

1904.
NEW ZEALAND.

LEASES GRANTED BY SCHOOL COMMISSIONERS

(PARTICULARS AS TO THE TERMS AND CONDITIONS REGARDING IMPROVEMENTS,
AND COVENANTS INSERTED IN), THROUGHOUT THE COLONY.

Presented to both Houses of the General Assembly by Command of His Excellency.

PRÉCIS OF CORRESPONDENCE FROM COMMISSIONERS OF CROWN LANDS *re* CONDITIONS IN LEASES GRANTED BY SCHOOL COMMISSIONERS THROUGHOUT THE COLONY.

Name.	Particulars as to General Conditions, Improvements, and Renewal of Leases.	Page
Circular to all Commissioners of Crown Lands from Under-Secretary for Lands Commissioner of Crown Lands, Auckland	Asking for particulars as to the terms and conditions regarding improvements and covenants inserted in the leases granted by School Commissioners throughout the colony	3
	Forwards copy of conditions of leasing educational reserves, and also copy of lease issued by the School Commissioners, Auckland	3
	The following are the conditions in the lease, viz.: Rent payable half-yearly in advance. All rates and taxes to be paid. Buildings to be insured. Timber to be cut for cultivation and fencing only. All fences to be kept in repair. All ditches and watercourses to be cleaned and scoured. Liable for all fencing. All briar and other noxious weeds to be cleared. Not to assign or sublet. In the event of the lessee laying down permanent pasture upon any part of the land he shall, on the termination of the lease, leave the same laid down in good clean grass and clover of two years' growth at least. If the outgoing tenant does not renew the lease and there is no other purchaser, he must either accept a new lease at a rent to be fixed by arbitration or forfeit his compensation for improvements. Power to resume land for all minerals and school-sites.	
Commissioner of Crown Lands, Hawke's Bay	Forwards copy of lease of an education reserve, showing conditions, from the Hawke's Bay School Commissioners	6
	The following are the conditions, viz.: Rent payable half-yearly in advance. All rents and taxes to be paid. Not to sublet or assign without consent. No buildings to be removed. Fences to be kept in good repair. Buildings to be insured. Before effecting any improvements consent in writing to be obtained, and also before removal of buildings. Liable for all fencing. Lessee to clear the land from all noxious weeds, and at the end of term, in case of rural lands, the same to be laid down in good, permanent, artificial grass pasture; lessee also to enter into a covenant to indemnify lessors under "The Noxious Weeds Act, 1900." The right of renewing lease to be granted not exceeding twenty-one years each renewal. Lessee to give two months' notice in writing before renewing; rental during the renewal lease shall be determined by arbitration or valuation. In the event of the outgoing tenant not renewing the lease and there being no other purchaser, he must either accept a new lease, at a rent to be fixed by arbitration, or forfeit his compensation for improvements.	
Commissioner of Crown Lands, Taranaki	Forwards a draft form of lease issued by the School Commissioners for the Taranaki Land District. The term is generally twenty-one years, but in special instances leases have been issued for only seven years	7
	The following are the conditions in the lease, viz.: To pay all rates and taxes. To keep the land clear of all noxious weeds. To trim all live hedges once a year. To insure all buildings. Not to assign, mortgage, or sublet without consent. Lessee to make improvements to the value of 4s. for every acre of land before the expiration of the second year of lease, and to the further value of 4s. per acre for the fourth year, and of 12s. per acre before the expiration of the sixth year. Not to take two white crops in succession. To fence all external boundaries by the fourteenth year of the lease and keep in good repair. One year before expiration of lease valuations of improvements to be made by arbitration, also of an annual ground-rent of land without improvements for a term of twenty-one years. Renewal of lease for a term of twenty-one years, rental to be fixed by arbitration. New tenant to pay value of improvements. In the event of the outgoing tenant not renewing the lease, and there being no other purchaser, he must either accept a new lease (yearly) at the old rental or forfeit his compensation for improvements.	
Commissioner of Crown Lands, Wellington	Forwarding copies of the two forms of lease used by the School Commissioners for town and country lands respectively, together with a copy of a letter from the Secretary of the School Commissioners giving particulars of the cost of preparation and registration, &c.	9
	The following are the conditions in the leases, viz.:— <i>Country Lands</i> : Term of lease twenty-one years, and can be renewed for a further period of twenty-one years upon revaluation. All rates and taxes to be paid. To keep in repair all buildings, drains, and fences. Not to assign or sublet. Clear land of all gorse and noxious shrubs. Not to carry on any offensive trade. Not to take more than three crops in succession, one of which must be a root-crop. Land to remain in pasture before being	

PRÉCIS OF CORRESPONDENCE FROM COMMISSIONERS OF CROWN LANDS—*continued.*

Name.	Particulars as to General Conditions, Improvements, and Renewal of Leases.	Page
Commissioner of Crown Lands, Nelson	<p>cropped for three years; then leave two-thirds of land which has been cropped, before expiration of lease, in good permanent English grasses. In the event of the outgoing tenant not taking up the lease and there being no other purchaser, he must either accept a new lease at a rent to be fixed by arbitration, or surrender his claim for valuation. To leave on land all straw and manure grown or made during last year of lease. Power to resume land for school-site. Cost of preparation and registration of lease, £2 10s. <i>Town lands</i>: All walls, buildings, erections, drains, &c., to be looked after. Not to sublet or assign without consent. To clear land of all gorse and noxious weeds. Not to remove or use gravel from land. To keep in good repair all fences and footpaths. Not to erect more than one dwelling-house or subdivide the allotments into lanes or streets without consent. Valuations by arbitration of all buildings and improvements before expiration of lease. If lease not sold at expiration of lease value of all buildings and improvements shall revert to lessors without payment of compensation. Power to resume land for school-site. Cost of preparation and registration of lease, £2 10s.</p> <p>Leases granted are generally for terms of from fourteen to twenty-one years, and contain provisions for payment to tenants of compensation for improvements as provided by "The Public Bodies Leasehold Act, 1886"</p>	14
Commissioner of Crown Lands, Marlborough	<p>States that in the majority of cases there are no formal leases executed by the School Commissioners of Marlborough. The payment of the rent half yearly in advance and a written promise that the value of improvements that have been made with the sanction of the Commissioners, shall be added as a loading when the section is again submitted to public competition, are the only covenants existing. In a few cases where the lease of a section has been renewed for a term of years the tenant has been required to execute certain improvements during the currency of the extended term</p>	15
Commissioner of Crown Lands, Canterbury	<p>Forwards a printed copy of terms and conditions of education reserves leases. The leases have as a rule been let by tender, subject to valuation for buildings erected by the outgoing tenant. The Board renews the leases to good tenants under section 244 of "The Land Act, 1892." Where tenants have proved unsatisfactory the farms are submitted to public tender, but before doing so the possibility of further subdivision is considered, and, where deemed advisable, residence is made compulsory</p> <p>The following are the conditions in the lease, viz.: Term of lease, fourteen years. Rent payable half-yearly in advance. To keep land clear and free from all noxious weeds. All fences, ditches, drains, gates, &c., to be kept in good order. Not to sublet or assign. All buildings to be kept in good order and repair. All buildings to be insured to the value of £50 and upwards. Must not cut the English grasses for hay or seed more than once during the period any portion may be down in grass. Not to burn any straw grown upon or sell any from the land except its equivalent in value of manure be returned to the land. The lessee must not take more than three crops from the same land in succession, then to be sown down with good permanent English grasses. At all times during the lease the land must be so farmed that not less than one-third of the farm be maintained in permanent pasture. To sow and lay down at least one-half of the acreage of the farm with good permanent English grasses three years before the expiry of the lease, and maintain the same as permanent pasture for the residue of the term. At least three months before the expiry of the term of lease all buildings to be valued by arbitration. Incoming tenant to pay to outgoing tenant value of buildings.</p> <p>The Board renews the leases to good tenants under section 244 of "The Land Act, 1892."</p>	15
Commissioner of Crown Lands, Westland	<p>Forwards a statement of the procedure in connection with leases issued by the Westland School Commissioners, viz.: The Commissioners have hitherto had no special form for leases of land for pastoral purposes. The chief provision is usually for the protection of the improvements effected during the currency of the lease by the tenant. The Commissioners do not incur any liability, but an incoming tenant has to pay the assessed value of the improvements referred to. Leases in recent years have been for a term of ten years, and the usual provision for the rights of entry, &c., has been inserted</p>	16
Commissioner of Crown Lands, Otago	<p>Forwards explanatory letter from the Secretary of the School Commissioners re conditions, &c., also a copy of a pastoral lease, and the form used for ordinary leases.</p> <p>The following are the conditions in the leases, viz.: <i>Agricultural</i>: Term of lease, twenty-one years. Rent payable half-yearly in advance. All rates and taxes to be paid. To keep the boundary and subdivision fences and gates in good repair. To keep all drains and ditches in good order, and cleanse same once every year. To eradicate all weeds. To trim all hedges once a year. All buildings and fixtures erected on the land during the currency of lease (other than fencing) must be approved of prior to erection, otherwise no valuation will be allowed. Power to resume land for metals, minerals, coal, &c., and to erect buildings and machinery, and for school-sites and roads. Lessee within one year to commence to fence all lands (if not already fenced), the whole to be fenced seven years before expiration of lease. To cultivate land within one year from commencement of lease, as far as practicable to be brought under cultivation five years before expiration of lease. Not to take more than three crops in succession, one of such crops to be green, and then to remain in pasture for four years, and a crop of grass-seed shall be deemed a white crop. In the event of the outgoing tenant not taking up the lease and there being no other purchaser he must either accept a new lease at a rent to be determined by arbitration or surrender his claim for valuation. Cost of preparation of lease, 10s. 6d. <i>Pastoral</i>: Conditions as to pastoral lands similar to those for agricultural sections, except that the land is leased subject to the provisions of "The Mining Act, 1891," and "The Coal-mines Act, 1891," and all timber (except that required for the tenants' own use) is reserved, also that the tenant is to cultivate for station purposes only one green crop, one white crop, the land then to be laid down in grass and clover, and remain in grass for three years, then same cultivation may be repeated. Power to resume land for school-site.</p>	16
Commissioner of Crown Lands, Southland	<p>The lands in the Southland Land District are under the control of the Otago School Commissioners, and the conditions are the same as those given for Otago.</p>	22

No. 1.

CIRCULAR No. 597, from the UNDER-SECRETARY FOR LANDS to all COMMISSIONERS OF CROWN LANDS.

Department of Lands and Survey,
Wellington, 21st October, 1903.

To all Commissioners of Crown Lands.

A PETITION to the House of Representatives from some tenants of the Otago School Commissioners, praying that the lands held by the Commissioners should be administered by the Land Board, has been referred to the Government with a request that inquiry be made as to the class of leases granted to tenants in order that some uniform system may be adopted.

The Minister for Lands therefore desires that you will furnish full particulars as to the terms and conditions regarding improvements and covenants inserted in leases granted by the School Commissioners in your district.

WM. C. KENSINGTON, Under-Secretary.

No. 2.

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

Department of Lands and Survey,
District Office, Auckland, 4th November, 1903.

To the Under-Secretary for Lands, Wellington.

IN reply to your Circular, No. 597, of the 21st ultimo, I beg to forward copy of conditions of leasing educational reserves, and also copy of lease issued by the School Commissioners of the Auckland Land District.

G. MUELLER,
Commissioner of Crown Lands.

EDUCATION RESERVES, PROVINCIAL DISTRICT OF AUCKLAND.

General Conditions for Lease of Country Lands.

CONDITIONS of Lease for the term of _____ years of Lands situated in the Provincial District of Auckland, being Education Reserves vested in the School Commissioners for the Auckland Provincial District (hereinafter called "the Commissioners"), as the said Lands are described in the Schedule herewith.

1. THE said leases shall be sold by public tender in the manner hereinafter written.
2. The tenders shall be delivered and left at the office of the Commissioners at Auckland, before noon on the _____ day of _____, 19 _____.
3. Every tender shall be addressed to "The School Commissioners for the Auckland Provincial District, Auckland," and shall be indorsed distinctly on the envelope with the words "Tender for Lease of Reserve."
4. Each tenderer shall enclose with his tender a cash deposit equal to half a year's rent at the price offered by him, and, in addition to such deposit, shall enclose the sum of £2 2s. for a lease and a counterpart thereof of the premises tendered for by him. The said deposits shall become absolutely forfeited to the Commissioners in the event of the tenderer failing or refusing to execute the counterpart lease as hereinafter prescribed when called upon to do so.
5. The successful tenderer shall receive notice of the acceptance of his tender, which notice shall be signed by the Secretary of the Commissioners, and shall be posted to his usual address, and shall be entitled (subject to the conditions hereinafter set forth) to possession of the premises tendered for by him from the date of the notice declaring the acceptance of his tender as aforesaid: And the term of his tenancy shall be taken to commence and shall be computed from the date of the said notice.
6. The reserves offered for lease are believed to be correctly described as to the area of land contained in such reserves; but, in the event of any error being hereafter discovered therein, such misdescription shall not avail to annul the contract for the lease of such reserve, nor shall the successful tenderer or lessee be entitled to recover any damages from the Commissioners in respect thereof: Provided, however, that should any such discrepancies prove to be considerable in amount, the successful tenderer shall be entitled to a proportionate reduction in the annual rental offered by him.
7. The Commissioner shall not be compelled to accept the highest or any of the tenders sent in for any of the reserves, but may, at any time previous to the notice of the acceptance hereinbefore mentioned having been given to the tenderer, withdraw any of the said reserves from competition, and may at any subsequent time offer the same for competition again.
8. The tenderers shall execute a lease and a counterpart thereof containing the under-mentioned and all other usual or necessary conditions and provisions for securing the observance of the covenants upon which the lease is granted, and shall pay all costs of preparation and stamping and registration of such lease and counterpart.
9. Every lease and the counterpart thereof shall be prepared by the Commissioners' solicitor, and shall be executed under the common seal of the Commissioners and by the lessee, and if the lessee shall fail, neglect, or refuse to sign the lease and counterpart thereof upon the same being tendered to him for signature within six months of the day of sale his deposit and half-year's rent hereinbefore prescribed shall become absolutely forfeited to the Commissioners, and the Commissioners may thereupon avoid the sale of the said lease, and offer the same premises for lease

again either by public auction or tender; and any deficiency arising from such resale, as also all costs occasioned thereby, may be recovered from the defaulter as liquidated damages at the suit of the Commissioners, or the Commissioners may proceed against the said defaulter for the specific performance of his contract.

Provisions of Lease.

1. The term of lease of the undermentioned reserves shall be _____ years from the day of the date of the acceptance by the Commissioners of the tender for the lease thereof.

2. The rent shall be payable half-yearly in advance in case such rental shall not exceed £20 per annum, and quarterly in advance in case such rental shall amount to more than £20 per annum. The lessee shall pay the rent or cause it to be paid at the office of the Commissioners, Auckland.

3. The lessee shall pay all rates, taxes, and assessments of whatever kind payable or leviable in respect of the premises leased to him or agreed so to be. And in the event of the lessee erecting a dwellinghouse or other buildings upon the said premises of a greater value than £100, he shall be bound forthwith to insure and keep insured in the joint names of himself and the Commissioners or their assigns in a sum equal to two-thirds of the value of such buildings. And in the event of the said buildings being destroyed or injured by fire, the said insurance money shall forthwith be used to rebuild or reinstate in the former position the buildings so destroyed or injured. And in case the lessee shall at any time fail or neglect to effect or keep on foot the said insurance, the Commissioners shall be at liberty to pay all premiums due upon the same and to recover the amounts so paid by them, together with the interest upon the same, at the rate of £10 per centum per annum, in all respects in the same manner as if the same were rent in arrear.

4. The lessee shall be at liberty to cut, fell, clear off, and carry away any of the timber standing upon any part of the said premises for the purpose of clearing the said land for cultivation, and shall be at liberty to use any part of the said timber for fencing or other purposes connected with the occupation and cultivation of the said land, but not for sale. The lessee shall not remove any of the timber standing upon the said premises for any purpose whatsoever without having first obtained the express permission in writing of the Commissioners so to do.

5. The lessee shall not be at liberty to assign, underlet, or part with the possession of the premises, or any part thereof, for the whole or any part of the term, without the written consent of the Commissioners.

6. In the event of any mine or quarry being found upon the demised premises during the term of the lease, the Commissioners or their assigns shall have the exclusive privilege and right to work and utilise the same for their own benefit, and for that purpose may at all times with all necessary workmen and servants enter into and upon the demised premises, and shall be allowed ingress, egress, and regress to and from such land, but not more than shall be necessary for the purpose of mining and for purposes incidental thereto.

7. In the event of the lessee laying down permanent pasture upon any part of the said land he shall, on the termination of the lease, leave the same laid down in good clean grass and clover of two years' growth at least.

8. The lessee shall keep all buildings and fences standing upon and around the demised premises, or erected by him thereon, in good and sufficient repair, ordinary tear and wear alone excepted, and shall keep clean and scoured all ditches and watercourses thereupon.

9. The Commissioners or their agent may at all reasonable times enter into and upon the demised premises and view the state and condition thereof, and may serve a notice upon the lessee either personally or by leaving the same at his last known place of abode or on the said demised premises requiring him to repair the same within a reasonable time; and in case the lessee shall not comply with such notice within one calendar month after service thereof, or if the rent shall be in arrear and unpaid for three calendar months after any of the days appointed for the payment thereof, or in case of the breach of any of the covenants, conditions, or agreements, implied or expressed in the lease, the Commissioners may re-enter on the premises or any part thereof and retake possession thereof and remove all persons found in possession thereof in the same manner as if judgment in an action of ejectment had been recovered against the lessee and a writ of possession issued without being liable to any action of trespass or otherwise.

10. The Commissioners may at any time during the currency of a lease take and use for purposes of a school-site an area not exceeding 5 acres upon allowing the lessee a proportionate reduction on the amount of his annual rent: Provided that such area shall not be occupied by any buildings, and also that if such area shall be under crop or cultivation reasonable compensation, to be fixed by arbitration if the parties do not agree, shall be paid by the Commissioners to the lessee.

11. The lessee shall be bound peaceably and quietly to give up possession of the premises at the expiration of the term, and to leave the same in good order and condition.

12. In all cases in which the lessee shall cultivate the premises or any part thereof, he shall do so in a proper and husbandmanlike manner, and so as not unduly to impoverish the soil.

13. All external boundary-fences erected by the lessee upon the demised premises shall be erected of such materials and in such manner as is declared necessary to constitute a legal fence within the meaning of the Act or Acts for the time being in force within the Provincial District of Auckland; and all such boundary-fences as shall be erected during the continuance of the lease shall be maintained and handed over to the Commissioners or their assigns at the expiry of the lease in good repair and condition, ordinary tear and wear excepted.

14. The lessee shall hold the Commissioners indemnified for any cost of fencing to which the said Commissioners might, as owner of the demised premises, be legally liable during the continuance of the lease, and shall from time to time pay all lawful demands in respect thereof, whenever such demands shall be duly made.

15. The lessee shall exterminate all gorse, briar, brambles, and other noxious weeds growing upon the said land, and keep the land clear and free from the same during the currency of his lease.

16. If the lessee shall be desirous of obtaining a renewal of the lease of the said lands, and of such desire shall give to the lessors at least six calendar months' previous notice in writing before the expiration of the term of his lease, and if the lessee shall have duly and punctually paid all rents payable by him, and shall have observed and performed all the covenants and conditions on his part to be performed and observed, then the lessors will at the expiration of the said term execute to the lessee a new lease of the said lands for a term of twenty-one years to commence on the expiry of the present term of lease. The renewal lease shall be upon the same terms and conditions as are herein expressed, but the rental during the renewal lease shall be at a rate to be fixed by the lessors by a special resolution or by arbitration or valuation in manner hereinafter provided.

17. But in case the lessee shall not within the time hereinbefore specified have signified his desire to obtain such renewal lease, then and in such case, within three calendar months previous to the expiration of the term of his lease (if such term shall not have been previously determined by forfeiture or otherwise), *two* separate valuations shall be made, each by two disinterested valuers, to be appointed in writing as hereinafter provided, one of such valuations to be made of all the substantial improvements of a permanent character then on the said lands hereby leased, and the other of the then gross value of the fee-simple of the land then included in the lease.

18. Every valuation or arbitration to be made under these conditions or under any lease prepared in accordance therewith shall be made by two disinterested valuers, one to be named by each party to the valuation. And in case of their disagreement, then by an umpire to be chosen by such valuers previously to their entering upon the consideration of the matters referred to them. And if such valuers cannot agree as to an umpire within one month of their appointment as valuers, the Commissioners or their successors shall have power to appoint one. And in case either of the parties, for the space of fourteen days next after a notice in writing so to do shall have been given to him by the other party, or shall neglect, or from any cause whatsoever, fail to name a valuer who will act, then the valuation shall be made by the other party alone. The valuers or their umpire shall have power to decide any questions which may arise in the course of their valuation, and in particular any question as to what matters or things are proper subjects of valuation. Provided that no improvements shall be valued except those of a permanent and substantial character, as defined in section 3 of "The Land Act, 1892."

19. The expenses of any arbitration, valuation, or award shall be borne and paid by each party in equal shares, and the submission made in each case may be made a rule of the Supreme Court of New Zealand at the instance of either of the parties.

20. The lessors may, if they think fit, pay to the lessee the amount of such valuation of the buildings and improvements, in which case such buildings and improvements shall, upon such payment, become the exclusive property of the lessors upon the expiration of the term mentioned in these conditions.

21. But if the lessors shall not, upon the expiration of the term of lease, pay to the lessee the amount of such valuation, then a lease of the said lands and premises for a further term of twenty-one years, containing such covenants and provisions as the lessors shall deem necessary or expedient, shall be put up by the lessors to public auction or public tender at the upset annual rent of the said lands as valued without buildings and improvements, *subject to the payment by the purchaser at such auction or successful tenderer of the value of the said buildings and improvements fixed by the valuers or their umpire as aforesaid.* And in the event of any person or persons other than the lessee becoming the purchaser at such auction, or being the successful tenderer for the said lease for the said further term of twenty-one years, such person or persons shall forthwith pay in cash to the lessors for the benefit of the lessee the amount of the value of the buildings and improvements so fixed as aforesaid, and shall enter into a lease of the said premises for the said further term of twenty-one years at the annual ground-rent at which the said premises shall have been so sold. Provided always, and it is hereby expressly declared, that nothing in these presents contained shall be deemed to render the lessors liable to pay to the lessee all or any part of the value of any buildings or improvements upon any valuation made under the foregoing provisions, save after having received the amount thereof for his or their benefit as aforesaid. When the day arrives on which the terminating lease expires, or thereafter if the lessors are satisfied that the outgoing lessee has let the new lessee into quiet possession of the land, and that none of the improvements which were thereon when the valuation mentioned in this section was made have been destroyed or appreciably damaged, the lessors shall pay to the outgoing lessee the amount received by them from the incoming lessee as aforesaid. If any of the said improvements have been destroyed or appreciably damaged as aforesaid, then the value of the improvements so destroyed or the cost of repairing such damage shall be decided by the lessors or some person appointed by them, and the amount so fixed with the costs attending such decision shall be deducted from the amount payable as aforesaid to the outgoing lessee, and, save the amount deducted for costs, shall be returned to the incoming lessee.

22. If there shall be no bid nor tender 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, with all buildings and improvements thereon, shall absolutely revert to the lessor free from any payment or compensation whatever: Provided, however, that the said lands and improvements shall only revert after the expiration of one month from the date of such auction or closing of such tender, during which time the lessee shall have the option to take up the same at such upset price.

No. 3.

The COMMISSIONER OF CROWN LANDS, Hawke's Bay, to the UNDER-SECRETARY FOR LANDS.

Department of Lands and Survey,
District Office, Napier, 27th October, 1903.

The Under-Secretary for Lands, Wellington.

Education Reserves and School Commissioners.

I HAVE the honour, in reply to Circular No. 597 of the 21st instant, to forward herewith a copy of conditions and covenants to be entered into by any person acquiring a lease of an education reserve from the School Commissioners for the Hawke's Bay District, and which gives the required information.

ERIC C. GOLD SMITH,
Commissioner of Crown Lands.

PARTICULARS of the Education Reserves set out in the Schedule hereunder to be offered for Lease by the School Commissioners for the Provincial District of Hawke's Bay at , at Napier, on , the day of , at , for a term of twenty-one years.

Conditions.

1. The properties mentioned in the foregoing particulars will be offered in separate lots as specified above.

2. The highest bidder or bidders of the upset rental, as the case may be, for each lot shall be the lessee thereof, and if any dispute shall arise the lot in dispute shall again be put up and resold.

3. Areas of the several lots set down in the schedule hereinbefore mentioned are correct.

4. Bids of not less than a sum to be fixed by the auctioneer will be reserved for each lot offered.

5. The lessee for each lot shall pay to the Secretary for the School Commissioners the first half-year's rent on the fall of the hammer, and shall also pay in cash to him the fees for the preparation of the lease, and will be required to sign and stamp an agreement to complete the lease according to these conditions.

6. In the case of Lot the lessee shall also pay on the , in addition to the half-year's rent due on the fall of the hammer, the amount of the improvements thereon as specified in the particulars of sale.

7. In the case of Lot the lessee shall on the fall of the hammer pay for the timber on same at a valuation which shall be stated at date of sale.

8. Possession of Lot will be given on the ; of Lot on the ; and of the other lots on the day of the sale: but in no case will the lessors undertake to give actual personal possession.

9. The upset price or highest bidding, as the case may be, shall be the amount payable by annual rent for each lot during the whole term.

10. The lessee of each lot during the term of his lease shall pay the rent half-yearly in advance, and shall also bear, pay, and discharge all rates, taxes, charges, assessments, and impositions either already made or which may afterwards be made upon or in respect of the lot leased by him, and any buildings erected thereon, and improvements which may be made thereon, whether chargeable against the owner or occupier thereof.

11. Should the rent of any lot not be paid punctually when due, interest at the rate of £10 per centum per annum shall be charged thereon from the date on which the same may be due up to the date of payment.

12. If the lessee of any lot shall allow the rent of such lot to fall six calendar months in arrear, or shall fail to perform any of the conditions of the lease, the lessors shall have the powers, without any formal demand having been made, to re-enter and take possession of the premises, and to let, use, or dispose thereof as they shall think fit; but the lessee shall not be thereby discharged from liability for rent due or accruing due at the time of such entry, or for or on account of any breach or breaches of any of the covenants or conditions on his part contained or implied in the lease.

13. The lessee shall not assign, sublet, or part with the possession or occupation of the lot leased by him, or any part thereof, without the consent in writing of the lessors previously had and obtained.

14. The lessee shall not, without the previous consent in writing of the lessors first had and obtained, remove any buildings or erections now or hereafter to be erected on the lot leased, whether the same shall be affixed to the freehold or not.

15. All buildings, fences, and fixtures which are now or which may hereafter during the lease be erected on the land shall be kept in good and tenantable order and repair, and such buildings and fixtures shall be insured at the cost of the lessee in the name of the lessors to at least one-half of the cost of such buildings and erections in some responsible insurance company in Napier to be approved by the lessors: Provided that all moneys received in respect of such insurance shall be forthwith applied in or towards rebuilding or repairing the buildings and erections, for the damage and destruction whereof such moneys shall have been so received.

16. The lessee of any lot shall have the right of renewing the lease to be granted under these conditions from time to time for a period not exceeding twenty-one years for each such renewal: Provided that the lessee shall give to the lessors not less than two calendar months' previous notice in writing of his or their intention to renew. The renewal lease shall be upon the same terms and conditions as are herein expressed, including this present right of renewal, but the

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.

The lessee will pay all rates and taxes now and hereafter during the said term payable in respect of the said land.

The lessee will make on the said land "substantial improvements of a permanent character" within the meaning ascribed to such words by "The Land Act, 1892," to the value of 4s. for every acre of the demised land before the expiration of the second year of the said term, and to the further value of 4s. for every acre of the said land before the expiration of the fourth year of the said term, and to the further value of 12s. for every acre of the said land before the expiration of the sixth year of the said term.

The lessee will "cultivate" within the meaning of the word "cultivate" as implied by the Fourth Schedule to "The Land Transfer Act, 1885," and in particular will not take two white crops in succession from any part of the said land.

The lessee will keep the said land free from noxious weeds and stray furze, briar, and brambles, and will grub up all noxious weeds, stray furze, briar, and brambles which now or hereafter may grow thereon at least once a year, and will keep all land that shall have been grassed down free and clear of scrub.

The lessee will not plant any furze or brambles upon the said land or any of the boundaries thereof.

The lessee will properly trim at least once in every year all live hedges which may be growing upon the said land or any of the boundaries thereof at the proper season, so as to prevent seeding or spreading, and will in the months of December and February in each year cut all blackberry plants that may be growing in any live hedge.

The lessee will properly fence with a good substantial and sufficient fence within the meaning of any Fencing Act then in force all the external boundaries of the said land by not later than the expiration of the fourteenth year of the said term, and will during the said term keep, and at the expiration or sooner determination thereof deliver up, all fences and gates that shall have been erected or made on the said land in good order and condition.

The lessee "will insure" within the meaning of those words in the Fourth Schedule to "The Land Transfer Act, 1885," save only that such insurance shall be in the name of the lessors alone.

The lessee will not during the said term assign, mortgage, or sublet the said land or any part thereof, or do any act by means of which the right to possession thereof or of any part thereof may become vested in any other person without the consent in writing of the lessors in every case first had and obtained.

One year before the expiration of the said term, or as soon as conveniently may be thereafter, valuations shall be made by two arbitrators, one to be appointed by the lessors and the other by the lessee (or by one arbitrator if both parties shall consent to a sole arbitrator), one of which valuations shall be of the substantial improvements of a permanent character as aforesaid which shall then be on the said demised land, and the other of the fair annual ground-rent of the said land as if without such improvements for a term of twenty-one years, to commence at the expiration of the term hereby granted, and such valuations shall be deemed an arbitration and be subject in all respects to the provisions with respect to arbitrations of "The Arbitration Act, 1890."

At any time, not being later than three calendar months before the expiration of the said term hereby granted, the lessee shall become entitled to a renewal lease of the said land for a term of twenty-one years, to commence from the expiration of the term hereby granted, upon the same terms and conditions as are herein expressed (including this provision for renewal but excluding any covenant to make improvements), at the annual ground-rent fixed by such valuation, upon executing such lease and a counterpart and duplicate thereof (to be prepared by the lessors at the cost of the lessee within fourteen days after the lessee shall have required the lessors to prepare the same).

If the lessee shall not, at least three calendar months before the expiration of the said term, execute such lease and counterpart and duplicate lease, new valuations shall be forthwith made by arbitration in manner aforesaid of the substantial improvements of a permanent character as aforesaid then subsisting and of the fair annual ground-rent as aforesaid, and a new lease of the said land similar in all respects to the lease to which the lessee might have become entitled as aforesaid, except as to the rent payable thereunder, shall be offered as soon as conveniently may be for sale by public auction upon such terms and conditions as the lessors shall prescribe, but so that the upset rental shall not be less than that fixed by such last-mentioned valuation, and shall be stated in the advertisement of such auction sale. And also that a condition shall be prescribed that if any person other than the lessee shall be declared the purchaser of the lease such person shall, within seven days after the day of sale, pay to the lessors the amount at which the said improvements were valued at the said last-mentioned valuation, and that the lessors shall, when peaceable possession has been given to the purchaser of the said land, pay to the lessee the amount so paid by the purchaser if such improvements have not been meanwhile destroyed or materially damaged, or, if such improvements have meanwhile been destroyed or materially damaged, will deduct and repay to the purchaser whatever the lessors shall in their absolute discretion deem to be a fair equivalent for such destruction or damage, and pay to the lessee the residue of the amount paid by the purchaser. If no sale shall be effected at such auction as aforesaid, the said new lease shall remain, for the period of one year from the date when it was offered at auction, open to be sold privately by the lessors at the same upset and upon the same terms and conditions as offered at such auction, except that the date at which possession shall be given and the time from which rent shall be payable shall be fixed by the lessors; and, until either a sale shall be made of such new lease or the said period of one year shall expire, the lessee may occupy the demised land at the same rent as hereby reserved, but payable monthly, and subject to the express condition that the lessee shall quit and deliver up possession to the lessors of the said demised land after receiving from the

lessors one calendar month's notice in writing requiring the lessee so to do. At any time or times prior to the expiration of the said period of one year the lessors may, by special resolution, reduce the annual ground-rent to be payable under the said new lease, or reduce the amount to be paid for such improvements as aforesaid, but, except with the previous consent in writing of the lessee, the latter amount shall in no case be reduced by the lessors by more than one-third of the amount at which such improvements have been valued at the last valuation thereof. And no sale shall be made of such new lease to any person other than the lessee after any such reduction, until one calendar month after notice in writing shall have been given to the lessee of such reduction.

The lessee may at any time before the sale of such a lease to any other person give notice to the lessors of the lessee's intention to accept the new lease upon the same terms as those at which the same is then open to be sold, and in such case the lessee shall be entitled to such new lease accordingly, and a new lease, counterpart and duplicate lease, shall be prepared and executed as aforesaid; but, in case any auction sale of the said lease shall be pending at the time of the giving of such notice, the lessee shall pay to the lessors such a sum, by way of costs of the lessors in and about preparing for such auction, as the lessors shall in their absolute discretion fix and determine.

Notwithstanding anything herein contained, and whether or not any such valuation as aforesaid shall have been made, it shall be lawful for the lessors and the lessee, at any time between one year before and one year after the expiration of the term hereby granted, to make and enter into a new lease as aforesaid of the said demised land for a term of twenty-one years, to commence at the expiration of the term hereby granted, on the same terms and conditions as this present lease (including these provisions for a renewal or new lease, but excluding any covenant to make improvements), at an annual ground-rent to be fixed by the lessors by special resolution.

If and in case no new lease of the said demised land shall be granted before the expiration of one year after the expiration of the term hereby granted, all improvements on the said demised land shall become and thenceforth be the property of the lessors, and the lessee shall absolutely forfeit all his rights conferred on him by this lease, and the land hereby demised shall be thenceforth freed from all encumbrances theretofore existing hereunder.

If the lessee shall make default in payment of the rent hereby reserved, or any part thereof, on any of the days hereby appointed for payment thereof respectively, and such default shall continue for a further space of one calendar month (whether such rent shall have been demanded or not), or if the lessee shall make default in the observance or performance of any of the lessee's covenants, conditions, or agreements herein contained or implied, it shall be lawful for the lessors forthwith, without any further delay and without any notice or demand whatsoever, to re-enter upon the demised land, and thereby determine the said term and all the rights, interest, claims, and demands of the lessee hereunder; and in such case the lessee shall nevertheless be liable to pay rent proportionally up to the day of such re-entry and damages in respect of any breach of covenant.

Notwithstanding anything herein contained, in case the lessors shall be desirous at any time during the term hereby granted to reserve and set apart for a school-site any part of the land hereby granted not occupied by any building, and not exceeding five acres, the lessee shall surrender the same free from encumbrances at the cost of the lessors for such consideration as may be agreed upon, and, in case of failure to agree, as may be fixed by arbitration of two arbitrators pursuant to "The Arbitration Act, 1890."

No. 5.

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

Department of Lands and Survey,
District Office, Wellington, 7th November, 1903.

The Under-Secretary for Lands, Wellington.

Leases granted by School Commissioners.

In reply to your Circular No. 597 of the 21st ultimo, I have the honour to forward herewith for your information copies of two lease-forms used by the Wellington School Commissioners, together with a copy of a letter from the Secretary of the School Commissioners giving particulars of the cost of preparation and registration, &c.

JOHN STRAUCHON,
Commissioner of Crown Lands.

SIR,—

Wellington, 4th November, 1903.

In reply to your memo. of the 31st ultimo addressed to the Chairman of the Wellington School Commissioners, he directs me to forward herewith copies of the two forms of lease used by the Commissioners for town and country lands respectively, in which are set forth all the terms and conditions under which the lands are leased.

I am further to inform you that the total cost of the preparation and registration of each lease (which is borne by the lessee) is £2 10s. The Commissioners make no charge for either transfers or mortgages, but have no knowledge of what the parties may be charged by their solicitors or agents in connection with such transactions. The Commissioners' solicitors are not employed in connection with transfers or mortgages approved by the Commissioners.

I am, &c.,

J. H. W. WARDROP, Secretary.

The Commissioner of Crown Lands, Wellington.

MEMORANDUM OF LEASE.

THE School Commissioners for the Wellington Provincial District (hereinafter called "the lessors"), being registered as proprietors of an estate of fee-simple in possession, subject, however, to such encumbrances, liens, and interests as are notified by memoranda underwritten or indorsed hereon, in that piece of land situated in the _____ of _____, containing _____, be the same a little more or less, _____ do hereby lease to _____, of _____, all the said lands to be held by the said _____ (hereinafter called the "lessee") as tenant for the space of twenty-one years, to be computed from the _____ day of _____, at the yearly rental of _____, payable without demand at the offices of the lessors, Wellington, by equal half-yearly payments in advance on the 1st day of the months of January and July in each year, clear of all deductions or abatements thereout on any account whatsoever, subject to the following covenants, conditions, and restrictions:

1. That the lessee will at all times during the said term pay the said rent and all rates, taxes, charges, assessments, and outgoings whatsoever payable in respect of the said lands, whether the same shall by law or custom be payable by landlord or tenant.

2. That the lessee will repair and at all times during the said term keep all buildings, erections, drains, and fences now erected, or hereafter during the continuance of the said term to be erected, or made upon or around the said lands in good substantial repair, and will keep such buildings well and efficiently painted, cleansed, and maintained in every respect; and will properly clear and keep clear from weed and keep open all creeks, drains, ditches, and watercourses; and will, during every second year of the said term, trim, and at all times during the said term keep trimmed, all growing or live hedges which may be on or around the said lands or on any boundary thereof; and so yield or deliver up the same to the lessors at the expiration or other sooner determination of the said term.

3. That the lessee will not without leave assign or sublet.

4. That the lessee will free and keep free the said land from gorse, briar, cotton-bush, manuka, and other noxious shrubs.

5. That the lessee, and _____ under-lessees and under-tenants, shall not nor will at any time or times call upon the lessors to join in or contribute towards the erection or maintenance of any fences.

6. That the lessee shall not carry on or engage in any noxious, noisome, or offensive trade or business upon the said lands or any part thereof which may be a nuisance to the neighbourhood.

7. That the lessee will not during the said term take, or permit or suffer to be taken, from the said lands or any part thereof more than three crops in succession, one of which must be a root-crop, and either with or immediately after a third crop of any kind the land must be laid down under pasture or summer fallow, and be allowed to remain as pasture or fallow for at least three years from the harvesting of the last crop before being again cropped; and also will at the expiration of the said term leave two-thirds at least of such of the said land as has been cropped as afore-said in good permanent English grasses and clovers of the description and proportions usually sown in the district and the most suitable for the land: And, further, that if the lessee shall at any time during the said term contravene or shall fail to observe and perform the covenants respecting the cultivation and the cropping of the said lands, then the lessee shall pay or will cause to be paid to the lessors as and by way of ascertained and additional rent the sum of five pounds (£5) for each and every acre of the said land which shall be cultivated contrary to the said covenants.

8. That the lessee will, at the expiration of the said term, leave on the said lands all straw and manure grown or made respectively thereon during the last year of the said term.

9. If the lessee shall, at any time prior to the expiration of the term hereby created, be desirous of obtaining a fresh lease of the lands hereby demised, and of such desire shall give to the lessors one calendar month's previous notice in writing terminating at least six calendar months before the expiration of the term hereby created, and if the lessee shall have duly and punctually paid all rents hereby reserved, and shall have observed and performed all the covenants and conditions on _____ part contained or implied, then the lessors will, at the expiration of the said term, execute to the lessee a fresh lease of the said lands for the term of twenty-one years, to commence on the expiry of the term hereby created, at a rental to be fixed by the lessors by special resolution or otherwise as provided by "The Public Bodies' Powers Act, 1887," such lease to contain like covenants to those contained in this present lease, and to be similar in all other respects thereto, save in so far as the same may be altered or modified by any Act of the General Assembly of New Zealand, and excepting also that such new lease shall not contain this or any covenant or condition for renewal.

10. But in case the lessee shall not within the time hereinbefore specified have signified desire to obtain such renewal lease, then and in such case, within the six calendar months previous to the expiration of the term hereby created (if such term shall not have been previously determined by forfeiture or otherwise), two separate valuations shall be made, each by two indifferent persons to be appointed in writing, as follows: One by the lessors and the other by the lessee—one of such valuations to be made of all the buildings and unexhausted improvements as hereafter defined then on the said lands hereby leased, and the other of the fair annual ground-rent of the said lands only, without such buildings or improvements, for a further term of twenty-one years from the expiration of the term hereby granted (such rent to be an even annual sum payable throughout the term, without increasing or decreasing during the said term). Such valuers shall, before entering upon the valuations, together appoint in writing under their respective hands a third valuer, who shall be an umpire between them. The decision of such two first-appointed valuers if they agree, or in such respects as they agree, or of such third valuer or umpire if they do not agree, or in such respects as they do not agree, shall be binding on all parties. The duty of such third valuer or umpire, on reference to him of any question under these

presents, shall be to analyse the respective valuations of the two first-appointed valuers in matters in which their valuations shall not agree, and then to make an independent and substantive valuation, which last-mentioned valuation shall be the decision of the third valuer or umpire : Provided always that in making such decision on any question referred to him, the said third valuer or umpire shall in every case be bound to make a valuation not exceeding the higher or less than the lower of the valuations made by the other valuers respectively.

11. The lessors may if they think fit pay to the lessee the amount of such valuation of the buildings and improvements, in which case such buildings and improvements shall upon such payment become the exclusive property of the lessors upon the expiration of the term hereby granted.

12. But if the lessors shall not, before the expiration of the term hereby granted, pay to the lessee the amount of such valuation, then and in such cases, before the expiration of the term hereby granted, a lease of the said lands and premises for a further term of twenty-one years, containing such covenants and provisions as the lessors shall deem necessary or expedient, shall be put up by the lessors to public auction at the upset annual rent of the said lands as valued without buildings and improvements, subject to the payment by the purchaser at such auction of the value of the said buildings and improvements fixed by the valuers or their umpire as aforesaid. And in the event of any person or persons other than the lessee becoming the purchaser at such auction of the said lease for the said further term of twenty-one years, such person or persons shall forthwith pay in cash to the lessors for the benefit of the lessee the amount of the value of the buildings and improvements so fixed as aforesaid, and shall enter into a lease of the said premises for the said further term at the annual ground-rent at which the said premises shall have been so sold at such auction. And the lessors (all rent and outgoings having been previously paid) shall pay over to the lessee the amount of the value of the said buildings and improvements paid to the lessors by the purchaser without any deduction whatsoever : Provided always, and it is hereby expressly declared, that nothing in these presents contained shall be deemed to render the lessors liable to pay to the lessee all or any part of the value of any buildings or improvements upon any valuation made under the foregoing provisions, save after having received the amount thereof for his or their benefit as aforesaid.

13. If either party shall fail to appoint in writing a valuer who will consent to act, and also serve on the other party a notice in writing of such appointment having been made, within twenty-one days after being served by the other party with a notice in writing of the appointment of a valuer by such other party, then the valuer appointed by the side giving such last-mentioned notice shall make the two said valuations of buildings, improvements, and annual ground-rent alone, and such valuations shall be final and conclusive on all parties, and a similar final valuation shall be made by either of the valuers in case the other valuer shall refuse or neglect to act.

14. Any such notice as aforesaid may be served upon the lessors by being left at the office of their secretary, clerk, or other like officer, and may be served upon the lessee by being given to him or left at his usual or last known place of abode or business within the provincial district where the lands demised are situated, or sent addressed to him at such place as aforesaid through the post, or left at or affixed to the said lands or any building thereon.

15. Upon any sale as aforesaid of a lease by auction the lessors may make usual and any other fair and reasonable conditions of sale to duly and effectively carry out the intention of these presents, and in particular may provide for the payment by purchasers at the auction of a substantial deposit ; and may also provide that, in the event of the purchaser refusing or neglecting to complete his purchase according to the terms and conditions thereof, he shall forfeit to the lessors such deposit and pay to the lessors as liquidated damages a sum not exceeding one-half of the total deficiency (if any) during the term of years of the rent to be paid by the new purchaser at a subsequent 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 hereinbefore 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 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 his 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 mean reclamation from swamps, planting with trees or live hedges, fencing, draining, making roads, sinking wells or water-tanks, constructing water-races, sheep-dips, making embankments or protective works of any kind: Provided always that, notwithstanding anything herein contained, nothing shall be considered an improvement which does not add to the value of the said lands.

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, provisos, 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 5 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 revert 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 nine hundred and .
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 , 19 , in the presence of—

MEMORANDUM OF LEASE.—TOWN LEASE.

THE School Commissioners for the Wellington Provincial District (hereinafter called "the lessors"), being registered as proprietors of an estate of fee-simple in possession, 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 of , containing , be the same a little more or less, do hereby lease to , of , all the said lands to be held by the said (hereinafter called "the lessee ") as tenant for the space of years, to be computed from the day of , at the yearly rental of , payable without demand at the offices of the lessors, Wellington, by equal half-yearly payments in advance on the day of the months of in each year, clear of all deductions or abatements thereout on any account whatsoever, subject to the following covenants, conditions, and restrictions:—

1. That the lessee will at all times during the said term pay all rates, taxes, charges, assessments, and outgoings whatsoever payable in respect of the said lands, whether the same shall by law or custom be payable by landlord or tenant.

2. That the lessee will repair and at all times during the said term keep all party and other walls, buildings, erections, drains, and fences now erected, or hereafter during the continuance of the said term to be erected, or made upon or around the said lands in good substantial repair, and will keep such buildings well and efficiently painted, cleansed, and maintained in every respect; and will properly clear and keep clear from weed and keep open all creeks, drains, ditches, and watercourses; and will, during every second year of the said term, trim, and at all times during the said term keep trimmed, all growing or live hedges which may be on or around the said lands or on any boundary thereof; and so yield and deliver up the same to the lessors at the expiration or other sooner determination of the said term.

3. That the lessee will not without leave assign or sublet.

4. That the lessee will free and keep free the said land from gorse, briar, cotton-bush, broom, manuka, and other noxious shrubs.

5. That the lessee will not use or remove any gravel on or from the said lands.

6. That the lessee , and his and their under-lessees and under-tenants, shall not nor will at any time or times call upon the lessors to join in or contribute towards the erection or maintenance of any fences, and will keep in good repair and condition all footpaths, and will bear and perform all other burdens and duties in any way incumbent upon the owner or occupier of the said lands.

7. That the lessee shall not carry on or engage in any noxious, noisome, or offensive trade or business upon the said lands or any part thereof which may be a nuisance to the neighbourhood.

8. That the lessee shall not erect more than one dwellinghouse on any one lot, nor cut up nor subdivide the allotments into lanes or streets or in any other manner, without having first obtained the consent in writing of the lessors.

9. If the lessee shall, at any time prior to the expiration of the term hereby created, be desirous of obtaining a fresh lease of the lands hereby demised, and of such desire shall give to the lessors one calendar month's previous notice in writing terminating at least six calendar months before the expiration of the term hereby created, and if the lessee shall have duly and punctually paid all rents hereby reserved, and shall have observed and performed all the covenants and conditions on his part contained or implied, then the lessors will at the expiration of the said term execute to the lessee a fresh lease of the said lands for the term of _____ years, to commence on the expiry of the term hereby created, at a rental to be fixed by the lessors by special resolution or otherwise, as provided by "The Public Bodies' Powers Act, 1887," or any amendment thereof, such lease to contain like covenants to those contained in this present lease, and to be similar in all other respects thereto, save in so far as the same may be altered or modified by any Act of the General Assembly of New Zealand, and excepting also that such new lease shall not contain this or any covenant or condition for renewal.

10. But in case the lessee shall not within the time hereinbefore specified have signified desire to obtain such renewal lease, then and in such case, within the six calendar months previous to the expiration of the term hereby created (if such term shall not have been previously determined by forfeiture or otherwise), two separate valuations shall be made, each by two indifferent persons to be appointed in writing as follows: One by the lessors and the other by the lessee—one of such valuations to be made of all the buildings and improvements then on the said lands hereby leased, and the other of the fair annual ground-rent of the said lands only, without any buildings or improvements, for a further term of _____ years from the expiration of the term hereby granted (such rent to be an even annual sum payable throughout the term, without increasing or decreasing during the said term). Such valuers shall, before entering upon the valuations, together appoint in writing under their respective hands a third valuer, who shall be an umpire between them. The decision of such two first-appointed valuers, if they agree, or in such respects as they agree, or of such third valuer or umpire if they do not agree, or in such respects as they do not agree, shall be binding on all parties. The duty of such third valuer or umpire, on reference to him of any question under these presents, shall be to analyse the respective valuations of the two first-appointed valuers in the matters in which their valuations shall not agree, and then to make an independent and substantive valuation, which last-mentioned valuation shall be the decision of the third valuer or umpire: Provided always that in making such decision on any question referred to him the said third valuer or umpire shall in every case be bound to make a valuation not exceeding the higher or less than the lower of the valuations made by the other valuers respectively.

11. The lessors may if they think fit pay to the lessee the amount of such valuation of the buildings and improvements, in which case such buildings and improvements shall upon such payment become the exclusive property of the lessors upon the expiration of the term hereby granted.

12. But if the lessors shall not, before the expiration of the term hereby granted, pay to the lessee the amount of such valuation, then and in such cases, before the expiration of the term hereby granted, a lease of the said lands and premises for a further term of _____ years, containing such covenants and provisions as the lessees shall deem necessary or expedient, shall be put up by the lessors to public auction at the upset annual rent of the said lands as valued without buildings and improvements, subject to the payment by the purchaser at such auction of the value of the said buildings and improvements fixed by the valuers or their umpires as aforesaid. And in the event of any person or persons other than the lessee becoming the purchaser at such auction of the said lease for the said further term of _____ years, such person or persons shall forthwith pay in cash to the lessors for the benefit of the lessee the amount of the value of the buildings and improvements so fixed as aforesaid, and shall enter into a lease of the said premises for the said further term at the annual ground-rent at which the said premises shall have been so sold at such auction. And the lessors (all rent and outgoings having been previously paid) shall pay over to the lessee the amount of the value of the said buildings and improvements paid to the lessors by the purchaser without any deduction whatsoever: Provided always, and it is hereby expressly declared, that nothing in these presents contained shall be deemed to render the lessors liable to pay to the lessee all or any part of the value of any buildings or improvements upon any valuation made under the foregoing provisions, save after having received the amount thereof for his or their benefit as aforesaid.

13. If either party shall fail to appoint in writing a valuer who will consent to act, and also serve on the other party a notice in writing of such appointment having been made, within twenty-one days after being served by the other party with a notice in writing of the appointment of a valuer by such other party, then the valuer appointed by the side giving such last-mentioned notice shall make the two said valuations of buildings, improvements, and annual ground-rent alone, and such valuations shall be final and conclusive on all parties, and a similar final valuation shall be made by either of the valuers in case the other valuer shall refuse or neglect to act.

14. Any such notice as aforesaid may be served upon the lessors by being left at the office of their secretary, clerk, or other like officer, and may be served upon the lessee by being given to or left at _____ usual or last-known place of abode or business within the provincial district where the lands demised are situated, or sent addressed to _____ at such place as aforesaid through the post, or left at or affixed to the said lands or any building thereon.

15. Upon any sale as aforesaid of a lease by auction the lessors may make usual and any other fair and reasonable conditions of sale to duly and effectively carry out the intention of these presents, and in particular may provide for the payment by purchasers at the auction of a substantial deposit, and may also provide that, in the event of the purchaser refusing or neglecting to complete his purchase according to the terms and conditions thereof, he shall forfeit to the lessors such deposit and pay to the lessors as liquidated damages a sum not exceeding one-half of the total deficiency (if any) during the term of years of the rent to be paid by the new purchaser at a sub-

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

of from fourteen to twenty-one years, and contain provisions for payment of compensation for improvements to tenants, as provided by "The Public Bodies' Leaseholds Act, 1886."

W. G. MURRAY,
Commissioner of Crown Lands.

No. 7.

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

Department of Lands and Survey,
District Office, Blenheim, 11th November, 1903.

The Under-Secretary for Lands, Wellington.

Re Circular No. 597.

In reply to the above circular, I am informed by the Secretary of the School Commissioners of Marlborough that "In the majority of cases there are no formal leases executed by the School Commissioners of Marlborough. The payment of the rent half-yearly in advance, and a written promise that the value of improvements that have been made with the sanction of the Commissioners shall be added as a loading when the section is again submitted to public competition, are the only covenants existing. In a few cases, where the lease of a section has been renewed for a term of years, the tenant has been required to execute certain improvements during the currency of the extended term."

C. W. ADAMS,
Commissioner of Crown Lands.

No. 8.

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

Department of Lands and Survey,
District Office, Christchurch, 27th October, 1903.

The Under-Secretary for Lands, Wellington.

Leases granted by School Commissioners.

In reply to your Circular Memo. No. 597 of the 21st instant, asking for particulars as to the terms and conditions regarding improvements and covenants inserted in leases granted by the School Commissioners in this district, I think that the attached printed "Terms and Conditions" will supply all the information needed.

The leases have as a rule been let by tender, subject to valuation for buildings erected by the outgoing tenant. The Board renews the leases to good tenants, under section 244 of "The Land Act, 1892." Where tenants have proved unsatisfactory, the farms are submitted to public tender; but before doing so the possibility of further subdivision is considered, and, where deemed advisable, residence is made compulsory.

THOS. HUMPHRIES,
Commissioner of Crown Lands.

TERMS AND CONDITIONS OF LEASES OF EDUCATION RESERVES.

Covenants.

1. TERM of lease, fourteen years.

2. The rent to be paid in advance without demand half-yearly in Christchurch.

3. The School Commissioners reserve to themselves the right to take any portion of the demised land, not being land on which homestead or buildings are erected, not exceeding five per cent. of the acreage of the land, for school or planting purposes at any time during the term, and after such taking the rent is to be reduced at the rate of _____ per acre for the residue of the term, and the Commissioners are to forthwith fence off the land so taken.

4. The lessee must once a year properly cut, trim, and dress all live fences now on the land or which may be planted upon the land during the term, and stub out all gorse and broom not growing as fences, and also all gorse and broom growing upon the roads abutting the land to the extent of one half-chain.

5. The lessee must not take more than three crops, one of which must be a root-crop, from the same land in succession, and either with or immediately after a third crop of any kind the land must be sown down with good permanent English grasses and clovers, and be allowed to remain as pasture for at least three years from the harvesting of last crop before being again cropped. The lessee must sow for each acre the following proportion of seeds—namely, 20 lb. ryegrass, 6 lb. clover, and 4 lb. of other grass-seed.

6. At all times during the lease the land must be so farmed that not less than one-third of the farm be maintained in permanent pasture.

7. The lessee must properly sow and lay down at least one-half of the acreage of the farm with good permanent English grasses and clovers three years before the expiry of the lease, and maintain the same as permanent pasture for the residue of the term, yielding it up in good condition.

8. The lessee shall at all times during the term manage and cultivate the land in a careful, proper, and husbandlike manner, and shall not suffer the same to become exhausted or impoverished, and shall keep the same clear and free from Californian thistle, twitch, and other noxious weeds to the satisfaction of the lessors.

9. The lessee must not cut the English grass for hay or seed more than once during the period any portion may be down in grass.

10. The lessee must not burn any straw grown upon or sell any straw from the land, except its equivalent in value of manure be returned to the land.

11. The lessee must keep and deliver up all fences, ditches, drains, gates, &c., in good order and condition at expiration or sooner determination of term.

12. The lessee must once a year properly clean, clear from weed, and keep open all creeks, drains, ditches, and watercourses which now are or may be upon the land, and the lessors shall have the power at any time to enter upon and make any drain through the land that they may deem necessary.

13. In the event of the lessee failing to comply with any of the covenants hereinbefore mentioned relating to the trimming of live fences and stubbing out gorse and broom, and to the cleaning, clearing from weed, and keeping open all creeks, drains, ditches, and watercourses, and to clearing the land from Californian thistle, twitch, and other noxious weeds, it shall be lawful for the lessors from time to time to enter upon the land, or for their agents or servants, and to do such work as they may deem necessary thereon, and to recover the cost of the same from the lessee as if the same were rent in arrear.

14. The lessee is not to assign, sublet, or part with the possession of the land or any part thereof, without the previous consent in writing of the School Commissioners.

15. All buildings erected upon the land, whether attached to the freehold or not, are to be kept in good order and repair, and so delivered up to the School Commissioners at expiration or sooner determination of lease.

16. The lessee is to insure, and throughout the term is to keep insured, in the name of the School Commissioners, in their full insurable value, all buildings which may by him be erected upon the land of the value of £50 and upwards.

17. At least three calendar months before the expiry of the term all substantial buildings erected upon the land or paid for by the lessee, with the written approval of the School Commissioners, shall be valued by arbitration, the arbitrators for this purpose to be appointed in manner provided by sections 79 and 80 of "The Land Act, 1892"; and the lands demised shall only be offered for lease subject to the payment by the incoming tenant to the outgoing tenant of the valuation of the buildings so ascertained; and, in the event of the outgoing tenant obtaining a renewal of the lease at an arbitration rental, the assessment for rental shall be made by the arbitrators exclusive of the value of the buildings which may have been erected upon the land by the lessee.

18. The lease to contain a proviso for re-entry in case of the breach, non-observance, or non-performance of any of the covenants or conditions of the lease.

19. The lessee to pay all existing and future taxes, rates, assessments, and outgoings of every description in respect of the premises during the term.

20. A lease and counterpart to be prepared, embodying the above covenants and conditions, by the solicitors of the Board at the expense of the lessee.

Tenders to be addressed to the Chairman of the School Commissioners, Old Government Buildings, Christchurch, and accompanied by a cheque for the amount of the first six months' rent.

No. 9.

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

Department of Lands and Survey,

District Office, Hokitika, 3rd November, 1903.

The Under-Secretary for Lands, Wellington.

Circular No. 597.

I have the honour to acknowledge receipt of above circular, and attach hereto a statement of the procedure in connection with leases issued by the School Commissioners of this district.

G. J. ROBERTS,

Commissioner of Crown Lands.

PROCEDURE adopted by the SCHOOL COMMISSIONERS of the Provincial District of WESTLAND as to the TERMS and CONDITIONS, &c., inserted in LEASES in this District.

THE Commissioners have hitherto had no special form for leases of land for pastoral purposes.

The chief provision is usually for the protection of the improvements effected during the currency of the lease by the tenant.

The Commissioners do not incur any liability, but an incoming tenant has to pay the assessed value of the improvements referred to.

Leases in recent years have been for a term of ten years, and the usual provision for the right of entry, &c., has been inserted.

No. 10.

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

Department of Lands and Survey,

District Office, Dunedin, 29th October, 1903.

The Under-Secretary for Lands, Wellington.

In reply to your Memorandum of the 21st instant, I now forward long explanatory letter from Mr. Macandrew, Secretary to the School Commissioners, in which he supplies full particulars

of terms, conditions, &c., under which the various leases are granted by the Commissioners. I have also had typed a copy of a pastoral lease and the form used for ordinary leases for your information. These will show that the conditions are fair and reasonable; and, so far as my experience goes, the interests of the tenants have always been carefully considered by the Commissioners, who individually know the positions of the various lessees.

D. BARRON,
Commissioner of Crown Lands.

Education Reserves Office, Dunedin, 26th October, 1903.

The Commissioner of Crown Lands, Dunedin.

IN reply to your memo. of the 24th instant, I beg to say that the following are the conditions of leases issued by the School Commissioners of Otago in respect of education reserves:—

“The Public Bodies’ Powers Act 1887 Amendment Act, 1891,” under which the Otago School Commissioners administer their endowments, limits the lease to a term not exceeding twenty-one years, and in the case of town and agricultural sections the term fixed has hitherto been either fourteen or twenty-one years.

In the districts referred to in the petition eighty-nine sections are held at present on a term of fourteen years, and seventy-three sections for twenty-one years. In the case of some pastoral sections in a mining district, which are liable to be resumed at any time for mining purposes, a term of seven years has been used.

Three months prior to expiration of lease a valuation is made by the landlord and the tenant (settled in case of dispute by arbitration) of all buildings, fixtures, and fencing; and a new lease is offered by auction or tender subject to payment by the incoming tenant to the outgoing tenant of full value of improvements as so ascertained. In the event of the outgoing tenant not taking up the lease himself, and there being no other purchaser, he must either accept a new lease at a rent to be determined by arbitration or surrender his claim for valuation. In leases prior to the Commissioners coming under the Public Bodies’ Powers Act there was no such provision, and in several instances a deadlock ensued, and the Commissioners had to reduce the upset rent much below the value in order to induce the outgoing tenant to take up the land which was burdened with heavy valuation.

I enclose herewith form of lease used for agricultural sections. The form used for pastoral lands is similar, except that the land is leased subject to the provisions of “The Mining Act, 1891,” and “The Coal-mines Act, 1891,” and all timber (except such as is required for the lessee’s use) is reserved. Also, that the tenant is only allowed to cultivate for station purposes as follows: “That the lessees will use the lands as hereby demised for pastoral purposes only, and accordingly will not break up or plough the soil of the said lands or any part thereof, or in any other way alter the character of the said lands, without the previous consent in writing of the lessors: Provided always that the lessees shall be at liberty to cultivate for station purposes only, and not for sale, such reasonable area as the lessors shall approve of, such cultivation to be in manner following, that is to say: The lessees may take one white crop and one green crop off such land, which shall be then laid down with good and sound grass and clover seeds of the descriptions and proportions usually sown in the district and most suitable for the land; the land shall remain in grass for a period of three years, after which the same process of cultivation may be repeated, but so nevertheless that all such cultivation shall be subject to the inspection and approval of the lessors or their agent.”

I may say that in the case of agricultural and town lands the charge made to the tenants for preparation of their leases is 10s. 6d., in addition to stamp duty.

C. MACANDREW,
Secretary, Otago School Commissioners.

D. Barron, Esq., Commissioner of Crown Lands, Dunedin.

MEMORANDUM OF LEASE.—AGRICULTURAL LANDS.

THE School Commissioners for the Otago Provincial District (hereinafter called “the lessors”) being registered as the proprietors of an estate 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 described in the schedule hereto, and having, in exercise of and in compliance with “The Public Bodies’ Powers Act, 1887,” and “The Public Bodies’ Powers Act 1887 Amendment Act, 1891,” offered the said piece of land for leasing by public auction [or public tender]; and _____, of _____, in the Provincial District of Otago in the Colony of New Zealand, (hereinafter called “the lessee”) having become the purchaser of a lease of the said piece of land for the term, at the rent, and upon the terms, conditions, restrictions, exceptions, reservations, and covenants hereinafter appearing: Now, therefore, the lessors do, in pursuance of the powers conferred on them by the said Acts, hereby lease to the lessee all the said lands (excepting and reserving as is hereinafter excepted and reserved) to be held by the lessee as tenant for the space or term of twenty-one years (hereinafter called “the said term”) computed from the 1st day of May, one thousand _____, at the yearly rent of _____, and so in proportion for any less period than a year, payable by equal half-yearly instalments always in advance on the 1st day of May and the first day of November in each year during the said term, subject to the following covenants, conditions, restrictions, exceptions, and reservations, that is to say: The lessors except and reserve from this demise unto themselves the lessors all mines, metals, minerals, coal, lignite, limestone, slate, and freestone in, under, or upon the said lands, together with full power and free liberty for the lessors and the lessors’ agents, servants, and workmen to dig, search for, get, dress, make merchantable, and carry away, sell, and dispose of the said mines, metals, minerals, coal, lignite, limestone, slate, and freestone hereby excepted and

reserved, or any part thereof respectively, by such means and in such manner as the lessors shall think necessary, and for those purposes or any of them to erect buildings and machinery on and to enter on the said lands or any part thereof and to occupy such part thereof as shall be necessary. And the lessee doth hereby covenant with the lessors as follows, that is to say:—

1. That the lessee will pay the rent hereby reserved on the days aforesaid at the office of the lessors, at Dunedin, in the Provincial District of Otago aforesaid, or at such other place in Otago as the lessors shall from time to time appoint.

2. That the lessee will bear and pay all existing and future rates, taxes, charges, assessments, or impositions whatsoever now or hereafter payable in respect of the said lands or any improvements thereon, whether by landlord or tenant, and also the cost of the construction and repair of all fences now or hereafter on or around the said lands, and will bear and perform all other burdens or duties in any way incumbent on the owner or occupier of the said lands.

3. That the lessee will, within one year from the commencement of the said term (if the said lands are not already fenced), commence to fence in the said lands with a sufficient fence within the meaning of the laws for the time being in force relating to fencing, and shall thenceforth proceed continuously with the construction of the said fence so that the said lands shall, seven years at least before the expiration of the said term, be completely enclosed with such fence.

4. That the lessee will at all times keep the boundary and subdivision fences and gates now or hereafter erected on or around the said lands in good and substantial repair and condition.

5. That the lessee will keep all drains, ditches, watercourses, culverts, and outfalls on the said lands, or on any boundary thereof, in good and substantial repair and condition, and also thoroughly cleansed, and the said ditches at their lowest possible level, and in particular will cleanse the same once at least in every year.

6. That the lessee will once at least in every year, and not later than the 31st day of October, properly trim, and at all times keep properly trimmed, all growing or live hedges now or hereafter on or around the said lands or on any boundary thereof.

7. That the lessee will keep the said lands free from noxious weeds of every description, and in particular will eradicate from the said lands and any roads adjoining the same all gorse, sweet-briar, or broom now or hereafter existing thereon.

8. That the lessee will commence to cultivate the said lands within one year from the commencement of the said term, and will thenceforth proceed continuously to bring under cultivation, so far as practicable and the nature of the land admits, the whole of the said lands, so that the same shall, five years at least before the expiration of the said term, be brought under cultivation, and will carry on such cultivation according to the usual rules of good husbandry in the district, and in particular will not take more than three crops in succession out of any part of the said lands; and that if the lessee shall take three crops in succession out of any part of the said lands, one of such crops shall be a green crop, and after such three crops shall have been so taken in succession will sow down in grass the land so cropped, and permit the same to remain in pasture for a period of at least four years, and a crop of grass-seed shall be deemed to be a white crop for the purposes of this clause.

9. That the lessee will, at the expiration by effluxion of time or other sooner determination of the said term, leave so much of the said lands as shall at any time previously have been broken up, excepting those parts thereof occupied as a garden or orchard, sown down in a good and husbandmanlike manner with good and sound grass and clover seeds of such descriptions and proportions as shall, prior to the sowing-down thereof, have been approved of by the lessors or their agent.

10. That if the lessee shall make default in the payment of the said rent, or any part thereof, the lessee will pay unto the lessors interest on all rent so in arrear, from the day on which the same ought to have been paid until the actual payment thereof, at the rate of £8 per centum per annum, and such interest shall be paid at the times and place appointed for payment of the said rent; and in case of non-payment of the said interest, or of any part thereof, the lessors may recover the same by action or distress or in any other lawful way in like manner as if the same were rent in arrear, but this covenant shall not in any wise prejudice or affect the other rights or remedies of the lessors hereunder.

11. That the lessee will at the expiration of the said term leave on the said lands all straw and manure grown or made respectively thereon during the last year of the said term.

12. That the lessee will not assign, sublet, or in any way part with the possession of the said lands or any part thereof, or encumber the interest of the lessee therein, without the previous written consent of the lessors.

And it is hereby agreed and declared by and between the lessors and the lessee as follows: That, notwithstanding anything to the contrary herein contained, the lessee may at any time during the said term take out of the said lands such coal, lignite, limestone, and building material as the lessee may require for the lessee's own use on the said lands. And also that, three calendar months previous to the expiration by effluxion of time of the term hereby granted, the value of all buildings, fixtures, and fencing then on the said lands shall be ascertained and determined in case of dispute by arbitration in manner hereinafter provided; and that, unless a renewed lease of the said lands shall be granted to the lessee in the manner hereinafter provided, the lessee shall be entitled to receive the amount of the value of such buildings, fixtures, and fencing so ascertained and determined as aforesaid from the incoming tenant of the said lands. And the lessors shall not allow any person to whom the lessors may let the said lands or any part thereof to enter into possession thereof unless and until such person shall pay to the lessee, or secure to the satisfaction of the lessee, the amount of the value of such buildings, fixtures, and fencing as aforesaid: Provided always, and it is hereby expressly agreed and declared, that if and whenever default shall be made in payment of the said rent or any part thereof for six calendar months (whether any formal or legal demand shall have been made for payment thereof or not),

or in the due performance or observance of any of the covenants by the lessee, or conditions, whether positive or negative, herein contained, expressed, or implied, then and in any such case it shall be lawful for the lessors to re-enter into and upon the lands hereby demised, or any part thereof in the name of the whole, and thereby determine the said term; and in case of any such re-entry the lessee shall not be entitled to receive any valuation or sum whatsoever for or in respect of any buildings, fixtures, or fencing on the said lands or any part thereof, and any such re-entry shall in nowise prejudice the right of the lessors to recover any rent then due or payable, or any right of distress, action, or suit that may have arisen under these presents prior to such re-entry: Provided also, and it is hereby agreed and declared, that the lessors may from time to time during the said term resume possession of any part or parts of the said lands which may be required as a site for a public school or for a road or roads, and that in case possession of any part or parts of the said lands shall be resumed as aforesaid the covenants, powers, provisoes, and conditions herein contained, expressed, or implied with reference to the whole of the said lands shall, so far as the same may be applicable, continue in force and apply to such part of the same as shall from time to time be left in the possession of the lessee in the same manner as if such part only had been originally included in these presents, but except as aforesaid no such resumption of possession shall affect these presents or anything herein contained. And it is hereby also agreed and declared between and by the lessors and the lessee that if, after a lease of the said lands shall have been offered for sale in manner provided by "The Public Bodies' Powers Act, 1887," or any statutory modification or re-enactment thereof, no person shall, at the expiration by effluxion of time of the term hereby granted, have become entitled to a lease of the said lands for a further term of twenty-one years from the expiration of the term hereby granted, and containing or to contain the like covenants, conditions, powers, exceptions, reservations, and provisions as are herein contained, including this present agreement for renewal and all clauses auxiliary or incidental thereto, then the lessors shall grant the lessee and the lessee shall accept a renewed lease of the said lands for a further term of twenty-one years from the expiration of the term hereby granted at an annual rent determined by arbitration in manner hereinafter provided; and such renewed lease shall contain the like covenants, conditions, powers, exceptions, reservations, and provisions as are contained in these presents, including this present agreement for renewal and all clauses auxiliary or incidental thereto: Provided always, and it is hereby also agreed, that if the lessee shall assign, surrender, and release unto the lessors all claims of the lessee to the payment of valuation or other money for or in respect of all such buildings, fixtures, and fencing as aforesaid, and release the lessors from all other the rights of the lessee hereunder, the lessee shall thereupon stand and be freed and discharged from the liability to accept any such renewed lease as aforesaid. And it is hereby also agreed between the lessors and the lessee that the amount of the annual rent to be payable under any renewed lease granted or to be granted in pursuance of the agreement in that behalf hereinbefore contained, and every dispute or difference which shall arise between the lessors and the lessee as to the value of any buildings, fixtures, or fencing as aforesaid, or the rights or liabilities of the lessors or lessee hereunder, or as to any other matter or thing herein contained, expressed, or implied, shall be referred to the arbitration and determination of two indifferent persons, one to be appointed by the lessors and the other by the lessee; and in case the said arbitrators shall fail to agree upon an award within twenty-one days after their appointment, then of an umpire to be chosen and appointed by the said arbitrators in writing before entering upon the business of such reference, and that if either party shall for seven days refuse or neglect to appoint an arbitrator as aforesaid, and also serve on the other party a notice in writing of such appointment having been made after having been requested in writing so to do by such other party, or shall appoint an arbitrator who shall for seven days after his appointment refuse or neglect to join in appointing an umpire as aforesaid, or who shall refuse or neglect to act in any of the said arbitrations, then and in any and every such case the arbitrator appointed by the other party shall proceed to determine the matters in difference as if he were an arbitrator appointed by both parties for that purpose, and that the award or determination which shall be made by the said arbitrators, arbitrator, or umpire, respectively as aforesaid shall be final and binding upon the lessors and the lessee, and that the said arbitrators, arbitrator, or umpire respectively shall have full power and authority to decide all questions which may arise in the course of the said arbitration according to the true intent and meaning of these presents, and the costs of every such reference and award shall be borne and paid by the lessors and the lessee in equal shares. And that these presents and every or any such reference, submission, and award may be made a rule or order of the Supreme Court of New Zealand at the instance of either the lessors or the lessee, and with or without notice to the other of them. And also that any notice or request to appoint or notice of appointment of an arbitrator as aforesaid may be served on the lessors by being left at the office of the secretary of the lessors, and may be served on the lessee personally or by leaving the same at or upon or affixing the same to the said lands or any part thereof or any building thereon, it being a condition that all buildings and fixtures erected on the land during the currency of this lease (other than fencing) must be approved of by the lessors prior to erection, otherwise no valuation will be allowed for same.

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 for letting or in obtaining a tenant therefor. And that the lessors shall not in any case be liable to pay any part of the value of the said buildings, fixtures, or fencing, or for or in respect of the non-payment thereof or any part thereof by an incoming tenant.

And it is hereby lastly agreed and declared between the lessors and the lessee that the covenants, powers, and provisions implied in leases by "The Land Transfer Act, 1885," or any Act passed in amendment thereof or in substitution therefor, shall be negatived or modified in

respect of this lease in so far as the same are or may be inconsistent with the modifications hereby made or the covenants, powers, or provisions herein expressed.

I [We] , of , in the Provincial District of Otago, in the Colony of New Zealand, , do hereby accept this lease of the above-described lands to be held by as tenant , and subject to the conditions, restrictions, exceptions, reservations, and covenants above set forth and herein implied.

Dated this day of , one thousand

The Common Seal of the School Commissioners for the Otago Provincial District (as lessors) was hereunto affixed in the presence of—

, School Commissioners for the Otago Provincial District,
Lessors.

, Lessee .

Signed by the above-named , as lessee , in the presence of—

[Signature, Occupation, and Address of Witness.]

The Schedule before referred to.

All that parcel of land situate in the of , in the Provincial District of Otago aforesaid, containing , be the same a little more or less, being of the land included in certificate of title whereof the duplicate is recorded in Vol. , folio , of the Register-books of the Land Transfer Office at , and being section numbered .

MEMORANDUM OF LEASE.

THE School Commissioners for the Otago Provincial District (hereinafter called "the lessors"), being registered as the proprietors of an estate 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 described in the schedule hereto, and having, in exercise of and in compliance with "The Public Bodies' Powers Act, 1887," and "The Public Bodies' Powers Act 1887 Amendment Act, 1891," offered the said piece of land for leasing by public auction, and and , of , in the Provincial District of Otago, in the Colony of New Zealand, (hereinafter called "the lessees"), having become the purchasers of a lease of the said piece of land for the term, at the rent, and upon the terms, conditions, restrictions, exceptions, reservations, and covenants hereinafter appearing: Now, therefore, the lessors do, in pursuance of the powers conferred on them by the said Acts, hereby lease to the lessees all the said lands (excepting and reserving as is hereinafter excepted and reserved), to be held by the lessees as tenants for the space or term of twenty-one years (hereinafter called "the said term"), computed from the , one thousand , at the yearly rent of , and so in proportion for any less period than a year, payable by equal half-yearly instalments always in advance on the 1st day of and the 1st day of in each year during the said term, subject, nevertheless, to the provisions of "The Mining Act, 1891," and "The Coal-mines Act, 1891," or any amendment or re-enactment thereof respectively, so far as the same may in any way authorise the occupation of the said lands or any part thereof for mining purposes, and subject also to the following covenants, conditions, restrictions, exceptions, and reservations, that is to say: The lessors except and reserve from this demise unto themselves the lessors all mines, metals, minerals, coal, lignite, limestone, slate, and freestone, timber and other trees, wood and underwood, in, under, or upon the said lands, together with full power and free liberty for the lessors and the lessors' agents, servants, tenants, and workmen to dig, search for, get, dress, make merchantable, cut, fell, and carry away, sell, and dispose of the said mines, metals, minerals, coal, lignite, limestone, slate, freestone, timber and other trees, wood and underwood, hereby excepted and reserved, or any part thereof respectively, by such means and in such manner as the lessors shall think necessary, and for those purposes or any of them to erect buildings and machinery on and to enter on the said lands or any part thereof, and to occupy such part thereof as shall be necessary. And the lessees do hereby for themselves, and each of them doth hereby for himself, covenant with the lessors as follows, that is to say:—

1. That the lessees will pay the rent hereby reserved on the days aforesaid at the office of the lessors at Dunedin, in the Provincial District of Otago aforesaid, or at such other place in Otago as the lessors shall from time to time appoint.

2. That the lessees will bear and pay all existing and future rates, taxes, charges, assessments, or impositions whatsoever now or hereafter payable in respect of the said lands, or any improvements thereon, whether by landlord or tenant, and also the cost of the construction and repair of all fences now or hereafter erected on or around the said lands, and will bear and perform all other burdens or duties in any way incumbent on the owner or occupier of the said lands.

3. That the lessees will, during every second year at least of the said term, trim, and at all times during the said term keep trimmed, all growing or live hedges which may be on or around the said land or on any boundary thereof; and will prevent gorse, sweetbriar, or broom from spreading on the said lands or on any roads adjoining or intersecting the same; and will forthwith eradicate such gorse, sweetbriar, or broom as may have so spread now or at any time during the said term.

4. That the lessees will during the said term keep all fences now or hereafter erected on or around the said lands in good and substantial repair and condition, and so leave and yield up the same at the expiration by effluxion of time or other sooner determination of the said term, ordinary wear-and-tear thereof and damage by fire or other inevitable accident excepted

5. That if the lessees shall make default in the payment of the said rent or any part thereof, the lessees will pay unto the lessors interest on all rent so in arrear, from the day on which the same ought to have been paid until the actual payment thereof, at the rate of £8 per centum per annum, and such interest shall be paid at the times and place appointed for payment of the said

rent, and in case of non-payment of the said interest or of any part thereof the lessors may recover the same by action or distress or in any other lawful way in like manner as if the same were rent in arrear, but this covenant shall not in any wise prejudice or affect the other rights or remedies of the lessors hereunder.

6. That the lessees will use the lands hereby demised for pastoral purposes only, and accordingly will not break up or plough soil of the said lands or any part thereof, or in any other way alter the character of the said lands, without the previous consent in writing of the lessors: Provided always that the lessors shall be at liberty to cultivate for station purposes only, and not for sale, such reasonable areas as the lessors shall approve of, such cultivation to be in manner following, that is to say: The lessees may take one white crop and one green crop off such land, which shall then be laid down with good and sound grass and clover seeds of the descriptions and proportions usually sown in the district and most suitable for the land; the land shall remain in grass for a period of three years, after which the same process of cultivation may be repeated, but so, nevertheless, that all such cultivation shall be subject to the inspection and approval of the lessors or their agent.

7. That the lessees will not assign, sublet, or in any way part with the possession of the said lands or any part thereof, or encumber the interest of the lessees therein, without the previous written consent of the lessors. And it is hereby agreed and declared by and between the lessors and the lessees as follows: That, notwithstanding anything to the contrary herein contained, the lessees may at any time during the said term take out of the said land such coal, lignite, limestone, and building materials as the lessees may require for the lessees' own use on the said lands, and may also cut and fell timber and other trees, wood and underwood, on the said lands for firewood and fencing on the said lands only. And also that, three calendar months previous to the expiration by effluxion of time of the term hereby granted, the value of all buildings, fixtures, and fencing then on the said lands, and which, in the case of those built, erected, or fixed by the lessees during the term hereby granted, shall previously to the building, erection, or fixing thereof have been approved of in writing by the lessors, shall be ascertained and determined in case of dispute by arbitration in manner hereinafter provided, and, unless a renewed lease of the said lands shall be granted to the lessees in the manner hereinafter provided, the lessees shall be entitled to receive the amount of the value of such buildings, fixtures, and fencing so ascertained and determined as aforesaid from the incoming tenant of the said lands, and the lessors shall not allow any person to whom the lessors may let the said lands or any part thereof to enter into possession thereof unless and until such person shall pay to the lessees, or secure to the satisfaction of the lessees, the amount of the value of such buildings, fixtures, and fencing as aforesaid: Provided always, and it is hereby expressly agreed and declared, that if and whenever default shall be made in payment of the said rent or any part thereof for the space of one calendar month (whether any formal or legal demand shall have been made for payment thereof or not), or in the due performance or observance of any of the covenants by the lessees, or conditions, whether positive or negative, herein contained, expressed, or implied, then and in any such case it shall be lawful for the lessors to re-enter into and upon the lands hereby demised, or any part thereof in the name of the whole, and thereby determine the said term; and in case of any such re-entry the lessees shall not be entitled to receive any valuation or sum whatsoever for or in respect of any buildings, fixtures, or fencing on the said lands or any part thereof; and any such re-entry shall in no wise prejudice the right of the lessors to recover any rent then due or payable, or any right of distress, action, or suit that may have arisen under these presents prior to such re-entry: Provided also, and it is hereby agreed and declared, that the lessors may from time to time during the said term resume possession of any part or parts of the said lands which may be required as a site for a public school, or for a road or roads, and that in case possession of any part or parts of the said lands shall be resumed as aforesaid the covenants, powers, provisoes, conditions, and agreements herein contained, expressed, or implied with reference to the whole of the said lands shall, so far as the same may be applicable, continue in force and apply to such part of the same as shall from time to time be left in the possession of the lessees in the same manner as if such part only had been originally included in these presents, but except as aforesaid no such resumption of possession shall affect these presents or anything herein contained. And it is hereby also agreed and declared between and by the lessors and the lessees that if after a lease of the said lands shall have been offered for sale in manner provided by the said Acts, or any statutory modification or re-enactment thereof, no person shall, at the expiration by effluxion of time of the term hereby granted, have become entitled to a lease of the said lands for a further term of twenty-one years from the expiration of the term hereby granted, and containing or to contain the like covenants, agreements, conditions, powers, exceptions, reservations, and provisions as are herein contained, including this present agreement for renewal, then the lessors shall grant to the lessees and the lessees shall accept a renewed lease of the said lands for a further term of twenty-one years from the said expiration of the term hereby granted, at an annual rent determined by arbitration in manner hereinafter provided, and such renewed lease shall contain the like covenants, agreements, conditions, powers, exceptions, reservations, and provisions as are contained in these presents, including this present agreement for renewal and all clauses auxiliary or incidental thereto: Provided always, and it is hereby also agreed, that if the lessees shall assign, surrender, and release unto the lessors all claims of the lessees to the payment of valuation or other money for or in respect of all such buildings, fixtures, and fencing as aforesaid, and release the lessors from all other the rights of the lessees hereunder, the lessees shall thereupon stand and be freed and discharged from the liability to accept any such renewed lease as aforesaid; and it is hereby also agreed between the lessors and the lessees that if any difference shall during the said term arise between the lessors and the lessees as to the boundary of the lands hereby demised, or any part thereof, such boundary shall be ascertained and determined at the cost of the lessees by an authorised surveyor to be appointed by the lessors, and also that the annual rent to be payable

"The Public Bodies' Powers Act 1887 Amendment Act, 1891," under which the Otago School Commissioners administer their endowments, limits the lease to a term not exceeding twenty-one years, and in the case of town and agricultural sections the term fixed has hitherto been either fourteen or twenty-one years. In the case of some pastoral sections in a mining district, which are liable to be resumed for mining purposes, a term of seven years has been used.

Three months prior to expiration of lease a valuation is made by the landlord and the tenant (settled in case of dispute by arbitration) of all buildings, fixtures, and fencing, and a new lease is offered by auction or tender, subject to payment by the incoming tenant to the outgoing tenant of full value of improvements as so ascertained. In the event of the outgoing tenant not taking up the lease himself, and there being no other purchaser, he must either accept a new lease at a rent to be fixed by arbitration or surrender his claim for valuation. In leases issued prior to the Commissioners coming under the provisions of the Public Bodies' Powers Act there was no such provision, and in several instances a deadlock ensued, and the Commissioners had to reduce the upset rent much below the value in order to induce the outgoing tenant to take up the land which was burdened with heavy valuation.

I enclose herewith form of lease used for agricultural purposes [same as that for Otago Land District: see page 17]. The form used for pastoral land is similar, except that the land is leased subject to the provisions of "The Mining Act, 1891," and "The Coal-mines Act, 1891"; and all timber (except such as is required for the lessee's use) is reserved. Also that the tenant is only allowed to cultivate for station purposes, as follows: "That the lessees will use the land as hereby demised for pastoral purposes only, and accordingly will not break up or plough the soil of the said lands or any part thereof, or in any other way alter the character of the said lands, without the previous consent in writing of the lessors: Provided always that the lessees shall be at liberty to cultivate for station purposes only, and not for sale, such reasonable area as the lessors shall approve of, such cultivation to be in manner following, that is to say: The lessees may take one white crop and one green crop off such land, which shall then be laid down with good and sound grass and clover seeds of the descriptions and proportions usually sown in the district and most suitable for the land; the land shall remain in grass for a period of three years, after which the same process of cultivation may be repeated, but so, nevertheless, that all such cultivation shall be subject to the inspection and approval of the lessors or their agent."

I may say that in the case of agricultural and town lands the charge made to the tenants for the preparation of their leases is 10s. 6d., in addition to stamp duty.

C. MACANDREW,
Secretary, Otago School Commissioners.

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