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## HOW TO BECOME THE OWNER OF YOUR FARM.

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### WHY IRISH LANDLORDS SHOULD SELL

AND

### IRISH TENANTS SHOULD PURCHASE,

AND

### HOW THEY CAN DO IT UNDER THE LAND ACT OF 1881.

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THE following originally appeared in the columns of the *Freeman's Journal*. The articles attracted so much attention and gave in so clear a manner the necessary information as to how an Irish farmer may become his own landlord, that they are now reprinted in a more permanent form, in compliance with a very general demand :—

Nov., 1881.

#### I.

*All parties agree that a Peasant Proprietary is desirable.*

AMID all the uncertainties of the present crisis in Ireland, amid the turmoil arising from the fierce struggle between landlord and tenant, which has now entered on its most angry phase, it would be well for such of the combatants as have not, in the fury of the fight lost all their judgment, to pause and ask themselves whether it is still possible to find an issue, honourable and profitable to both sides, instead of locking each other in a death embrace, from which one of the antagonists may, perhaps, escape victorious, but only at the cost of grievous wounds. The question about which the fight now rages fiercely is that of rent—one host proclaiming that no rent whatever shall be paid, the other declaring that rent to the very last shilling shall be exacted ; while hovering between the two opposing forces stand those who ask not that all rent shall be repudiated, but only that existing rents shall be moderated through the intervention of the Land Commission. We would earnestly ask all the contending parties, the two irreconcilable extremes as well as the moderate centre, to reflect for a moment that the Irish Land Commission has another duty entrusted to it besides that of fixing rents, a duty the successful performance of which will lead to more important benefits to this country than could spring from the mere settlement of existing rents, no matter how radical the change involved in that settlement may be. To the Irish Land Commission has been confided the task of bringing about peacefully in Ireland that which was won by revolution in France, that which was established by Conservative statesmen in Prussia—an occupying or peasant proprietary.



Let Irishmen of every degree, landlord and tenant, peer and peasant, ask themselves this question—is it not to their interest that such a proprietary should be created? and if the answer be in the affirmative, will they not, as wise and patriotic men, join in an effort to bring it about? Does the Irish tenant doubt that it would be for his advantage that he should be enabled to purchase the fee-simple of his holding, and thus become the absolute proprietor instead of the mere hirer of the land which he tills and of the home with which all the recollections of his life are associated? If he doubts it, then he doubts the doctrine which Davitt unfolded at Irishtown, and for the teaching of which that far-seeing man founded the Irish National Land League—the most widespread, the most powerful, and in its effects, we believe, the most enduring organization of our time; if he doubts it, then have Parnell and Dillon and Davitt laboured and suffered in vain. But in truth there is not, we believe, in Ireland a single tenant who doubts it. Strangers, whom the agitation of the last couple of years has attracted to Ireland to study the Land Question on the spot, have been amazed at the keen intelligence which the Irish peasant has shown in following the discussions both in and out of Parliament upon the question; and it is impossible to suppose that men to whom the arguments of the Land League Leaders are familiar as household words should have failed to grasp the principle which the Land League was founded to teach—the principle, namely, that Irish tenants should strive and strive until they were put in a position to purchase out and out their holdings, so that they should be owners and free men instead of being tenants and slaves.

The desirability of the change will be cordially admitted by every Irish tenant, the desirability not alone from the point of view of his own comfort and prosperity and freedom, but also because in effecting the change he will give proof of his loyalty to the principles of the organization by which the means of bringing about the change have been won. The only doubt upon the mind of the Irish tenant is whether the means of accomplishing the change have yet been placed within his reach. We believe, if the Irish landlords really know their own interests, and follow them, instead of blindly seeking revenge, that they can, with the aid of the Land Commission, place within the reach of almost every tenant the means of becoming proprietor of his holding, and by doing so they will benefit not alone the tenant, but likewise themselves. Let the Irish landlords reflect upon the present position, and they will see we speak no wild or unconsidered words in making this statement. Who among landlords of this country have during the discussions of the past year stood forth most prominently as the champions of their order, who have most distinguished themselves by the ability which they have shown in the defence of their privileges? Probably if Irish landlords were polled to-morrow on this point, there are no two men who would be more likely to be selected as the spokesmen of their class than Lord Dufferin and The O'Connor Don, both men who have won for themselves a high reputation as statesmen and economists. Let the landlords of Ireland read the paper which Lord Dufferin forwarded to the Bessborough Commission as his contribution to the literature of the Land Question, and as they read it we would ask them to remember that its



author is a man of whom Ireland, and especially the North of Ireland, would naturally be proud as one of her most distinguished sons, and yet whose name is as a fact received at any tenants' meeting in Ulster with groans and hisses on account of the high-handedness which he has always shown in the assertion of what he considered his rights as a landlord. We say without fear of contradiction that this paper written by Lord Dufferin, and written, it is not too much to presume, in the interest of and not in antagonism to the class to which he belongs and of whose rights and privileges he has shown himself so staunch a supporter, is from beginning to end an argument in favour of establishing an occupying proprietary—an argument so ably put, so clearly reasoned out, that it must bring conviction to anyone who reads it. Lord Dufferin has had ample experience as a landlord in Ulster, and the result of his experience is, that he strenuously advocates the formation of an occupying proprietary.

No man has had a better opportunity of acquiring an intimate knowledge of the relations between landlord and tenant in Connaught than The O'Connor Don, and yet we venture to assert that not even Mr. Parnell himself has ever so conclusively shown the desirability of transforming tenants into proprietors, as the Connaught Chieftain has done in his Report on the Bessborough Commission. But if landlords still doubt that it is for their own interest to aid in the establishment of a peasant proprietary ; if they distrust the arguments of The O'Connor Don and of Lord Dufferin, and fancy that these gentlemen have been swayed by zeal for the tenants' interests, and not by a desire to find the solution most advantageous for their own class, we would direct their attention to the evidence of another witness who will surely be considered safe from the imputation of partiality to the tenants' cause—we refer to Mr. Samuel M. Hussey, himself a large landed proprietor, and whose land agencies are about the most extensive in the province of Munster ; a gentleman whose zeal for the interests of the landlords, his employers, never lukewarm, has occasionally even outrun the bounds of discretion ; a gentleman, in short, who may be described as a typical landlord's man. No need to say that in studying the land question Mr. Hussey did not approach it with much prepossession in favour of a peasant proprietary. His dealings with the Harenc Estate are conclusive on this point. But Mr. Hussey is a man of vigorous intelligence, and he has been unable to shut his eyes to the logic of facts. To-day, as may be seen by referring to the evidence given by him before the Bessborough Commission, Mr. Samuel M. Hussey, is as keen an advocate for an occupying proprietary as either Lord Dufferin or The O'Connor Don.

Again, we entreat both landlords and tenants to pause and ponder over this remarkable fact, that while upon almost every other conceivable point in relation to the land question there has been the widest diversity of opinion between their respective champions, there is agreement on this one point, that it is desirable to create an occupying proprietary. Parnell, Davitt, and Dillon stand on the same platform as Dufferin, O'Connor Don, and Hussey. We have said this much to recall to the minds of landlord and tenant that in the



formation of a peasant proprietary lies an issue from the present quarrel desirable and honourable for both sides alike. On a future occasion we shall endeavour to point out the means by which we believe such a proprietary may now be rapidly brought into existence.

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## II.

### *Why Landlords and Tenants ought without difficulty to agree on the fair selling price of the Holdings.*

WE have already endeavoured to rivet the attention of landlords and tenants on the benefits which would accrue to both from the establishment of an occupying proprietary, and we now propose to consider the means by which Irish tenants may be enabled to purchase the fee-simple of their holdings, and thus create such a proprietary. Our readers are doubtless aware that by the Land Act of 1881, no compulsory powers of purchase are given. On no estate, whether the landlord be a free unincumbered owner, or plunged in debt and mortgaged to the full value of his rent roll, whether the proprietor be an individual, or a company, or a corporation, can the tenants insist upon their holdings being sold to them. The sale must be a voluntary one; the price offered by the tenant must be such as will induce the landlord to sell. There is no tribunal endowed with authority to fix the selling price as the Land Commission can fix rents. All that the Commission can do is to aid in negotiating the terms of the sale between landlord and tenant, and this they have by their rules arranged to do, on application of the parties, for a small percentage.

As to the price at which it would be profitable for the tenants to purchase it is, of course, quite impossible to lay down any general rule. Each case must be judged on its own merits. There are holdings in Ireland of which the tenants would probably be gainers were they to buy at twenty-five years' purchase of their present rents or even at a still higher figure, while on the other hand there are many holdings which are not fairly worth ten years' purchase of the rents hitherto paid or supposed to have been paid for them. But, making every allowance for the great diversity in the value of different tenancies, there ought not to be, and we believe that in practice it will be found that there really will not be, any great difficulty in individual landlords and tenants arriving at the fair selling price of the holdings. If the parties will calmly and without passion consider their true interests, they will soon see that it would pay the landlord to accept something less than what would be, perhaps, the full selling price, and it would pay the tenant to give something more than that price, so that in almost every case there will be a margin for the exercise of the "higgle of the market," and the price to be agreed on ought rarely fail to gravitate towards the fair selling value of the holding.

The landlord who is wise will remember that he has now no probable purchasers but his tenants; no outsiders who for the prestige of owning a large tract of land will pay him a fancy price for his estate. The purchas-



ing public will for each estate be practically limited to the tenants upon it; the landlord must sell to them or not at all. He will likewise remember that by selling he will free himself from all the expense of agents and bailiffs and other management; all the allowances and drawbacks and subscriptions and claims of one kind or another, which, as landlord, he has to accede to, or which he in his heart feels he ought to accede to while he occupies that relation. He will have the value of his property in his own hand to invest in stocks or shares or whatever other form of security may be most remunerative, most speculative, or most uniform and convertible, according as he pleases. All these considerations will weigh as inducements, even to an unincumbered owner, to sell to his tenants for a fair sum. Still more will they be appreciated by those landlords who own large estates on which they do not live; outlying estates, of which they are nominal owners, but in reference to which it would be more correct to call them mere agents for mortgagees. There are few such owners now who, if they are wise, will not be honestly anxious to sell to their tenants on fair terms.

No condition could be more anxious, more worrying, more wasteful, more unprofitable in every aspect of the case, than that of a heavily incumbered owner of an outlying estate in Ireland in the hands of tenants. There is the maximum of discomfort and the minimum of enjoyment attached to it. The prestige connected with the nominal ownership of a large estate steeped in debt, as the Bog of Allen is steeped in water, is fortunately for all parties, a thing of the past. The owner of such an estate is no longer an object of envy and admiration, but of pity. We have become somewhat too earnest in Ireland latterly for such a man not to feel that his pretension, while costing him dearly, is gaining for him only ridicule. A prince in apparent possessions, a bankrupt in real revenue. The incongruity and unreality of his position, known to himself, must have been at all times humiliating to a high-spirited man; known now to all the world, it has become well-nigh intolerable even to a vain and foolish man. Wide possessions with enormous debts have become a luxury too dear in the anxiety which they involve, and many a man who, a few years ago, was eager to buy distant estates with borrowed money would be now glad to sell them, pay off the mortgages, and live quietly for the future on his own demesne, surrounded by the tenants to whom he has been known from his youth, and with whom he has still bonds of sympathy. For all these reasons, we say that it would pay landlords to sell to their tenants at a price even somewhat lower than the fair value.

On the other hand, the reasons why it would pay tenants to purchase at a price even somewhat over the fair value are well worthy of consideration. In the first place, such of the tenants as have money get at present either a wretchedly low rate of interest for it on deposit in the banks, or else lend it out on most risky security among needy neighbours. The investment of this money partly in contributing to the purchase of the holding and partly in improving the holding after purchase would yield a return so very much in excess of that which the tenant now gets from it that he would be a very decided gainer by making his purchase now instead of deferring it. For the



tenant who has little or no money put by, the gain to be derived from immediate purchase would be even still more important. The money which will be advanced by the Government through the Land Commission is lent at  $3\frac{1}{2}$  per cent. interest, or, in other words, *the tenant by paying 5 per cent. each year for thirty-five years will have completely discharged the loan, both principal and interest*, and with the money so lent to him the tenant would know that every year he was extinguishing his rent, so that after a certain number of years he would have no more rent to pay. Let the poor tenant look into the figures and see what rate of interest he had to pay when he wanted to borrow a few pounds from the banks to crop his little holding or to make any improvement on it, and he will then soon see what a gainer he would be by getting money at  $3\frac{1}{2}$  per cent. from the Land Commission. Moreover, although there is a possibility that certain circumstances—American competition, &c.—may tend to diminish the value of land, there are many circumstances which may tend in the opposite direction, and if the tenant defers his purchase he may find that he has missed his market, and that he will have to pay a larger price for his holding than what he could now buy it for. In fine, we repeat that the more both parties calmly consider the matter, the more clearly will they see that it is for their mutual advantage that the landlord should now agree to sell and the tenant to buy at a fair price. We must postpone to another article the consideration of the course to be pursued, assuming the first preliminary—viz., the price—to have been settled.

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### III.

*How the purchase-money is to be made up. Who can buy and who can sell, and how the Irish Land Commission can assist.*

WE now proceed to discuss the steps to be taken towards carrying out purchases from landlord to tenant after the parties have agreed upon the price. The purchase-money agreed on may be arranged in one of three ways—

Firstly—It may be all paid down by the tenant to the landlord.

Secondly—It may be contributed partly by the tenant and partly by the Land Commission.

Thirdly—It may be partly contributed by the Land Commission, and the balance secured to the landlord by the tenant, by mortgage of the holding or otherwise.

The first of these plans needs no comment, not alone because of its simplicity, but also because we believe it can be but rarely resorted to. The tenants in Ireland who have the entire purchase-money of their holdings available from their own resources are unfortunately very few; and those few, instead of employing so much of their own money in the purchase, will find it more profitable to borrow portion of the purchase-money from the Land Commission at the low rate provided by the Land Act, viz., £3 10s. per cent. interest, and thereby leave themselves ample capital to work their farm to the best advantage. The farmer who has



the absolute and complete security in his holding, which he would acquire so soon as he had arranged for the purchase of that holding, knows well that he can employ his spare capital on the farm in a dozen ways which would yield him a profit, not of £3 10s. per cent., but of double or quadruple that rate. It is, we believe, universally admitted that the profits of farming in Ireland could be greatly increased, not alone absolutely but relatively, by the employment of a much larger capital in the cultivation of the ground than is at present used for that purpose. It is not only unlikely, but also undesirable, that the tenants should sink all their own capital in purchasing their holdings, instead of borrowing portion of the purchase-money from the Land Commission on the advantageous terms which that body is by the Act of Parliament enabled to offer to occupiers to assist them in becoming proprietors. In discussing the stages of the sales from landlord to tenant we shall, therefore, assume that recourse will be had to the Land Commission for a portion of the purchase-money.

The Land Commission is empowered to lend money to a "tenant" to aid him in purchasing from his "landlord." Let us see who come under these terms "tenant" and "landlord." A "tenant" is by the 57th section of the Land Act, 1881, defined to be "a person occupying land under a contract of tenancy;" but the section adds, "Where the tenant sublets part of his holding with the consent of his landlord, he shall, notwithstanding such subletting, be deemed for the purposes of this Act to be still in occupation of the holding." This saving clause is very elastic. The words "part of his holding" might mean almost any quantity, but there can be no doubt that the object intended to be accomplished by the Bright Clauses of the Act was the establishment of an occupying proprietary and not the establishment of a new set of landlords. We take it for granted that the Land Commission will not advance money to a tenant for the purchase of his holding unless the whole, or substantially the whole, of the land is in his own actual occupation. By the same section "landlord" is defined to be "the immediate landlord or the person for the time being entitled to receive the rents and profits or take possession of the land held by his tenant;" but it will be seen by reference to the 24th section of the Act of 1881 and the 26th section of the Act of 1870 that the Irish Land Commission cannot advance any money to the tenant purchasing unless the landlord comes under some one of the following classes. He must be an owner either

- (a.) In fee-simple.
- (b.) In fee, subject to a rent.
- (c.) Entitled to a lease for lives or for years renewable for ever.
- (d.) Entitled to a lease for a term of years of which at least sixty are unexpired, or
- (e.) As tenant for life of any of the above estates.
- (f.) A corporation or trustees for charities entitled to any of the above estates or entitled to land under a lease of which not less than thirty-one years are unexpired can also make title to sell.



An owner coming under any of these heads can sell, whether he be incumbered or not. Our readers will observe that the interest which the Land Commission can aid the tenant in purchasing must be that of his "immediate" landlord; so that where there are middlemen intervening between the head landlord and the occupier, the Commission cannot assist the latter in purchasing out the head landlord unless he first buys out the middleman; but there seems to be no reason why the Commission should not make an advance to the occupier towards the purchase of each successive middleman's interest, and, finally, towards the purchase of the head landlord's interest, and probably, although each such purchase would be treated as a separate transaction, they could all be carried out simultaneously. The purchases must be upwards from the occupier towards the head landlord, not downwards from the head landlord towards the occupier.

We would direct the special attention of our readers to the fact that "tenants for life" are empowered to sell the land to their tenants out-and-out, for this is a most important matter. There is a very considerable proportion of the land of Ireland tied up in "strict settlement," as it is called. By the settlement executed on the occasion of the owner's marriage, or by the will of his predecessor, or by some other similar legal arrangement, the person who is now the landlord is entitled to the land, not as an absolute owner, but only for his own life. Such a landlord is called a "tenant for life;" and formerly, neither for purpose of sale to his tenants, nor for the purpose of sale to any one else, could he dispose of the lands for more than the term of his own life. The Land Act of 1870 gave him power to sell the land out-and-out to his tenants, but only in a very cumbrous and roundabout way. The landlord had first to enter into an agreement with his tenant to sell the lands to him at a certain price, and then, upon such an agreement being made, they might jointly, or either of them might separately, with the consent of the other, apply to the Landed Estates Court for the sale to the tenant of his holding. This mode of procedure was entirely too cumbrous, and in practice it was found not to work. It lay a complete dead letter.

By the Act of 1881 a "tenant for life" is, as regards facility of sale by him to his tenant, placed in the same position as if he were the absolute owner of the land; but, of course, the proceeds of the sale will remain subject to the trusts of the settlement under which the tenant for life derives. The 25th section of the Act empowers him to "sell and convey the holding;" and not alone does it enable him to do so, in a case where the entire of the purchase-money is made up in cash by the tenant and the Land Commission, but it likewise enacts that he "may exercise to the same extent as if he were an absolute owner the power of permitting any sum not exceeding one-fourth in amount of the price which the tenant may pay as purchase-money, to remain as a charge upon such holding secured by a mortgage," which mortgage will be subject to the amount advanced by the Land Commission towards the purchase-money—i.e., the amount due to the Land Commission will be the first charge, and the amount due to the landlord will be a second charge on the land. The first charge will every year be becoming



smaller and smaller; for every annual instalment of five per cent., paid by the tenant to the Land Commission, not alone pays interest on the loan, but also shaves off part of the principal, so that every year the security for the landlord's fourth, which he may agree to leave out on mortgage, will become better and better.

We regard this provision of the Act, enabling tenants for life not alone to sell and convey direct, but also to leave the fourth of the purchase-money outstanding on mortgage, as of the utmost importance. It will enable thousands of sales to be carried out which but for it would have been impossible. In fact, it must be now the landlord's own fault if he does not sell to his tenants, for we believe there are very few tenants in Ireland who would not willingly agree to purchase their holdings at a fair price, if the landlord expressed his willingness to accept in cash the three-fourths of the purchase-money which the Land Commission is empowered to advance, and to leave the remaining fourth outstanding on a second mortgage at a fair rate of interest. *By such an arrangement the tenant would, in a few years, without paying each year anything beyond the amount of his rent, become the absolute owner of his holding, subject only to the landlord's charge for the one-fourth;* and when we remember how dearly the tenants purchased their holdings under the Disestablished Church, and how many of them borrowed portion of the purchase-money from money-lenders, and how regularly, notwithstanding the late disastrous seasons, the money so borrowed has been repaid, we have very little doubt that, in a few years, the tenant-purchasers would be in a position to redeem, without difficulty, both the charge to the landlord and the instalments to the Land Commission. So far we have dealt with the stages of the negotiations between the landlord and the tenant; in our next article we shall point out how the aid of the Land Commission is to be invoked to assist in carrying out the purchase by the tenant of his holding.

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#### IV.

##### *How the purchase can be carried out.*

HAVING already pointed out the important reasons which tell in favour of Irish landlords selling, and of the tenants purchasing, their holdings, and having shown that the Land Act of 1881 gives to the landlords facilities for selling which they did not previously possess, we shall now shortly notice the facilities which the Act gives to tenants for purchasing their holdings, and how these facilities are to be availed of. What the Act has done for the landlord is—it has, to a great extent, brushed away the legal cobwebs which settlements and entails had woven around his title, and it has enabled him to sell the land with comparative ease. What the Act has done for the tenant is—it has, to a great extent, placed within his reach the purchase-money with which he can buy the land. What the Land League put before the country as its ultimate object was that every occupier of land in Ireland should be put in the way of becoming the absolute owner of his holding; the means by



which it proposed that this object should be attained were that the Government should provide the entire purchase-money by giving to the landlord cash or debentures or Government Stock for it, and that the Government should accept from the occupier, in repayment of such purchase-money, the rent which otherwise he would have paid to his landlord, but with this important distinction, that while the rent to the landlord would have had to be paid till the Day of Judgment, the rent to the Government would cease at the end of 35 years, and the occupier would then be the absolute owner of the land which he tilled. The Purchase Clauses of the Act of 1881 have not carried out in its entirety the scheme propounded by the Land League, but they have gone most of the way. The Government will not provide all the purchase-money, but it will give 15s. out of every £1 of it, and the landlord who refuses to leave the remaining 5s. outstanding as a mortgage on the holding is not a wise man.

The body to whom the duty of making the Government advances to tenant purchasers has been entrusted is the Irish Land Commission, a public department endowed with youth, and therefore likely to show vigour in exercising its powers. These powers, so far as they relate to advances to tenants for the purchase of their holdings, will be found in Sections 24, 26, and 35 of the Land Act of 1881. We are disposed to think that of these sections the 24th and the 35th are the most likely to be extensively availed of. Where a landlord has agreed to sell a holding to a tenant, or to sell their respective holdings to several tenants, he can apply to the Land Commission, under Section 24, stating that he has so agreed, and thereupon *the Commission can advance to each tenant three-quarters of the price which he has agreed to pay to the landlord for his holding.* The form which the landlord has to fill up when making the application is as simple as simple can be. It is known as No. 50 among the forms published by the Land Commission, and copies of it will be supplied gratis by the Land Commission to anyone who applies for them. As soon as the advance has been sanctioned the Solicitor of the Commission investigates the landlord's title, and carries out the whole matter, not with a tedious, roundabout Court procedure, but as a simple sale from one man to another. Proceeding under Section 24, there is no complication whatever. The sale may be to one tenant, or to twenty, or a hundred; it may be in each case a sale for a principal sum, or else for a fine and a fee-farm rent, but the Commission cannot advance more than one-half the amount of the fine.

The course of procedure under Section 26 is not such plain sailing. This section contemplates the purchase of a whole estate by the Land Commission, with a view to reselling it among the tenants; and from the very nature of this transaction it is necessarily a more complicated affair than a sale direct from landlord to tenant. The complication is increased by the terms of the section itself. Where the landlord agrees to sell to the tenant direct, he can deal with any one tenant on an entire townland, without regard to the other tenants; and all the Commission has to do is to see that he has a good title to sell, and see that the holding is good security for the amount of the advance applied for. But it is quite another matter where the Commission is asked to purchase an



entire estate. In this case it must be satisfied that not less than three-fourths of the whole *number* of tenants on the estate are able and willing to purchase, and that such three-fourths in number pay *in amount* not less than two-thirds of the entire rental, and, furthermore, that of the tenants so able and willing to purchase at least one-half will make their purchase for principal sums as distinguished from a purchase made by means of a fine and of a fee-farm rent. And having satisfied itself of all these facts, the Commission has still to investigate how the residue of the estate can be disposed of, so that there may be no loss incurred by the Commission in carrying out the transaction. All this involves friction, which is likely to prevent the machinery under Section 26 running as smoothly as that under the 24th Section will probably work. However, there is this to be said, that the word "estate" does not necessarily mean a vast tract of land with a tenantry so numerous as to render it improbable that anything like unanimity among them could be secured in the matter of a purchase. From a memorandum published by the Land Commission (and which will be found in our columns), we learn that an "estate" means any lands which the Commission declares fit to be purchased as a separate estate. *An estate might, therefore, mean a townland, or even a smaller area,* and possibly in dealing with small estates there will not be much practical difficulty in proceeding under Section 26.

Under the 26th Section, the Land Commission has power to entertain the application for advances not only in cases where it is proposed that the land shall be conveyed to the Commission direct from the landlord, but also where the lands have been put into the Landed Estates Court for sale. Unfortunately the 24th Section gives the Commission no power to make advances save in the case of a sale "by a landlord to a tenant," and it seems questionable whether a sale in the Landed Estates Court could be called a sale from "a landlord to a tenant." So that as far as these two sections are concerned, it would appear that if a single tenant desired to purchase his holding in the Landed Estates Court, and to borrow portion of the purchase-money from the Commission, he would have to go through a very roundabout process. First, the Commission would have to bid for the lot in the Landed Estates Court, then take a conveyance of it from that Court, then execute a conveyance of it from the Commission to the tenant, and finally take a mortgage from the tenant for the amount of the advance.

Luckily a way out of the difficulty is, to a certain extent, provided by the 35th Section, which transfers to the Irish Land Commission all powers previously exercisable by the Board of Works in relation to advances to tenant-purchasers under the Land Act of 1870 and its Amending Act of 1872. By this transfer, there is conferred on the Irish Land Commission the power to advance to a tenant purchasing his holding in the Landed Estates Court two-thirds of the *value* of the holding as assessed by the Commission; and, as Judge Flanagan pointed out in his evidence before the Shaw-Lefevre Committee, the *value* so assessed would include the interest of the tenants as well as of the landlord in the holding, and, therefore, in the majority of cases the two-



thirds of the assessed *value* of the holding would probably represent three-fourths of the *price* at which the tenant would purchase the landlord's interest in such holding. Of course if the rent to which the tenant is liable, be an exorbitant rent, he would have no interest in the holding, and in this case he could not obtain from the Commission an advance of more than two-thirds of the purchase-money, but we presume that where an estate is about to be sold in the Landed Estates Court, the tenants, if their rents be really exorbitant, will, before the sale, apply to the Land Commission to have a fair rent fixed. We publish in another column a short summary which the Irish Land Commission has issued, showing the several cases in which they can make advances. We now conclude, as we have begun, by asking landlords and tenants to think calmly, and without passion, on the advantages which will accrue to both of them, and not alone to them, but to every class in the country from the conversion of a large proportion of men who are now Irish tenants into being owners of the land they till, and we entreat of both landlords and tenants to avail themselves of the facilities which the purchase clauses of the Land Act afford for bringing this conversion about. Until it is brought about, it is idle to expect permanent peace, stability, and respect for the rights of property in Ireland.

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### THE LAND ACT—ADVANCES.

THE following is a summary of the several cases in which advances can be made by the Land Commission in relation to sales from landlords to tenants, to which we refer :—

Firstly, under Section 24.

A.—The landlord may agree to sell a holding to a tenant for a principal sum through the medium of the Land Commission, in which case the Form No. 50 will be used, and the contract in the fold will be signed. In this case the Commission investigates the title and prepares all the deeds, and for so doing a charge of £2 per cent. on the amount of the purchase-money will be made. The Commission can advance three-fourths of the price agreed on.

B.—In a case similar to A the Commission will, if the parties so desire it, “negotiate” the terms of the sale, and will for so doing charge 10s. per cent. on the amount of the purchase-money. See Form 52.

If the negotiations fall through, the Commission will charge only the actual outlay incurred.

C.—The landlord may agree to sell the holding to a tenant for a principal sum, but not through the medium of the Commission. In this case Form 50 will be used, but the contract in the fold will not be signed.



The title will be investigated by the Commission, who will prepare the mortgage for their advance, but the conveyance will be prepared by the tenant's solicitor. The Commission can advance three-fourths of the purchase-money.

The Commission in this case will charge to the landlord only outlay, including travelling and hotel expenses of their valuer, fees to counsel, &c., and to the tenant only outlay in connection with his mortgage stamp duty, &c.

D.—The landlord may agree to sell a holding for a fine and a fee-farm rent through the medium of the Commission. The fee-farm rent must not exceed seventy-five per cent. of a fair rent. The Commission will prepare all the deeds and charge £2 per cent. on the amount of the fine. The Commission can advance one-half of the fine. Form 51 will be used, and the contract in the fold will be signed.

E.—The same as D, save that the sale will not be through the medium of the Commission. In this case the Commission will prepare the mortgage for the advance, but the fee-farm grant will be prepared by the tenant's solicitor, in the form approved of by the Commission.

The Commission will charge merely outlay, as in case C.

#### Secondly, under Section 26.

F.—The landlord may apply to the Commission to purchase an estate from him with a view to re-sale to the tenants. Form No. 53 will be used. The Commission, on receiving the application, will negotiate with the tenants with a view of ascertaining whether they will purchase, and on what terms.

Assuming the terms to have been arranged, the Commission will investigate the title and prepare all the deeds, including the conveyance and the fee-farm grants to the tenants. The Commission will charge 10s. per cent. on the amount of the purchase-money for expenses, up to and including notice by them to the landlord of their being willing to purchase, together with subsequent actual outlay, counsel's fees, &c.

The Commission will estimate the expense of carrying out the sale (over and above the 10s. per cent., and the outlay for which the landlord is liable), and will include such expenses in the price of the tenants' lots.

The Commission can advance three-fourths of the principal sum to be paid by the tenants and one-half of the fine.

G.—The estate may be for sale in the Landed Estates Court, and the tenants may apply to the Commission to purchase the estate or lot with a view to re-sale to the tenants. Form 56 will be used. The Commission, on receipt of the application, will take steps to satisfy themselves of the expediency of the purchase, and of the Commission being indemnified from loss. These steps would be to get their valuer to examine the land, or make such inquiries respecting it as shall be deemed advisable—then arrange the purchase-money to be bid for each lot on the rental, including estimated cost of conveyancing—then get the several tenants to deposit their due proportion, bid for estate, lodge purchase-money, take out conveyance, and then convey to the several tenants.

The Commission can advance three-fourths of the principal sum, and one-half of the fine.



Thirdly, under Section 35.

H.—The estate may be for sale in the Landed Estates Court, and the tenant or tenants of a lot may apply to the Commission for an advance to enable him or them to purchase his or their holdings, Form No. 58 will be used. The Commission will get their valuer to examine the land, or make such inquiries as will enable him to assess the value of the holding or holdings.

The Commission can advance two-thirds of the entire value of the holding as so assessed, which value may include both landlord's and tenant's interests in the holding. The Commission will call on the tenant, when he has been declared purchaser, to produce the certificate of his having lodged in Court such portion of the purchase-money as the Commission will not advance, and will require the tenant's solicitor to obtain from the Landed Estates Court a charging order in favour of the Commission for the amount which the Commission agrees to advance. The Commission will lodge the amount which they have agreed to advance, and the tenant's solicitor will prepare the conveyance from the Judge of the Landed Estates Court, which conveyance will grant the land to the tenant, subject to the annuity for thirty-five years in favour of the Commission, in repayment of their advance.

The Commission will, to cover their expenses of assessing the value, charge a sum not exceeding 10s. per cent. on the amount of the purchase-money.

The following are the terms upon which advances may be obtained from the Land Commission :—

A tenant may agree to buy his holding from his landlord :

- (1.) By paying the full price, or, as the Act calls it, a "principal sum."
- (2.) By paying a fine and having the rent of his holding reduced till it is not more than three-fourths of a fair rent, and obtaining a fee-farm grant, that is, a lease for ever.

The Land Commission may, if satisfied with the terms of the purchase, lend the tenant three-fourths of the "principal sum," or half the fine paid. The amount advanced must be an even sum, without shillings and pence.

The loan must be repaid by half-yearly payments calculated at the rate of 5 per cent. per annum, for thirty-five years, or one shilling for every pound lent.

The days on which the half-yearly payments must be made are 1st May and 1st November, with an apportionment in respect of the first and last payments if necessary.

On the occasion of a purchase it is not necessary that the landlord should receive a cash payment from the tenant; he may, if he chooses, leave such portion of the price as is not advanced by the Commission outstanding with the tenant as a loan upon such terms as the parties may agree upon; but the loan made by the Land Commission must be the first charge on the holding.



Before making any advance the Land Commission must approve of the terms of the sale.

Examples—(1.) If the price agreed on for the purchase of the holding be £440, £110, at least, must be paid in cash, unless left out on loan by the landlord. The balance, £330, may be advanced by the Land Commission, and will be repaid by annual payments for thirty-five years of £16 10s.

(2.) If a holding of which the fair rent is £20 be bought subject to a rent for ever of £15, and £110 be agreed on as a fine, the tenant must pay the landlord £55, and the Commission may advance £55.

In this case the tenant's annual payment would be—

The fee-farm rent,	£15	0	0
Annuity to Land Commission for thirty five years,	2	15	0
Total annual payment,	£17	15	0

The rules for the Land Commissioners prescribe the fees payable under this part of the Act as follows:—

For negotiation between landlord and tenant

up to and including signing contract, . £0 10 0 per £100 of the purchase-money.

For subsequent expenses, . . . 2 0 0 „

Including (if contract be completed) conveyance from landlord to tenant, mortgage to Commissioners, registration, and stamp duty.

These fees are payable by the landlord.

The Land Commission may buy estates to resell to the tenants, making advances in the same way as above explained, to enable tenants to buy their holdings.

“An estate” means any lands which the Commission declares fit to be purchased as a separate estate.

Before buying an estate the Commission must be satisfied that three-fourths of the tenants, paying not less than two-thirds the whole rental, are able and willing to buy their holdings, and that half the tenants purchasing will be buyers for “principal sums,” by means of advances from the Commission.

Example—On an estate with rental of £90, paid by eight tenants, the Commission must be satisfied that six tenants, whose rents amount to not less than £60, will buy their holdings. Of these two might take leases for ever, paying fines and getting half the fine from the Commission. Four must buy for principal sums.

Residues of estates not sold to the tenants may be sold to the public in like manner, except that the advance from the Commission may only be for half the purchase-money or fine.



The following scale of fees has been laid down to be paid by the landlord if he offers his estate to the Land Commission and it entertains his offer :—

	£	s.	d.	£
For the expenses up to and including notice by the Commission to the landlord of their being satisfied to purchase,	0	10	0	per 100
Together with the subsequent expenses, that is to say, the actual outlay by the Commission in completing the sale.				

The price to be paid for each holding by the tenant is to include the expense of purchase by him and conveyance to him, and no separate charges will be made for these transactions.

If a tenant who has undertaken to repay an advance by an annuity for thirty-five years of 5 per cent. on the amount lent by the Land Commission wishes to prepay any instalments, the Land Commission will facilitate his doing so.

If he wishes to redeem his annuity, *i.e.*, to pay off the entire loan, he can do so at any time.

Where an estate is for sale in the High Court of Justice (Land Court), and a competent number of tenants on any lot are able and willing to buy their holdings, any one tenant may apply to the Land Commission on behalf of the other tenants for forms of application for advances, and for any information required.

When a tenant wishes to purchase his holding himself in the High Court of Justice (Land Court), he may apply to the Land Commission for an advance before or after he is declared a purchaser.

In such cases the advance from the Land Commission must not exceed two-thirds of the value of the holding as assessed by the Land Commission, and in no case will the amount advanced exceed three-fourths of the price of the holding.

In assessing the value, the tenant's interest, if any, may be taken into account.

A tenant purchasing in the Land Judges' Court will have to obtain the conveyance and charging order at his own expense.

It is requested that all communications to the Land Commissioners shall be in writing, addressed to

The Secretary,  
Irish Land Commission,  
24, Upper Merrion-street, Dublin.

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