

the 19th March, after which date it cannot be renewed, as the Union Insurance Company decline to extend time Annexed is the valuation of Vaile and Douglas. This valuation did not take into consideration the extinguishing of the Union lease; consequently the rental should be estimated at £250 a year more.

191. Then Shera's offer was to sell at, what?—£20,500.

192. Were there any particular advantages connected with that property as to depth of frontage or situation?—Yes, it is a good property.

193. Have you a detailed description of it?—Not here. It is a very excellent site; there is no doubt about that.

194. What was the other property recommended by the sub-committee as a better property than this?—Morrin's property.

195. Where is that situated?—Farther up the street. It is a larger property, but is not in such a good position. The dimensions are 70ft. 9in. by 216ft. 6in., or about double the size of the other.

196. What was the price at which it was offered?—£25,000.

197. Then, the Board considered these recommendations of the sub-committee?—Yes.

198. When?—Messrs. Shannon and Graham were appointed to go up and, in conjunction with Mr. Tole, to complete the purchase.

199. What was the next step towards the completion of the purchase?—Messrs. Graham and Shannon went to Auckland. Sir Julius Vogel had then left Auckland and gone to Dunedin. Various telegrams then passed between Mr. Tole and the members of the committee in Auckland. I have made a *précis* of the telegrams:—

23rd March, 1885. Hon. Mr. TOLE to Mr. GRAHAM.—Obtain best possible terms from National and their tenants for consideration. Why does Shera urge purchase of Union lease?

23rd March, 1885. Mr. GRAHAM to Hon. Mr. TOLE.—Coleman wants £2,000, and Lennox £500. Suggests leave their position till lease expires, or build over them. Asks authority to close.

24th March, 1885. Mr. GRAHAM to Hon. Mr. TOLE.—Recommend closing Shera or Morrin at once. Credibly informed syndicate forming to deal with both. Reply.

24th March, 1885. Mr. GRAHAM to Hon. Mr. TOLE.—Advantageous to buy Union lease if we build.

24th March, 1885. Hon. Mr. TOLE to Mr. GRAHAM.—Cannot decide until you return. Bring written offers and full information.

24th March, 1885. Mr. SHERA to Hon. Mr. TOLE.—This is the day we have to decide about mortgage with Board here.

24th March, 1885. Hon. Mr. TOLE to Mr. SHERA.—Private. Cannot decide till Graham's return. Would ask you keep your own and National offer open till then.

The following letter was written by Mr. Shera on the 25th March:—

SIR,—
Auckland, 25th March, 1885.
I hereby offer the following freeholds on the undermentioned terms, this offer to remain open until the 1st April, after which date it will be out of our power to extend the time.
Yours truly,
G. S. Graham, Esq., New Zealand Government Life Association.
J. M. SHERA.

(1.) Shera Brothers' freehold, price £7,000; subject to existing mortgage to the (2) Land Company for £10,000, at 7 per cent. for five years, and to Union Insurance Company, lease of the (3) portion of ground-floor marked on plan for fifteen years at £3 per week. (4.) Shera Brothers will undertake to extinguish Union Insurance Company's lease for an additional £2,000, (5) Union Company to have the right to remove office-fixtures not occupied by them. (6.) Shera Brothers to give possession in six months; but immediate possession can be given (7) of the portion of ground-floor on the plan No. 1. (8.) Terms £1,000 on acceptance of offer, and balance on execution of conveyance.

P.S.—The Union Insurance Company stipulate that if the Life Company do not require to build in six months, that they will be allowed to remain for three months longer.—J. M. S.

200. Well, what was the next step?—A letter from Mr. Morrin to Mr. Tole, dated the 25th March, 1885.

DEAR SIR,—
Northern Club, Auckland, 25th March, 1885.
In reply to your telegram of the 24th, and now hand this offer of my property to Mr. Graham, as submitted to Mr. Fisher, Mayor of Wellington, when in Auckland: 70ft. 9in. to Queen Street, by 216ft. deep, price £23,500, this offer to remain open until Saturday, the 28th March, 1885, at 10 o'clock a.m.
I have, &c.,
Hon. J. A. Tole, Wellington.
THOMAS MORRIN.

201. Did the sub-committee return then?—Yes.

202. Did anything more take place before they left Auckland?—There is a telegram from Mr. Tole to Sir Julius Vogel, dated the 27th March:—

Hon. Sir Julius Vogel, Dunedin.
Wellington, 27th March, 1885.
SHANNON, Graham, and self propose to purchase Shera's alone for present, and extinguishing Union lease, or, in all, nineteen thousand, which I find was offered you at twenty-two thousand five hundred. Terms demanded by National tenants to allow alterations so exorbitant we think better defer purchase National for short time. Believe they will come to reason. Graham and Shannon anxious to have your opinion before closing. We consider this the best site.
J. A. TOLE.

On the same day the following telegram was sent by Sir Julius Vogel to Mr. Tole:—

Hon. J. A. Tole, Wellington.
Dunedin, 27th March, 1885.
SHERA: I approve price—twenty-two was what he first asked, including lease-cancellation. Nineteen, inclusive cancellation is, I think, cheap; and site is undeniable. I doubt if we shall get National, but must do without it. Do not, however, close for a few days. If war breaks out, money scarce.
JULIUS VOGEL.

203. Was anything more done at Auckland?—On the 28th March the following telegram was sent by Mr. Tole to Mr. Shera:—

J. M. Shera, Esq., Auckland.
Wellington, 28th March, 1885.
COMPLICATION with tenants—Union and National—likely to jeopardize your sale. You must get Union to agree three months only at three pounds; then further extension can be arranged at such rent as may be agreed on.
J. A. TOLE.

Hon. J. A. Tole, Wellington.
Auckland, 30th March, 1885.
I HAVE not yet seen Union. Do you accept offer of our freehold subject to our arranging with Union Company as proposed in your Saturday's wire—that is, Union to become your tenant for three months at three pounds per week, further extension to be arranged at such rent as may be agreed on?
J. M. SHERA.