

Mr. E. H. Taylor.

PROPERTY LAW AMENDMENT.

ANALYSIS.

Title.	arbitration. Default in payment of purchase-money. Determination of lease.
1. Short Title.	Part XIII of Land Act to apply to right of purchase by lessee.
2. Owner of lease may purchase fee-simple. Capital value determined by valuation or	

A BILL INTITULED

AN ACT to amend the Property Law Act, 1908.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Property Law Amendment Act, 1910, and shall form part of and be read together with the Property Law Act, 1908.

Short Title.

2. (1.) The owner of a lease for a term not less than seven years shall have a right at any time during the existence of the lease to purchase the fee-simple of the land comprised in the lease at a price equal to the capital value of the said land at the date of the commencement of the lease.

Owner of lease may purchase fee-simple.

(2.) The said capital value shall be determined by valuation or arbitration in the manner provided in this section, and shall include the value of all minerals other than gold and silver, but shall not include the value of any improvements placed on the land during the continuance of the lease.

Capital value determined by valuation or arbitration.

(3.) The right of purchase hereby conferred shall be exercised by giving to the lessor a notice in writing of the intention of the lessee to purchase the land.

(4.) The delivery of such notice shall constitute a contract between the lessee and the lessor for the purchase and sale of the said land at a price equal to the capital value of the said land according to the valuation made under the Valuation of Land Act, 1908, and in force at the date of the commencement of the lease, or if the date of such commencement was before the seventeenth day of October, eighteen hundred and ninety-six (the date of the coming into operation of the Government Valuation of Land Act, 1896), then at a price equal to the said capital value as determined by arbitration, and the full purchase-money of the said land shall be due and payable by the purchaser within one year after the date of the said notice, or within such longer period as may be agreed between the lessor and the lessee.

Default in payment
of purchase-money.

(5.) If the lessee makes default in the payment of the said purchase-money, the lessor may in his discretion cancel and determine the said contract of purchase, but such cancellation shall not prevent the lessee or his assigns, at any time thereafter during the existence of the lease, from giving a further notice of intention to purchase, and on such notice the same proceedings may be taken as in respect of a first notice. 5

(6.) All costs and expenses incidental to the exercise of the right of purchase conferred by this section shall be paid and borne by the lessee. 10

Determination of
lease.

(7.) On the completion of such purchase the lease shall determine, but the fee-simple so purchased shall be subject to any right, title, interest, or incumbrance which is vested in any person other than the lessee, and by which at the time of such completion the lease is affected. 15

Part XIII of
Land Act to
apply to right of
purchase by lessee.

(8.) The provisions of Part XIII of the Land Act, 1908, as to the limitation of areas shall apply to the exercise of a right of purchase under this section as if the purchaser were not already in occupation of the land in respect of which the right of purchase exists.

(9.) Where a lease contains a provision for renewal, the maximum term for which a renewed lease may be granted shall for the purposes of this Act be added to the term of the original lease, and if the terms of the original lease and the renewed lease together are not less than seven years, then the original lease shall be deemed to be for a term not less than seven years, and this Act shall apply accordingly. 20 25

(10.) This Act applies to leases granted either before or after the passing of this Act.