

sequent sale by auction held in consequence of the default of the original purchaser as compared with the rent that would have been reserved had such original purchaser not made default, together with all expenses attending the sale.

16. If, owing to the delay on the part of the valuers or for any other cause, the new lease shall not be put up to auction before the expiration of the said term hereby granted, or if, owing to the purchaser at any auction held before the expiration of the said term (whether the original auction or a subsequent one held on account of the default of the purchaser to complete as hereinafter mentioned) refusing or neglecting to complete his purchase according to the terms and conditions thereof, the said new lease shall not be purchased before the expiration of the said term, then and in either of the said cases the new lease shall be put up to auction as soon as conveniently can be after the expiration of the said term hereby granted, and if the purchaser at such last-mentioned auction shall make default as aforesaid the said lease shall again be put up as soon as conveniently can be after such default, and so on; but in every such case the new term shall run from the date of the expiration of the term hereby granted, though the rent shall not begin to run until the purchaser obtains possession: Provided always and it is hereby agreed that the lessors shall not be liable or responsible for any delay in putting up to auction or offering the said lands or any part thereof or in obtaining a tenant therefor.

17. If there shall be no bid of or over the upset price of the annual ground-rent so valued as aforesaid, then at or (as the case may be) as from the expiration of the said term hereby granted the said lands hereby leased, with all buildings and improvements thereon, shall absolutely revert to the lessors, free from any payment or compensation whatsoever.

18. In the event of the term hereby created being determined by forfeiture or otherwise than by the effluxion of time, the lessee shall not be entitled to any compensation whatever for buildings or improvements.

19. If the lessee shall make default in payment of the rent hereby reserved or any part thereof, or make breach in the observance or performance of any covenant or agreement herein contained or implied and on part to be observed or performed, such lessee shall not be entitled to bid at any such auction or to become the purchaser of such lease.

20. In the foregoing memorandum of lease the word "buildings" shall be deemed to mean buildings constructed of durable material, and "improvements" shall be deemed to include all substantial improvements of a permanent character, as defined in section three of "The Land Act, 1892," except that in no case shall the turning of pasture land into agricultural land, or the turning of agricultural land into pasture land, or the felling or clearing of timber on forest or pasture land, or the turning of forest or bush or scrub land into pasture land, on the sowing of any land with grass, or the erection of any building other than of durable material, be deemed to be an improvement.

21. That in case the rent hereby reserved, or any part thereof, shall be in arrear or unpaid for the space of one calendar month after any of the days hereinbefore appointed for payment thereof, whether the same shall have been legally demanded or not, or if breach shall be made in the observance or performance of any of the covenants, conditions, or agreements on the part of the lessee herein expressed or implied, then and in any such case it shall be lawful for the lessors forthwith, or at any time or times thereafter, to re-enter and take possession of the lands hereby leased, and determine the estate and interest of the lessee therein, and that without discharging the lessee from liability for rent due or accruing due, or for any previous breach of covenant. And, lastly, that, except that the same are herein expressly modified or negatived, all powers, provisoes, conditions, and agreements implied in leases by "The Land Transfer Act, 1885," and by "The Public Bodies' Powers Act, 1887," or any amendment or amendments thereof, shall be herein implied.

22. The lessors shall be entitled at any time during the term hereby created to retake possession of any part not exceeding five acres of the land hereby demised for the purpose of a school-site upon giving the lessee three months' notice of such intention, accompanied by a plan of the land to be resumed. Upon the expiration of the said three months after such notice shall have been given, the land specified on such plan shall re-vest in the lessors, and the annual rent shall thenceforth be diminished by an amount bearing the same proportion to the total rent that the land resumed bears to the whole area demised. The lessee shall be entitled to compensation for all improvements on the land so resumed and for standing crops, and the lessee shall and will on demand execute a surrender of such part so taken as aforesaid.

, of , do hereby accept this lease of the above-described lands to be held by  
as tenant , and subject to the conditions, restrictions, and covenants above set forth.  
Dated this day of , one thousand  
The seal of the School Commissioners for the Wellington Provincial District was hereto affixed  
in my presence, pursuant to a resolution of the Commissioners passed on the day  
of , 19

, Lessors.  
, Lessee .  
Signed by the above-named , as lessee , this day of , in the presence  
of—

#### No. 6.

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

Department of Lands and Survey,  
District Office, Nelson, 20th November, 1903.

The Under-Secretary for Lands, Wellington.

*Leases granted by School Commissioners.*

I HAVE the honour to acknowledge the receipt of Circular No. 597 of the 21st October, and in reply I have to state that the leases granted by the Nelson School Commissioners are generally for terms