

rental during the renewal lease shall be determined by arbitration or valuation in manner herein-after provided.

17. In case it shall happen that at the expiration of any lease granted under these conditions, or of any renewal of such lease, the lessee of any lot of land shall not elect to renew his lease as provided in the preceding clause, then and in such case all substantial improvements of a permanent character (to which the lessors have duly consented as hereinafter mentioned), consisting of reclamation from swamps, cultivation, fencing, draining, making roads, sinking wells or water-tanks, constructing water-races, and erection of buildings (and, in addition, the lessees of Lots

shall be entitled to improvements for bushfelling and grass-sowing, such improvements to be valued at not more than £3 per acre), shall be valued by arbitration as hereinafter provided, and such lot shall be offered for lease by public auction, subject to the payment by the incoming tenant to the outgoing tenant of not more than 75 per cent. of the rent of valuation for substantial improvements to be ascertained as provided in clause 16 hereof: Provided that the lessors shall not nor will not undertake any liability whatever with reference to the payment of any valuation. In the event of there being no accepted bidder at such auction, and of the lessee not electing to renew his lease as aforesaid, the lessee shall not be entitled to receive any compensation for improvements. And this provision shall be inserted in any renewed lease of such lot: Provided, further, and it is hereby expressly declared, that every lessee shall, before effecting any improvements whatever, obtain the consent in writing of the lessors thereto; and, in the event of the lessee failing to give the necessary notice and obtain such consent, the lessee shall not be entitled to any compensation under the foregoing provisions for compensation in respect of such unauthorised improvements.

18. Every valuation or arbitration to be made under these presents shall be made by two disinterested persons and an umpire, who shall proceed in manner directed by "The Arbitration Act, 1890," and the present clause shall be deemed to be a submission under that Act. The cost of such arbitration or valuation (if any) to be borne equally by the lessor and the lessee.

19. Reserves may be withdrawn at any time prior to auction.

20. The lessors shall not be liable for clearing any fencing-line, or liable under the provisions of any Fencing Act or Ordinance now or hereafter to be in force in New Zealand to contribute towards the erection or maintenance of any dividing-fence between the lots to be demised under these conditions, or any other lands contiguous thereto which are now or may hereafter become the property of the lessors: Provided that this proviso shall only inure for the benefit of the lessors, and not of any assignee from them or any other person.

21. The lessee shall, if required, surrender sufficient lands as a site for school premises, such site not to exceed 5 acres, for which such a reduction in rent shall be made as may be mutually agreed upon or, in the case of disagreement, settled by arbitration in manner hereinbefore provided.

22. A lease shall be granted in terms of these conditions, and the purchaser shall be bound to accept and take the said lease, or any renewed lease, of the section purchased by him upon the terms aforesaid, and to execute a counterpart of such lease or renewed lease, and to pay for the said lease and counterpart and any renewals thereof, and all fees in connection therewith. If the lessee fails to execute this lease within one calendar month after the date of sale the lessors may again offer such land for lease, and any rent and fees paid by any person at the sale under clauses 5, 6, or 7 hereof shall be absolutely forfeited.

23. Every lessee, in his lease granted under these conditions, shall enter into a covenant with the lessors to forthwith clear the lot leased by him from blackberry, briar, and all other weeds, trees, plants, and shrubs of noxious growth, and keep the lot so cleared during the lease, and deliver up the same at the end of the term so cleared, and, in the case of rural lands, laid down in good permanent artificial grass pasture; and will further enter into a covenant to indemnify and protect the lessors under "The Noxious Weeds Act, 1900," and the Acts amending same, and will in all cases comply fully with the provisions and terms of the said Act.

No. 4.

The COMMISSIONER OF CROWN LANDS, Taranaki, to the UNDER-SECRETARY FOR LANDS.

Department of Lands and Survey,

District Office, New Plymouth, 4th November, 1903.

The Under-Secretary for Lands, Wellington.

In response to your Circular No. 597 of the 21st ultimo, I enclose herewith a draft form of lease issued by the School Commissioners for the Taranaki Land District, and now in general use.

The term is generally twenty-one years, but in special instances leases have been issued for only seven years.

J. LANGMUIR,

For Commissioner of Crown Lands.

MEMORANDUM OF LEASE.

THE School Commissioners for the Taranaki Provincial District (hereinafter termed "the lessors"), being registered as the proprietors of an estate of inheritance in fee-simple, subject, however, to such encumbrances, liens, and interests as are notified by memorandum underwritten or indorsed hereon, in that piece of land situated in the Provincial District of Taranaki containing

The lessee will pay the rent hereby reserved on the days hereby appointed for payment thereof.