

when the consequences of the wholesale establishment of endowed incumbencies in this city shall have made themselves apparent. If those consequences prove to be what the history of our Church in England and in this country must lead us to expect, it will be a consolation to this Vestry to remember that it struggled to the very utmost of its power to prevent that consummation.

All the costs occasioned by the appeals authorized since your present Churchwardens have been in office have been paid. To a large extent they were provided by a special fund subscribed in advance for that purpose by leading members of the congregation.

Among the chief contributors will be found the names of your Finance and Consulting Committee; to whose frequent counsel and assistance throughout the responsibilities entailed by this tedious and anxious law suit, the Churchwardens once more gratefully desire to express their indebtedness.

The original liabilities for costs incurred at the first trial, and which fell as a legacy to your present Churchwardens, will be met out of the increased income from our Park lots within the present and the following year.

We turn to a more cheerful subject—those other lands unquestionably belonging to this Vestry known as the Park lots. Hitherto the income from this property has been about \$800 per annum. The process of renewing the ground rents which has been going on for two years past has involved protracted and troublesome negotiations with the tenants of over sixty different tenements. By the terms of their expiring leases the tenants were legally entitled only to renewal for a single term of twenty-one years without any title to compensation for their improvement at the end of the term. Your Churchwardens, pursuing the policy submitted to the Vestry two years ago, have constantly endeavoured to induce the tenants to accept leases more encouraging to the proper improvement of the property. We found it impossible to make any progress until an arbitration had been had with a principal tenant. Since obtaining that one award, a large number of settlements have already been effected on the different streets. The values upon which these renewals are being made practically assure nearly \$6,000 rental from the whole property.

Your Churchwardens recommend that advantage be taken of this settled income to make arrangements with an Investment Corporation to assume the debt of the Church at a low rate of interest, applying the rents to interest and principal until both have been fully paid. Offers have been made to take the debentures representing the debt at five per cent. interest. This interest, and a sinking fund sufficient to pay off the principal in the course of twenty years, will be produced by the rents. By adopting this plan, at the end of that period our Church will stand wholly freed from debt, and will be from that time in the possession of an income for its perpetual support from unincumbered lands *under the control of the Vestry*.

The Church will thus be preparing against what may perhaps be its ultimate destiny, to become a church chiefly for strangers and the poor.

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