 in the construction of the waterfront road to Orakei, and this, added to the Lands Department's expenditure, totals £430,892. The embellishment cost on this figure, not including interest, is £700 per acre, or, with interest, £960 or thereabouts.

In addition, the Public Works Department has spent £26,000 on the waterfront road and on the roads and bridges giving access to Orakei.

42. In all cases the purchases made in the papakainga were of undivided interests. The buildings upon the land belonged to individuals and not to all the owners. Where the interest sold to the Crown was an interest in land only no difficulty arises in ascertaining the capital value of that interest. It is obviously equivalent to the owner's proportion of the total unimproved value. This can be obtained by apportioning the unimproved value of the whole block on the basis of the shares held by the owners. Where the Native vendor was also the owner of improvements sold to the Crown it is possible to arrive at a notional capital value of his interest by calculating the unimproved value and adding thereto the value of the improvements as assessed by valuers. In all instances where the owners sold improvements to the Crown the improvements were disposed of separately and apart from the land. In some cases the sale of the improvements took place much later. Where the valuation at the date of the sale of the land was different from the valuation at the date of the sale of the improvements it is not practicable to have regard to the capital value of the interest as determined by a certain valuation, and it is necessary to consider whether the price paid for the land was in accordance with the valuation in force when the land was purchased and whether the price paid for the improvements was in accord with the valuation when they were purchased.

PRICES PAID.

43. Attached to my report (Appendix D) is a schedule showing particulars of all the interests acquired by the Crown in Orakei No. 1 Reserve by way of purchase. There are set forth in successive columns the date of sale, the consideration for land and for improvements, the value of the block based on the purchase-money expressed in the transfer, the unimproved value of the block according to the Government valuation existing at the time of purchase, and the value of the interest acquired.

Certain of the valuations given in the schedule do not appear among the valuations set out in paragraph 40 above. They are calculated figures only. As the roll valuations were not apportioned by the Valuation Department to accord with the partitions made by the Native Land Court it has been found necessary to arrive at the value of certain subdivisions by apportioning the roll valuation appearing for a block among the subdivisions thereof. This has been done on the basis of area. The valuation appearing in the schedule for Orakei No. 1 Reserve C, £7,622, is calculated from the unimproved value of Orakei No. 1 Reserve as disclosed by the special valuation made in May, 1918. Similarly, the valuations shown for Orakei No. 1 Reserve C 2A and Orakei No. 1 Reserve C 2B, £2,285