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Waitangi Tribunal
5 Nov 2013
Ministry of Justice
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RUAKAKA RACECOURSE – APPLICATION TO FREEHOLD

The Northland Racing Trust Board has applied to freehold the lease they hold over the area utilised as a race track at Ruakaka. This valuation has been carried out in order to determine the value of the land exclusive of improvements.

Application	:	17 February 1989, being the effective date of this valuation
Inspection	:	10 April 1989.
Legal Description:		Section 55, Block XI Ruakaka Parish
File Reference	:	S/599
Area	:	56.1700 ha
Tenure	:	33 years Crown Special Lease from 1/07/77 No formal right to freehold Review date 30/06/99. Annual rent $6075.00
Zone	:	Designated racecourse, underlying zone of Rural AC under the Whangarei County Council District Scheme.
Soils	:	3ha Ruakaka Peaty Sandy Loam and Marsden Sand. The former having very low natural fertility and poor drainage. The latter having low to medium natural fertility and being excessively drained. 53ha Drifting and/or recently stabilised sands.

G.V. 1/07/85	Land	$ 500,000
	Improvements	$1,340,000
	Capital Value	$1,840,000

Location

At Ruakaka, 30km south of Whangarei. This is a small coastal community, populated by workers at Marsden Point oil refinery with some commuting to Whangarei, where a full range of services is available. The racecourse draws most of its patronage from Whangarei.

Description

Land

A large parcel of coastal land much of which has been developed from sand dunes. Approximately 42 ha is clear and level with a large mound having been created on the eastern boundary.

To the western extremity the land is in an undeveloped state where it exists as undulating sand dunes with a cover of gorse, scrub and flax. This type of land form and vegetation may also be found in the south-eastern corner. In total an area of 14.75ha is in an undeveloped state.

Improvements

This site has an extensive range of improvements which may be described as follows

Structural Improvements

1. Grandstand

   Erected late 1970's

Enclosed floor area	$970m^2$
Roof top commentary box	$85m^2$
Additional covered area	$1,115m^2$
Additional terraced area	$265m^2$

   This building has a long narrow enclosed ground floor area in front of which the roof extends to provide a covered grandstand area for race goers.

   External construction consists of concrete slab foundations, steel frame and roof structure with fibrolite sheet cladding and corrugated iron roof.

   External doors are in general of twin, glazed timber casement design with window joinery being aluminium.

   Internal construction consists of timber frame partitions which are clad in Gibraltar board. The ceilings are lowered ceiling panels in all rooms except the public bar.

The floor plan consists of 5 bars, a kitchen, public dining area, two sets of toilets, and the totalizator facilities. The rooms are in general expansive with minimal partitioning.

Overall condition is average as the building has not been redecorated and has heavy public patronage from time to time.

2. Administration Building

Floor area 370m^2

This is a timber framed building set on concrete slab foundation. The external cladding conists of painted hardiplank weatherboards and profiled long-run iron roofing. The internal joinery is timber however external windows have aluminium frames.

Internally, the walls and ceilings are clad with Gibraltar board having both paint and wallpaper coverings.

The floor plan consists of two offices, weigh-in room, judicial room, video room, mens and womens jockey rooms including showers and toilets, owner/trainers bar, a first-aid room and small tote.

Overall the building is in average to good condition, with some extensions and renovations having been recently completed.

3. Sheds

A. Gable design, corrugated iron cladding steel frame, bituminous seal. One corner partitioned off. Average condition. Floor area 480m^2.

B. Gable design, profile long-run iron cladding painted. Attached timber clad toilets and stalls. Average condition. Floor area 260m^2.

C. Gable design, concrete block and plywood. New structure. 20 stalls. Good condition. Floor area 167m^2.

Stables

Four buildings of varying size. Gable design, timber frame, cladding and partitioning. The floors are concreted. A total of 69 stables and four feed rooms. Fair condition. Floor area 975m2

Yards

Post, rail and pipe construction. 98 yards. Fair condition.

Win/Place Shed

Timber frame lean-to shed on concrete block foundation having painted fibrolite sheet cladding and corrugated iron roof. In addition there are 16 banks of lights and 7 sign frames with counterweight. Poor to fair condition. Floor area 110m^2.

Tote Shed and Shelter

Adjacent to grandstand and no longer in use. Tanalised post, frame, fibrolite cladding and corrugated iron roof. Floor area 53m^2, attached cover 220m^2. Fair to average condition.

Towers (2)

Approximately 20m high. Right-angle steel frame with fibrolite clad judges box.

Non-structural improvements

1. Racetrack

   A. Grass track 1800m x 25m plus two shutes. Well maintained surface and fences.

   B. Scoria/sand track 1100 x 18m. Well maintained surface and fences.

2. Roading and Sealing

   Macadam carriageway with stone chip surface. Good condition. Approximately 1200m roadway plus area surrounding grandstand and tote.

3. Landscaping

   Miscellaneous paving, fencing and plantings complementing the racecourse complex.

4. Shelter Belt

A closely planted belt of pines at the southern end of the property. Primary benefit to the yards and stable area.

Privately owned improvements

Adjacent to the pine trees is an area of yard and buildings which are privately owned. There are approximately 30 yards, 10 partially enclosed lean-to sheds and one substantial plywood shed of recent construction. These have not been included in this valuation.

Market Considerations

The racecourse at Ruakaka represents a unique property in the district. It is a large coastal site with substantial and specialised improvements.

Given that there is an active market for rural holdings in the area it is considered that the value placed on the racecourse land is that which the open market recognises. That is, the land value of the racecourse site is that of comparable rural land plus a consideration for it's proximity to the coast.

In determining the land value two methods have been utilised. One is based on the block's development potential for small holdings and makes allowance for a risk factor in achieving this. The other compares the subject with recent sales of similarly sized rural properties.

An additional and important consideration is the possibility of the land being designated as subject to the ruling of the Waitangi Tribunal. The land does not have an existing claim over it but the possibility remains. Any prospective buyer may see this possibility as a threat and discount the value accordingly. No assessment of the decrease in value due to this possibility has been made since the applicants aversion to such a contingency is not easily evaluated. In light of this the applicant may in fact withdraw and content itself with the current lease until the matter is resolved.

LANDCORP MANAGEMENT SERVICES LTD

Our ref: S599

MEMO TO: Regional Manager, Auckland Office

FROM: Maurie Kearns, Whangarei Office

DATE: 27 July 1989

SUBJECT: **RUAKAKA RACECOURSE - SALE TO NORTHLAND RACING TRUST**

This is to confirm my discussions with you this morning.

Our report to the Chief Executive outlined the package price to purchase at $277,632.00 gross of GST with room to negotiate on arrears if need be. This was consented to and I subsequently started the ball rolling by offering purchase at $260,000 nett of GST ($292,500 gross).

Today Messrs Tait (President) and Shepheard (solicitor) held discussions with me to reach an amicable agreement on price. Because of the club's financial position offers of $210,000-220,000 nett of GST were floated to me and which I said was too low. After some discussion the offer was increased to $240,000 nett of GST ($270,000 gross) - unconditional cash arrangements with settlement early September. I consider this price to be acceptable as discussed and agreed with you.

You may like to advise the Chief Executive the position as I understand he wished to be kept informed of developments.

M W KEARNS
Property Consultant
WHANGAREI

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DEPARTMENT OF JUSTICE

Land Registry Office
Private Bag
Auckland
Telephone 771-499

National Insurance Building
Victoria Street
Auckland

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In Reply, please quote

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LANDCORP
RECEIVED
23 AUG 1989
WHANGAREI

23 August 1989

The Manager
Land Corporation Limited
PO Box 1444
WHANGAREI

Dear Sir

RUAKAKA RACE COURSE - T W HANNAN

Your letters dated 8th August 1989 (your references S599 and 292) refer.

I advise that both Crown Leases made under Section 67(2) of the Land Act 1948 may be registered in this office, however not under the Land Transfer Act 1952 but under Section 83 of the Land Act 1948.

Any new certificates of title issued subsequent to the noting of an application under Section 25 (1) (a) of the State-Owned Enterprises Act 1986 will be subject to the 'resumption of land' memorial provided for in Section 27B of the Act.

Yours faithfully

(G Gaudin)
for District Land Registrar