

85. In the case of estates the gross value of which does not exceed £400 the Public Trustee is empowered to file an election to administer in lieu of adopting the usual and more formal and expensive method of applying for probate and administration. The filing of the election operates in the same manner as a grant of probate or administration duly made by a Court, and constitutes the Public Trustee personal representative of the deceased person. During the past year there were 573 elections filed, the number in the previous year amounting to 625.

MORTGAGE DIVISION.

86. During the past year the work on this Division has been exceptionally heavy, the total investments made during the year amounting to £3,180,533.

Included in the above total are advances made to private mortgagors amounting to £1,880,978, and to local bodies amounting to £791,287. The total interest collected from investments was £853,463. As an indication of the magnitude of the Office operations so far as advances are concerned it is to be noted that at the present time the total investments amount to £22,106,190.

87. One outstanding feature in connection with the operations during the year has been the large increase in the number of applications for loans on house property, and where the proffered securities have been suitable the Investment Board has granted advances on instalment tables.

88. Owing to the passing of the Mortgages Final Extension Act, 1924, the demand for advances for the purpose of repaying existing loans has increased largely. Now that the Mortgages Extension Act has been finally dealt with the financial position so far as the effects of the moratorium are concerned can be better gauged. It is now apparent that during the existence of the moratorium little difficulty was experienced in refinancing mortgages which showed a reasonable margin of security, and it is only where mortgages have been accepted for balance of purchase-money on properties which have been sold at a price much above their producing-value that any difficulty has been found in adjusting finance. This remark also applies to cases where properties have been sold at an excessive value under agreement for sale and purchase.

In this connection it would appear that in order to allow the mortgagors an opportunity to retain the land purchased by them it would be necessary for the vendors to make a considerable reduction in their mortgages so as to enable the purchasers to put their finances on a sound basis. So far as the Mortgages Final Extension Act, 1924, is concerned, only seventeen mortgagors having loans from the Common Fund and superannuation funds under the control of the Public Trustee applied to the Court for extension orders under the above-mentioned Act. In most cases satisfactory terms were arranged between the mortgagor and the Public Trustee, thus avoiding the necessity of having the respective matters decided by the Court. In a few remaining cases where circumstances did not warrant an extension of time being granted the Public Trustee had no option but to oppose the mortgagor's application.

89. Although financial conditions in the Dominion during the early part of the year were generally good, there was then and has been since a decided reluctance on the part of private lenders to make advances on "broad acres" unless the security has been absolutely gilt-edged, and this has had the effect of making those in need of money for farming purposes turn to the Government lending institutions for the necessary assistance. Even the rapid rise in the price of wool in the early part of the season did not restore confidence in the minds of private lenders so far as making advances on farm securities is concerned.

RENEWAL OF COMMON FUND MORTGAGES.

90. The number of renewals of maturing mortgages granted by the Public Trust Office Investment Board during the year was 421, representing investments to the value of £2,017,013.

RELEASE OF MORTGAGES.

91. The number of releases and partial releases granted by the Public Trust Office Investment Board during the year was 102, representing an amount of £104,182.