

wards by Mr. Fisher that he had seen the plan there showing 4 perches, that I went along to see what was really there; I could not understand it. I asked then to see the plan, and for the first time I saw Mr. Macdonald's letter.

31. *Mr. Rhodes.*] The plan laid on the table yesterday showed the section at the corner in two parts. What is the reason for dividing it?—I could not tell you. It was suggested yesterday, because it was doubtful whether Mr. Macdonald had a title; but I do not think that could be so. It may be that there was a contention that the 13 perches had been acquired by the city as part of the street by occupation; but, of course, that is a very moot point. We sometimes put up these claims, but they are very ticklish things, and we cannot rely upon them at any time. When the thing is decided in Council, I have quite enough to do without doing the Solicitor's work. That reminds me that I stated yesterday that the cheque paid for the land was the cheque of Brandon, Hislop, and Johnston. I have since made inquiry, and I find that the City Solicitor was instructed to pay this money in by the Council to the credit of T. K. Macdonald. He got the cheque from Brandon, Hislop, and Johnston, who were acting for the mortgagee—the two solicitors co-operating—and Mr. O'Shea went across to the Receiver of Land Revenue and together they paid over the cheque. Mr. O'Shea states that he told them that it was paid in pursuance of a letter that was written.

32. And no cheque was actually paid by the Council?—This was practically paid to the Council, and by the Council's Solicitor paid over to them. I should think that is near enough.

33. And you say the section in Woodward Street has not improved in valuation by the alteration to the street?—Oh, no! I never said that.

34. I understood you to say that?—What I said was that it was not improved by taking the road round the curve instead of on the square. It was the traffic past the corner that was improved by taking part of the land, and that I did not think it right to cast the one man in a betterment charge when the other people were not so cast.

35. I suppose the section would fetch much more in the open market now than before?—Distinctly. Something has been said with regard to value. We did not do the conveyance to Mr. Macdonald; we are not his regular solicitors. The conveyance from the Maoris to Mr. Macdonald was done by Bunny and Petherick. Mr. Macdonald himself arranged with our client for an advance of three-fifths of the value of the land, including the Government land. He got £2,400 on a three-fifths basis: so that makes the whole thing worth £4,000. And certainly the land fronting Woodward Street was worth four times as much as the Government land per perch, and is worth still from three to four times as much.

36. You think the price paid, £652, is the full value?—Absolutely. I would not have given it, and I doubt if anybody other than Mr. Macdonald would have paid it.

37. What about the adjoining owners?—Well, the mortgagee of this land is one of the adjoining owners, and I am perfectly sure from his own valuation of the place that he would not have given £653.

38. I forget the name? Mrs. Williams?—I do not know what Mrs. Williams would have given. If Mr. Macdonald gets an offer of £1,000 for that piece of ground with all the improvements he would be very foolish to refuse it. I would not give it. I should say that it is worth £100 more to Mr. Macdonald—irrespective of its adjoining his piece of ground—than to anybody else, because, among other things, anybody else doing excavation would have to hoist the material up, whereas he can take it out through his own section; and, as Mr. Martin pointed out, you have to go down from 18 ft. to 20 ft. for a foundation for your building at the back, on both sides from 3 ft. to 18 ft., and on Mr. Macdonald's side about 18 ft.

39. You think it is impossible to exploit it for Mrs. Williams?—The only purpose she could put it to would be to use it as a private residence, by adding to her present house, which I would say is of very convenient size for that situation. She could not do this nor have built a new house except at a disproportionate cost, because she would have had to make it a very narrow building, and she would require to excavate for foundations. In making up the estimate of the cost you have got to put £653 as the cost of the section. If you take my estimate of what the other piece of ground taken from Mr. Macdonald is worth, you would have to add from £150 to £200 as the value. Considering the contraction that it makes on his section, you would have to put on quite from £150 to £200. Then, you would have to put on at least a quarter of the cost of the foundation—say, £75, because there it is very high. I should think you would have to put on more than a quarter. If you put that on it would bring you up to well over £900. Then there is the loss of interest and architect's fees, and I suppose a man does not care to do it without making a profit. I do not think he would make anything like £100 on his transaction if he put it in the market to-morrow. I would like to emphasize the point that I had to look at what was the best thing for the Council; and I may say that by these confounded contests with people who are always trying to get at the Council I have lost several very good clients. I am quite satisfied you would not have got £650 from anybody else, and I do not think that Mr. Macdonald would have given it except in an impulsive moment.

40. *Mr. Fisher.*] I would like to ask—to continue the line taken up by Mr. Fraser—how it was, if Mr. Macdonald was not authorised by the Council to write to the Government, and did actually write without the knowledge of the Mayor or a City Councillor—how he came to enclose an official plan bearing the stamp of the City Engineer?—That plan was furnished to Mr. Macdonald probably before he became owner of the property—I do not know if there is a date on it—when negotiations were intended to be taken with the Loves, in order to show to the Loves.

41. It is dated 29th April?—“A. B.” I suppose it was got to go with the letter of the 2nd May. The plan would be furnished to Mr. Macdonald, because he was known to be interested in the land. It would be furnished by the City Engineer. I knew nothing of it.