Government Buildings, Wellington, 7th May, 1897.

D. Barron, Esq., Commissioner Crown Lands, Invercargill.

MESSRS. McNab and Watson, by letter of the 1st instant, intimate Messrs. Menzies and Batger's acceptance of the Government offer of £1 5s. per acre for the purchase of their Otahu Estate. I have acknowledged their letter to-day, and asked them to hand title-deeds to you, so that you may instruct Crown Solicitor to prepare conveyance at once. You can supply correct data as to boundaries from the new survey about to be undertaken. I have asked the Surveyor-General to-day to authorise survey as soon as may be.

James McKerrow.

Dear Sirs,—

Government Buildings, Wellington, 7th May, 1897.

I have your letter of the 1st instant, notifying Messrs. Menzies and Batger's acceptance of the offer of the Government to purchase their Otahu Estate, of about 6,049 acres, at £1 5s. per

I have requested the Surveyor-General to put the survey in hand as soon as may be. Whenever the areas are verified, the purchase-money will be paid and delivery taken of the estate. Meanwhile, will you be good enough to hand the title-deeds to the Commissioner of Crown Lands, Invercargill, who will instruct the Crown Solicitor to prepare the conveyance as soon as he can supply the correct data as to boundaries from the new survey about to be made?

Messrs. McNab and Watson, Solicitors, Invercargill.

JAMES McKerrow.

The Surveyor-General. Government Buildings, Wellington, 7th May, 1897.

Re Otahu Estate, Waiau Plain, Southland.—The offer of the Government to purchase the above

estate at £1 5s. an acre has been accepted. It is in two portions, as follows:—

1. 4,799 acres, in Sections 1, 2, 5, 9, 10, 13, 14, 15, 17, 24, 31, and 97 (P.R.), Waiau Survey District. I would suggest that it would be suitable to survey the land into sections of about 500 acres each, and, with the object of including a portion of the thin shingly land west of the main 2-chain road in with the better land on the east side, all the sections south of the Wellwood Bushes might take in the land on both sides of the road. That would mean that each section would be about 120 by 40 chains, with a depth of 80 chains on the east side of the road, and 40 chains on the west side. North of the Wellwood Bushes the sections would not cross the road, because of the greater width of the block there. When Mr. David Barron, Commissioner, Southland, and I inspected the land in February last, Mr. Batger, one of the vendors, signified his intention, if the Government purchased the land, of availing himself of the provision of section 4 of "The Land for Settlements Amendment Act, 1895," so as to retain the homestead on or near Section 2, Loneker's Bush, and 640 acres surrounding; survey should be made accordingly of that area, with frontage to main road, and laid off so as to be in harmony with general design of sections. Loneker's Bush contains some valuable timber. Mr. Barron and I considered that a strip of it, 8 or 9 chains wide, should be reserved along the northern boundary of the block, for the wants of the settlers. We think that the front of the bush on the south side should go in with the homestead for shelter and amenity. At present it has a very beautiful situation. The greater part of Otahu Bush should also be reserved for the general use of settlers, and probably one or two other small bushes—if, on inspection, thought necessary—might be reserved for firewood.

Merton Creek in flood overflowed part of the best of the land. The channel requires to be straightened and widened; estimated cost, £300. It would be desirable to have this done before the

land is settled, but in any case an ample reserve should be made for the purpose.

2. Sections 39 and 40, Waiau Survey District, 1,250 acres: Section 39, of 250 acres, will do very well as it is for one allotment. Section 40, of 1,000 acres, might be subdivided in two sections.

The Crown lands in sections 60 to 63 lie between and connect the above two blocks of Otahu. They have been abandoned, but should now be included with Otahu, and be offered at the same time. It is desirable that the survey be put in hand as soon as may be.

James McKerrow.

Dear Sir,—

Re Otahu.—We have the honour to acknowledge receipt of your letter of 27th ultimo, offering £1 5s. per acre for this estate, and, in reply, we are now instructed by Messsrs. Menzies and Batger to inform you that they hereby accept the said offer. We shall be glad if you will let us know when you are ready to settle, as our clients can give immediate possession to your nominee. We shall therefore be pleased to complete matters without delay.

We have, &c.,
McNab and Watson.

The Chairman, Board of Land Purchase Commissioners, Wellington.

Government Buildings, Wellington, 27th April, 1897.

"The Land for Settlements Act, 1894."—Adverting to previous correspondence on the subject of your offer of Otahu Estate, containing 6,049 acres the property of Messrs. Menzies and Batger, at the price of £1 7s. 6d. an acre I am now directed by the Hon the Minister of Lands to offer you for such property the price of £1 5s. per acre. This offer is subject to the approval of the Governor in Council as in such cases provided.

I have, &c.,
JAMES McKerrow, Chairman.

Messrs McNab and Watson, Solicitors, Invercargill.