Felton: The History of a Mortgage
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The earliest detailed map of the Darling Downs now available was published in Brisbane in 1864 — a full generation after the arrival of Patrick Leslie at Toolburra and of Tinker Campbell at Westbrook. In the light of subdivisions that were already being proposed when it was drawn, the map might stand as a memorial to the 'old men' of the Downs whose unfettered days were to be gone in the next half-decade.

The map shows Felton spreading, roughly ovoid, between Clifton on the east and North Branch (held by the Gores and worked from Tummaville) on the west: Eton Vale on the north and Ellangowan on the south. The names of Sandeman and Whitchurch are spread across the double holding. The total area is near to 76,000 acres.2

When the squatters of 1840 settled across Cunningham's downs country, Eton Vale probably marched with Clifton in the area that later became Felton. Basically, the three occupied that tract that Cunningham had designated 'Peel's Plains' on 8 June, 1827 when he noted in his journal 'large cleared patches of land, to the north and north east of his Darling Downs.'3

Though Sandeman's and Whitchurch's are the names shown on the earliest map as holders of Felton, they were not its first occupiers. Probably a partnership of Josua John Whitting and H. P. Hicks first claimed it. The New South Wales Gazette of 1844 shows these two together in a Darling Downs Pasturage licence to expire on 30 June, 1845 - though it does not give the name of the run. The Gazette of 1845 omits Whitting's name but identifies Hicks's holding as Peel's Plains.

Next year's Gazette (1846) has dropped Hicks as a pasturage licensee, but has returned J. J. Whitting (spelled 'Whiting') and calls his holding 'Beanarraba.'6 In this Gazette there also appears for the first time one Charles Mallard. He is listed there as the holder of Peel's Plains, his licence due to expire on 30 June, 1847.7

Such confusion as exists here is common in any search of Darling Downs runholders in this period. Distance from Sydney, the shortness of term of licence, the exploratory nature of much of the occupation, and the speculative nature of even more of it — all these ensured that runs could change hands quickly — possibly more than once between one registration and the next. But from 1848 onwards nearly ten years after the coming of the first arrivals, because tenure in the 'Unsettled Districts' (including the Downs) had been rationalised by the 'Order-in-Council' of 1847, more stability is apparent and the first wave of exploitation as distinct from exploration is installed. Boundaries and run names also begin to achieve permanence.

The 1848 Gazette in the list of claims for leases on the Darling Downs District shows Charles Mallard as lessee of 35,000 acres (approximately) called Peel's Plains fronting the Condamine River, and J. J. Whitting as lessee of 50,000 acres of Beauaraba also having frontage to the Condamine.8 And so things remained until 1852 — more or less. The qualification lies only in the fact that in 1852 Charles Mallard appears in the New South Wales Register of Leases as entitled to give a lease on both Peel's Plains and Beauaraba to Sandeman and Whitchurch.9 So, sometime between 1848 and 1852 J. J. Whitting had retired from the business of being a Darling Downs squatter and Mallard had acquired his interests.

The Peel's Plains - Beauaraba country consists of deep soil flats along Hodgson's and Beauaraba creeks varying through undulating high ground to stony back ridges which were officially described by the Queensland Lands Department when, after separation, it assessed their potential as 'second class pastoral' country.

Late in 1852 Charles Mallard, having profited well by his investment — for he held his Darling Downs runs through the period when southern demand sent the profits on Queensland sheep soaring — decided to return to Europe. He interested Alfred Sandeman in his holdings.

Not much is known of the antecedents of either Sandeman or Whitchurch who became his partner. Arriving in 1852, twelve years after the first migration of whitemen and flocks to the Downs, Sandeman and Whitchurch can hardly be classed as 'old downs-men' in the way that the Leslies, Arthur Hodgson, Henry Stuart Russell and the Gores can be so classed.10 Nevertheless they were well ahead of the agriculturalist wave. Though they never squatted, they were squatters.

Alfred Sandeman was a brother of Gordon Sandeman whose pastoral career in Queensland will be referred to later in this article, and there are indications that the pair were scions of the London merchant firm of G. G. Sandeman and Sons and Co.11 Alfred Sandeman was a member of Sydney's exclusive Australian Club,12 Gordon was an early member of the Queensland Club,13 There are indications also that Alfred, at least, saw himself as a merchant financier rather than as a practical pastoralist.

James Samuel Whitchurch was probably a young man of lesser substance, possibly a working partner on shares with Sandeman. This sort of combination of finance and talent was common to the age and the industry.14
Part of Buxton's 1864 Map of the Darling Downs (Thomas Ham, Cartographer and Lithographer). The original was drawn at 4 miles to the inch. This copy is reproduced at half scale.
arrangements for financing the operations of Felton in the fourteen years of their tenure are available that the partnership is of interest to historians.

Sandeman and Whitchurch held a not unusual Downs run through the period that covered the separation of the colonies of Queensland and New South Wales, the introduction of free selection in the latter colony and the search for a solution to the problems of Crown Land tenure in the former. They enjoyed the boom in Queensland stock prices engendered by the multiplying demand in the south for both breeders and fatteners; and the boom in wool prices which resulted as Australian fleeces captured larger shares of the European market and as more of the continent industrialized. They struggled through the depression of the middle 'sixties which culminated in the 1866 suspension of payment by the Queensland banks; and then, as wool prices rose again, they saw their chances of survival wrecked on the repercussions of the introduction of the 1868 Crowns Lands Alienation Act with its provisions for freeholding in the south-east section of the colony.

They saw, finally, this cycle of prosperity and depression moving against a foreground of technological development in the wool industry which included the introduction of the Fulton rack baling press, sheep washing under water delivered at pressure by steam-driven pumps, and fencing. While the competitive nature of the industry made efficiency imperative, (especially for squatters as far from their markets as those of the Darling Downs were) and while all of these improvements undoubtedly aided efficiency, they nevertheless required capital.

Sandeman (there was originally no mention of Whitchurch) began working his Darling Downs holdings on 1 April, 1852 on a five-year lease from Mallard. The rent due to Mallard was £500 per annum. At the same time Mallard and Sandeman joined in a mortgage to the pastoral firm of Willis Merry and Co. to secure amounts to the limit of £1700 for working expenses on the properties. At the time that the lease was due to expire, in the early months of 1857, Sandeman, now in partnership with Whitchurch, purchased the runs, now called Felton and Beaufaraba. The full price is nowhere stated, but on February 6, 1857 a mortgage from Sandeman and Whitchurch to Mallard to secure £5000 was registered. This £5000 was very likely to have been a balance owing on the purchase price. There is no account either of interest rate on this loan but in the light of the boom stimulated by gold continuing in the southern colonies it was probably high. As well as the factors noted above as working towards prosperity in the pastoral industry, the growth of the urban food market in Brisbane as the factors noted above as working towards prosperity in the south, and the growth of the urban food market in Brisbane had to be mentioned for its effect on the affluence of the Darling Downs sheep.

From 1857 to 1863 this general prosperity continued. Stock numbers on Felton were built up, improvements were advanced, pressure washing equipment was installed to ease the drudgery of the old immersion in the pool on Hodgson's Creek, but shepherding of the flocks continued. Sandeman now, even if he had ever lived on the Downs, lived in Sydney. The Felton runs were held on fourteen-year leases which were due to expire between 1 July, 1868 and 1 July, 1869.21

The early sixties were a series of moderate years as regards rainfall. Additionally, Queensland as a whole suffered from the notorious financial problems of the era immediately after separation; and, to affect the squatters, there was a tapering off of the demand for stock from the southern colonies. Still further, the introduction of Robertson's Land Acts in New South Wales and of similar legislation in Victoria to assist close settlement and agriculture in Victoria, made the downsmen apprehensive that the intentions of the new government in their own colony might run (as indeed they did) on parallel solutions. Conversely, a growing body of academic opinion holds that one effect of the close settlement acts in Victoria was to persuade hard-headed investors in that colony that better returns on capital were to be had beyond their own boundaries and thus to make available more capital for investment in Queensland. In this period Davenport, the Clarks and Macansh, to name only three, came to the Downs from Victoria.

On 30 April, 1863 Sandeman and Whitchurch gave a second mortgage (subject to Mallard's first claim) on Felton, Beaufaraba, their stock, improvements and produce to Willis, Merry and Co., pastoral supply merchants, of Sydney to secure £25,000 plus interest. The interest rate on this mortgage, bearing in mind that it was a second mortgage and that the security was made up of such fluctuating commodities as leasehold land, stock and wool clips, was 15 per cent.

But the downward trend in general prosperity continued as seasons did not improve, and as the new Queensland government experimented with one solution after another to the land problem. In April 1865 Willis Merry and Co. transferred their interest in the properties to the Bank of New South Wales as security on an overdraft. 1866 was the worst drought year to date as it saw the stoppage of all public works in Queensland and the suspension of payment at the Banks. This depression is found to have been much more severe in Queensland than elsewhere, so much so that it is generally regarded as an isolated Queensland phenomenon.

Late in 1866 James Tyson, a Riverina squatter, was in Queensland buying sheep. He called on G. H. Davenport at Headington Hill. Davenport, as already noticed, was a Victorian in partnership with C. B. Fisher in several pastoral properties. (He is said to have been socially ostracised by those of the old 'pure merino' squatters who clung to their former way of life and feared the small mixed farmer as their fathers had feared scab, because he brought to the Downs the American multi-disc plough and the British Leicester 'dual purpose' sheep.) At Headington Hill, Tyson apparently met Whitchurch.

On February 23, 1867 Davenport wired Tyson in Sydney:

"My neighbour you met at my camp now wishes to know the certainty of date of your being here. I have pressed him to wait other negotiations pending. Will old proposal suit, subject your approval? Splendid reason. Reply paid."

To this Tyson replied:

"Tell your friend all depends on circumstances. Will see Sandeman in Sydney end of this or beginning of next month. Will depend on him when I come."

From the date of this exchange of telegrams onwards, the factors involved in the failure of the Sandeman-Whitchurch partnership come clearly into focus.

Tyson interviewed Sandeman in Sydney and agreed to take over the mortgage. On March 28 Sandeman wrote to Tyson acknowledging receipt of the Felton mortgage documents. He continued in a sanguine mood to outline his hopes for the runs: Felton and Beaufaraba carry 60,000 sheep and 1000 cattle; they have bullock and horse teams, appropriate drays, a steam engine and pumps for sheep washing, hurdles for folding sheep; there are 8500 acres of purchased land. Station and personal expenses will be £8000 (£800 p.a. for interest, commission, expenses and personal expenses; the wool of 70,000 sheep will be worth £18,000; there are 27,000 ewes to lamb; 20,000 surplus stock can be sold next year; all improvements are in first class condition, and with fencing costing £2-£3000 the runs could carry 100,000. In the midst of this Sandeman offers Tyson as additional security a second mortgage on Peak Vale and Craven stations with 30,000 sheep and 2000 cattle. These two are to be sold on 2 April.

It was the letter of an optimist, its details not logically arranged. The mention of Peak Vale and Craven points to Sandeman's involvement in the failing financial situation of his brother Gordon. These two runs were situated in the Leichhardt squating district where Gordon Sandeman had since 1861 held extensive land. The distance of the Leichhardt runs from markets, the depredations of the blacks, and the uncertain seasons had made them especially vulnerable to depression.

The March letter to Tyson was followed by two short notes in April. They are written on the notepaper of the Australian Club in Sydney. That of 16 April arranged for Sandeman to meet Tyson in Melbourne to discuss 'our prospective partnership'; that of 20
April speaks of further details of ‘mortgage or partnership’ and mentions that Sandeman expected to receive in May £10,000 from his ‘friends at home’ and further that the Felton wool was to be sold in London through G. G. Sandeman and Sons and Co.

Meantime, on 3 April, Tyson drew a cheque for £35,000 on the Bank of Victoria, Melbourne, and noted the butt: “A. Sandeman, money lent for 15%.” This cheque presumably went to the Bank of New South Wales, for on 1 May that institution transferred the mortgage on the properties to him in consideration of £35,000. Willis, Merry & Co. joined in the transfer and this had the effect of giving Tyson second mortgage claim after Mallard. Tyson then paid Mallard out and became himself prior claimant.

If the partnership had hoped that this consolidation of mortgages would save their interest in the property they shortly realised their error. On 8 August Sandeman gave another mortgage (now second claim on the estate) to the Bank of New South Wales to secure an existing debt. This mortgage purported to come from Whitchurch and himself, but Whitchurch refused to be joined in it on the ground that the debt to the Bank was not contracted in respect of partnership property.

It is illuminating to see that though the depression in Queensland continued until 1871/2; and though the price of wool remained low through these years, Felton had, since 1863, increased its security value from £25,000 to over £35,000. This fact is certainly a reflection of the additional freeholding that had been done during that time. The increasing rate of freehold purchase shows the build-up of pressure on the remainder of the Downs squatters to pursue this course of action to secure their holdings from the incursions of small holders and agriculturalists who were receiving active encouragement from government, merchants and even churches.

The management of Felton limped along for three years more. Whitchurch, in residence, battled with rising costs, the need to fence and the urge to freehold. He cannot have been a bad manager essentially for Tyson retained him in his employ until 1877 — seven years after the collapse of the partnership. Between 1867 and 1870 Tyson purchased, at the request of the partners, about 25,000 acres on the stations or immediately adjoining them to protect the value of the holding which would have been considerably lessened had selectors been allowed to encroach on the good quality land and the permanent waters.

Towards the end of 1869 Tyson received a letter from G. H. Davenport, who seems to have been trying to interest him in the possibilities of Canning Downs (where F. J. C. Wildash was approaching financial ruin and suicide), which concluded by listing in detail prices obtained for Felton wool. In the fact that a neighbour sent him an account of Felton wool prices; in Tyson’s own visit to the property; in the fact that Sandeman was also on the Downs at the time of his creditor’s visit — the implication lies in these circumstances that Tyson’s interest in Felton was now enlarged to the point where the partners came close to losing their equity.

The collapse did not come until May 1872 when Sandeman was gazetted insolvent, but as early as October 1870 Tyson had received an offer for the purchase of the property communicated through his Sydney solicitors. He replied that he would not consent to the sale unless advised by them and throughout the subsequent negotiations he expressed the fear that the property, if sold then, would not realise the amount of his investment in it. This is a reflection of the depressed state of the market in Queensland at the time, and perhaps, too, of the overcapitalisation then prevailing on Downs properties that had been partly freeholded at agricultural land prices while still being used exclusively for grazing.

In November 1870 Tyson went up to Felton again and made a detailed inspection in the company of J. G. Buchanan, the bookkeeper. His estimate of its capacity was more conservative than Sandeman’s — 65,000 sheep unfenced, 95,000 fenced. He then wired to his solicitors that the property would be for sale after shearing if the bank would guarantee to repay expenses in case Tyson’s claim was not realised. He sent a second wire to the Commercial Bank, Brisbane, guaranteeing £500 per month for the running of the property, retrenching nearly 40 per cent. on Sandeman’s estimate of the cost.

On 21 January, 1871 the Sydney Morning Herald carried an advertisement for the sale of Felton and Beauaraba. This was not listed as a mortgagee’s sale, which could have had the effect of depressing the bids unless competition was keen. The advertisement is perhaps most valuable for the precise inventory that it gives of the extent and the improvements of the properties.

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**FELTON HOMESTEAD.**

**MAGNIFICENT SHEEP PROPERTY FOR POSITIVE SALE**

Want and Simpson have received instructions to sell by auction at their Rooms, 273, George-street on Wednesday 25th January at 11 o’clock.

The above magnificent STATION including 24,000 acres of purchased land, together with 70,000 first-class sheep, 1,000 head of well-bred cattle situate in the Darling Downs district Queensland and comprising those two (2) blocks of Country so well and favourably known as

**FELTON and BEAUARABA**

embracing an area of 160,000 acres (more or less) the whole being equal to the finest pastoral land in any of the Australian Colonies, abundantly watered and possessing fattenning properties of the very highest description.

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Westbrook Homestead near Toowoomba.
Felton adjoins the far-famed stations Eton Vale, Clifton and Ellengowan, and is within the immediate neighbourhood of the terminus of the railway.

The improvements are all very extensive and complete, and comprise homestead cottage (with kitchen and garden) superintendent’s cottage (with garden and grape vines) store and office, overseer’s hut; slaughter houses, boiling pots and yards complete, stables, coach-house &c; five (5) paddocks, covering 1000 acres; woolshed with new rack and pinion press; wash-pool complete, with tanks, vat and gear for hot water washing; one (1) ten (10) horse power portable engine, one (6) ditto ditto ditto; two (2) Appold’s centrifugal pumps, large stockyard, with necessary divisions and speying-bail, for working 2000 head of cattle; together with the necessary improvements for the working of the station. On the run are four (4) reservoirs (two (2) fenced m) and five (5) good wells with troughing; three (3) pumps and one (1) hand pump.

The stock consists of
70,000 sheep more or less
1,000 head of cattle, and
70 horses

The sheep are acknowledged to be second to none in the district, and the rams on the Station have been selected largely from the celebrated flocks of Dr. Traill “Collaroy.”

With the run will be offered in addition 11,000 acres of freehold land, which the purchasers will have the option of taking.

Messrs. WANT AND SIMPSON have much pleasure in drawing the attention of Capitalists and investors to the above choice pastoral property situated as it is in the heart of the Darling Downs and they solicit an inspection, as no description can convey to intending purchasers the many advantages which it possesses.

As Tyson had feared, the bids did not reach the amount of his investment in the properties and they were passed in. It is likely however that James Tyson was not averse to becoming the owner of Felton. He had, according to his diaries, spent December 1870 on the place supervising the shearing and completing the details of the purchase of some small areas which had perhaps been dummied earlier by Sandeman nominees, though the alternative view is that he was perhaps buying out free selectors whose activities Sandeman had not been able to prevent.

In January, again according to the diaries, Tyson was wrangling with the Bank of New South Wales in Sydney. The Bank had sought to prevent the auction of the properties on 25 January by taking a restraining order. This matter was eventually given in Tyson’s favour but by then Tyson had firmly decided to retain Felton-Beauaraba for his own investment, and as a potential home base.

It is interesting for the purpose that it serves in demolishing the Tyson legend to note that he did not foreclose on Sandeman and Whitchurch. He acquired ownership by taking a transfer of the partnership’s interest in the properties, giving in exchange the real estate and the mortgage debt to Sandeman, and the release plus £100 to Whitchurch.48 By this time, May 1872, the capital debt was greater than the value of the property, and Tyson was guaranteeing running expenses. Repayments of interest were fourteen months in arrears.49 Sandeman’s debt was set at £60,000 — that of Whitchurch at £54,000. Alfred Sandeman of Seven Osks, Darlinghurst, New South Wales, lately residing at Queensland, grazer, was gazetted bankrupt on 14 May, 1872, his assets less than £100. He was, incidentally, gazetted as discharged on 18 October, 1872 — a mere five months later. Thereafter Alfred Sandeman disappears from Australia. It has to be presumed that he returned to England. Whitchurch, as already noted, remained in Tyson’s employ at Felton for some years.51

The history of Felton’s development in Tysonian times has to be told separately, for its theme is different from that treated in this article. Darling Downs development generally and that of Felton particularly was, from 1852 to the 1870s, a chapter of struggle to attract capital — and of struggle to pay the interest on that capital. After Tyson came the mood changed.

From 1872 onwards Felton probably ceases to be typical, unless it is seen as an example of a property under company management. It is no longer a figure of the private concern conducted by gentlemen owners wanting to establish a way of life as well as a profitable investment. Capital for development is now available — but Tyson never makes the error of overcapitalising his land. The flow of improvement into the property continues, but at a rate governed by the property’s ability to show a return. And though Tyson — the Chairman of Directors of his own wealth and talents — made Felton his own residence (so far as he had one) there was never built on the hill overlooking Hodgson’s Creek, a mansion like those of Gowrie or Westbrook, Toolburra or Canning Downs or Glen-gallan.

REFERENCES
2. Register of the details of runs for which leases have been issued in the Districts of Moreton, Darling Downs and Port Curtis, October 1866 — November 1889. Q.S.
5. N.S.W.G.G., 1845, p. 1294.
7. loc. cit.
9. No. 931, Book 22, 1 April, 1852, New South Wales Register, Registrar-General’s Department.
10. The arrival of all these in 1840-1841 is recorded in Stuart-Russell, op. cit.
11. See letter from A. Sandeman to J. Tyson below in text.
12. Or at all events, he had access to its letterhead notepaper. The only additional information concerning Alfred Sandeman that is available seems to show that before he came to the Downs he held a run, Ashley, (54,000 acres) in the Clarence River district. His interest in Ashley appears to have extended from 1842 to 1848 when it was transferred to Clark Irving. (Mitchell Library reference A2029 p. 41; N.S.W.G.G., 1848, p. 710; Sydney Morning Herald, June 10, 1844; N.S.W.G.G., 1848, p. 1164.)
13. Typescript membership lists of the Queensland Club, sighted by permission of the club’s committee, 1966.
15. 31 Vic. no. 46.
16. This was introduced in the Riverina in 1866 and shortly elsewhere. It baled wool more efficiently and the neater bales were easier to load on transport. Tyson, according to his diary, purchased a new press for Felton in 1875, but this may have been a hydraulic press to replace even the rack apparatus.
17. Lease document, no. 931, Book 22, N.S.W. N.S.W. Registrar-General’s Department.
18. Document no. 932, Book 22, 7 April, 1852. loc. cit.
19. Felton is still called Peel’s Plains in the Register of runs referred to in footnote 2 above.
21. These were seven year leases granted in Queensland after the expiry of the fourteen year terms given in 1847.
23. Bank of N.S.W. v. James Tyson (1871) op. cit.
24. loc. cit.
25. loc. cit.
26. Among the London firms having investments in Queensland which failed in this period were Overend, Gurney and Co., and Agra and Masterman’s Bank. Tyson’s runs were in the Union Bank of Australia. To emphasize the bad seasons on the Downs at this time one can note that Warwick, which had a January average of rainfall of 356 pts. for the 75 years 1865-1939, had no rain at all in January 1866. This followed an 1865 in which a total of 1630 pts. fell compared with an annual total average of 2742 pts.
27. The so-called Heyfield Diary of James Tyson, being his diary for...
the years 1865 and 1866 found at Heyfield after his death. Original in Australian National Library, Canberra; microfilm, the property of the Oxley Memorial Library, Brisbane, in the possession of the author of this article.

28. Queensland Sheep and Wool Industry compiled and issued by the Government Intelligence and Tourist Bureau, 1918. Also W. Coote, The Colony of Queensland, William Thorne, Brisbane, 1882. For the Darling Downs attitude to Davenport, see Waterson, op. cit.

29. Original in Tyson correspondence, Deniliquin Historical Society Archive.


31. The Hornet Bank massacre took place in November 1857; Cullen la ringo in 1861; and Moore McLaughlin a shepherd, was speared on Albinia Downs in 1863. While the first two were notorious mass murders, the death of Moore McLaughlin is probably merely a type of several other such isolated violations. It is remembered because his family has remained in the district and conscious of its heritage.

32. DRS Archive. DRS Archive.

33. Bank of New South Wales v. Tyson (1871) op. cit.

34. ibid.

35. ibid.

36. ibid.

37. ibid.

38. ibid.

39. Rev. Dr Dunne, later Roman Catholic Archbishop of Brisbane and at this time parish priest of Toowoomba, actively encouraged Irish Catholic settlement. See O'Donnell: Beyond our Dreams, Jacaranda, Brisbane, 1961.

40. Bank of New South Wales v. Tyson (1871) op. cit.


42. DHS Archive. Top price was 31d per lb for 5 bales. 26 bales of pieces sold at 13d per lb. Nehemiah Bartley (Opals and Agates, Gordon and Gotch, 1896, p. 237) states that ruling prices for wool in Sydney 1871-72 were 5d to 11d per lb. He says that the onset of these depressed prices was the 1867 clip. Bartley is something of a gossiping Jeremiah.

43. N.S.W. G.G., 1872, p. 1297.

44. Bank of New South Wales v. Tyson (1871) op. cit.

45. Tyson diary entry 2 December, 1870. Queensland State Archives, 36/3608.

46. op. cit.

47. Tyson's diary, 1870, loc. cit.


49. Copies of original documents of assignment and release held Queensland State Archives 36/3607.


51. In 1877 J. S. Whitchurch took up a selection on the Downs but sold it not long afterwards. In 1899 when he gave evidence in the Queensland Supreme Court in the case to establish the domicile of James Tyson, he gave his address as Sandgate and his employment as Customs Officer at O'Reilly's Bond, A.S.N. Wharf, Margaret Street.