

11. A mortgagor may reduce his mortgage debt by payment of a sum of not less than £100, and upon payment being made the unpaid balance of the said debt may be reduced accordingly. A memorandum of adjustment adjusting the half-yearly charges shall be registered, and shall be deemed to vary the terms of the original mortgage to the extent stated in the memorandum of adjustment.

12. It shall not be lawful for any applicant to pay or promise to pay to a vendor any sum or sums in excess of the purchase-price as ratified by the Board or to secure by means of promissory notes or other documents, instruments, or securities the payment of any such sum. If any such payment or promise to pay is made in contravention of this clause the Board shall immediately reject the application; or if an advance shall have been made the Board may immediately call up and demand payment of all advances, together with interest thereon, up to and including the date of payment.

13. No advance shall be made pursuant to this Part of these regulations except upon execution by the vendor of a registrable memorandum of transfer to the applicant of the land.

14. (a) For every application for consent to the transfer of the estate or interest of any mortgagor of any property subject to a mortgage for advances under this Part of these regulations shall be paid a fee of £1 1s.

(b) There shall be paid on every occasion of the production of certificates of title held by the Commissioner a fee of 5s. for the first title and 2s. for each subsequent title.

PART II.

*Advances for the Development of Land purchased under Section 3 of the Land Laws Amendment Act, 1932.*

Interpretation.—In this Part of these regulations “ Board ” means the Lands Development Board constituted under Part I of the Land Laws Amendment Act, 1929.

15. (1) For the purpose of assisting the purchasers of undeveloped land acquired under Part I of these regulations in the development of their holdings the Board may, on the application of the purchaser, authorize the making of advances for the erection of buildings on such land, or for the clearing, draining, fencing, cultivation, grassing, or general improvement thereof. The decision of the Board that any lands are or are not undeveloped within the meaning of this clause shall be final.

(2) No moneys shall be advanced under this Part of these regulations unless and until the Board has received a report on the application from the Land Board of the district in which the land to which the application relates is situated.

(3) No advance shall be made under this Part of these regulations of an amount exceeding 80 per centum of the estimated value of the completed improvements to effect which the advance is made.

16. (1) The amount of any advance for improvements may be paid from time to time by progress payments.

(2) Applications for advances for improvements shall be made on the proper form, and shall be lodged with the Commissioner, together with a valuation fee of £2 2s.: Provided that in the case of any application made in respect of a newly purchased property no fee shall be payable.

(3) If the application is refused without a valuation of the proposed security having been made, the fee so paid shall be refunded.

(4) Advances shall be made on current account and shall bear interest at the rate of 6 per centum per annum, and shall be secured by mortgage in such form, and containing such conditions, as the Minister may from time to time approve.

17. (a) On the cessation of progress payments in respect of advances for improvements the amount owing in respect of such advances may be discharged from the flat mortgage securing such advances, and the amount so discharged shall thereupon be secured by an instalment mortgage over the land in such form and containing such conditions as the Minister may from time to time approve.

(b) All moneys so secured by the last-mentioned mortgage, together with interest thereon at the rate of 6 per centum per annum, shall be repayable by half-yearly instalments over a period of thirty-six years and a half. Every instalment shall consist partly of interest and partly of principal, and shall be calculated and apportioned in accordance with the table in the Second Schedule to these regulations.

(c) The provisions of clauses 9, 10, and 11 of these regulations shall apply to all mortgages executed pursuant to this clause.

18. As an alternative to the execution of a fresh mortgage as provided in clause 17 hereof, the Board may require any advances made for the purpose of effecting improvements to be added to the balance of the principal sum secured by the mortgage under Part I hereof, and the instalments payable thereunder shall be increased accordingly. A memorandum of adjustment adjusting the half-yearly charges shall be registered and shall be deemed to vary the terms of the original mortgage to the extent stated in the memorandum of adjustment.

PART III.

*Advances for the Purchase of Stock and Chattels pursuant to Sections 7 and 14 of the Land Laws Amendment Act, 1929, as amended by Section 10 of the Land Laws Amendment Act, 1932.*

Interpretation.—In this Part of these regulations “ Board ” means the Lands Development Board constituted under the Land Laws Amendment Act, 1929.

19. (1) The Board may, on the application of the lessee or licensee of undeveloped Crown land or settlement land or of the owner of the fee-simple of land in respect of which an advance has been made pursuant to Part I of these regulations, authorize the making of advances for the purchase of live-stock and chattels. The Board shall be the sole judge of the eligibility or otherwise of an applicant under this Part of these regulations to receive such advances.

(2) No advance under this Part of these regulations shall exceed 60 per centum of the estimated value of the stock and chattels upon the security of which the advance is made.

(3) All moneys advanced under this Part of these regulations shall bear interest at the rate of 6 per centum per annum, payable half-yearly on the first days of January and July in each and every year, and shall be secured by an instrument by way of security duly registered under the Chattels Transfer Act, 1924, and shall be collaterally secured by a memorandum of mortgage over the applicant's interest in the land. Such instrument and memorandum of mortgage shall be in such form and contain such conditions as may from time to time be approved by the Minister.

(4) All moneys advanced as aforesaid shall be deemed to be on current account, and shall be repayable on demand, or, if no demand is made, then at the expiration of a period of five years from the date of making the first advance: Provided that the Board may in its discretion extend the period for repayment by a further term not exceeding five years, and may make such conditions as it thinks fit in regard to the reduction of the indebtedness by periodical payments on account of principal.

(5) Applications for advances under this Part of these regulations shall be made in writing to the Commissioner, and shall be accompanied by a fee of £1 1s. to cover cost of valuation and other expenses: Provided that if no valuation is made or expense incurred in connection with the application the fee so paid shall be refunded.

GENERAL REGULATIONS APPLICABLE TO PARTS I, II, AND III HEREOF.

20. For the purposes of these regulations, unless the context otherwise requires,—

“ Commissioner ” means Commissioner of Crown Lands for the land district in which is situated the land affected by the subject matter:

“ Minister ” means the Minister of Lands.

21. All mortgages or other deeds or documents securing repayment of advances or discharging, renewing, or varying any mortgages or other documents as provided in these regulations shall be prepared by such solicitors or other persons as the Dominion Land-purchase Board (in the case of advances under Part I hereof) or the Lands Development Board (in the case of advances under Parts II and III hereof), may from time to time designate.

22. The costs and fees for the preparation and completion of mortgages and other documents shall be determined in accordance with the scale set forth in the First Schedule to these regulations and shall be paid by the mortgagor.

23. All powers conferred upon his Majesty the King as mortgagee by any mortgage to secure repayment of moneys as advanced under these regulations, or pursuant to any law as such mortgagee, may be exercised in his name by the Commissioner, and all actions and proceedings for the recovery of moneys advanced or interest thereon may be taken by the said Commissioner in his own name.

24. All costs, stamp duties, registration fees, and other disbursements in connection with any transfer, mortgage, instrument, or other document prepared pursuant to these regulations shall be paid by the applicant.

25. It shall not be lawful for any person acting as solicitor or agent for any applicant for a loan hereunder to charge any procuration fee in respect thereof.

THE FIRST SCHEDULE HEREINBEFORE REFERRED TO.

*Scale of Costs and Fees for Mortgages.*

	£	s.	d.
Law costs of perusing title, and of preparing, completing, and registering mortgage (exclusive of cash disbursements, if any)—			
For advance under Part I of regulations ..	2	2	0
For advance under Part II of regulations ..	1	11	6
For mortgage upon conversion from flat mortgage ..	1	11	6
For flat mortgage under Part III of regulations ..	1	11	6
Law costs of preparing, completing, and registering instrument by way of security, exclusive of cash disbursements, if any—			
All instruments under Part III of regulations ..	1	11	6