

709. Have you any reason to know that he would know that the land was wanted for a battery?—I think he must have known it.

710. Your offering £16,000 was in view of the fact that the Government wanted a portion of the land?—Yes; that was one of the elements of our calculation.

711. Was it a leading element?—Well, one takes all the elements together in calculating the value of a property. We knew they were going to take a portion, and we felt sure that they would have to take more.

712. And that they would have to give a good price for it?—Yes—that they would have, in any Compensation Court, to give a fair price for it.

713. *Dr. Newman.*] When you made the offer you expected to make a profit out of the Government?—I expected to make a profit on the whole property, including that which would be sold to the Government.

714. With your general knowledge of Compensation Courts, you expected to make a fair profit?—I am quite assured that no Compensation Court would give less than the value.

715. You bought it with a knowledge that you would have to go into a Compensation Court?—With the knowledge that it was probable.

716. What is Mr. Stark by profession?—He was an engineer.

717. Was he ever a candidate for a seat in Parliament?—It was notified in the papers that he would be one.

718. Did he ever offer any parts of this property for sale through you?—No, at no time whatever.

719. And you had no transactions with Mr. Ross?—None.

720. How does it come about that the valuation in the books of the Borough of Devonport was £3,500?—I cannot account for it; the buildings alone cost nearly that.

721. Who makes the valuation?—For that year it was made by Mr. Tanner.

722. Do you know what the valuation is in the books now?—The District Board decided to accept the property-tax valuation, although I did my utmost to prevent it.

723. *Hon. Major Atkinson.*] On what principle did you try to prevent it?—On the principle that it is wrong that local bodies should accept valuations made privately or under the Property-Tax Department.

724. Your objection was only a matter of principle?—Yes.

725. Do you think the property, cut up, would be saleable for building purposes with a battery near it?—I should presume so. It is a large property, and is so situated that the battery would not interfere with the best parts of it.

726. Have you heard that Mr. Stark made other efforts to sell the property?—I have heard of no others but the offer to Ross to which I have referred. I have heard all sorts of rumours; but Mr. Stark generally acquainted me with any transaction he was carrying out, and the only occasion on which he referred to this property was in connection with the offer to Ross.

727. Did it not strike you that the difference between the price at which he was willing to sell and the price you offered was extraordinary?—Yes; but at the time he offered it to Ross he told me he wanted to leave the colony: that was why he wanted to dispose of the place at all.

728. Is it at all your custom, when a property stands on the books for a certain price, to make offers to that amount—to five times that valuation?—I never calculate on the property-tax valuation or anything else in making an offer for a property. I take a common-sense view of the matter.

729. Supposing a property was valued at £100 on the books of the borough, would it be businesslike to make an offer for that property of five times that amount?—I would think nothing of doing so, if I was of opinion that a profit could be realized.

730. Do people expect to get five times the valuation for their property?—I do not say that. I have often bought properties and have been told that I would ruin myself in giving such big prices. In connection with the Calliope Estate, Mr. Stark refused to have any connection with it, as he said we could make no money out of it; but myself and my brother made £2,500 out of it in six months.

731. If persons have property valued at, say, £100, is it not a rule that they are prepared to sell at 50 per cent. or 100 per cent. above that?—I do not think there is any standard in a progressive place.

732. Did you ever offer Mr. Stark a lower offer than the one you have mentioned?—I never made him another offer at all.

733. You said that in your calculation of the property you had 5,000ft. frontage at £2 10s. per foot: how did you make up the balance?—We reckoned the sale of the house, &c., and I think about two acres of ground, and the battery-site, at £8,500.

734. Are you aware what the insurance on the house was?—No.

735. Have you any idea what the house cost to build?—I think it was about £2,500 finished.

736. Do you know anything of its condition?—It is in very good condition: it is a splendid house, and very well finished.

737. *Mr. Wilson.*] Do you know the situation of Hammond's property?—Yes; it adjoins Stark's.

738. Is it an equally-good situation?—It is very nearly as good; but you cannot subdivide it. You would have to take it at full depths.

739. What would be the value of theis?—About £4 a foot.

740. Then, it is more valuable than Stark's?—No. It is worth more per foot, because it has a greater depth than the other property would have.

741. *Hon. Major Atkinson.*] What is the value of Burgess's property?—About £150 per acre; but it has no view, and slopes down to the swamp.