

of the Terrace, which was protected by a breastwork. For the purpose of valuation, I took 15 ft. of the frontage at £25 per foot, and the balance of 22 ft. 3 in. at £12 10s. per foot. The land adjoining this, owned by Mrs. Williams, and of similar depth, was valued by Mr. Ames in 1906 at £18 per foot; but the frontage was all good, and on the footpath-level. Only 12 ft. of the Crown section would bear comparison with Mrs. Williams's land, and that not very favourably. In arriving at the value the nature and position of the land had to be taken into consideration. Against the value as a residential site, I set off its extremely bad approach by way of the Terrace; the cost of filling in and erecting retaining walls on the street-line and along Mr. Macdonald's boundary; the small area, practically prohibitive to a class of building being erected which would pay interest on the outlay; the fact that the outlook was blocked by a wall about 18 ft. high at the rear of the section; and, finally, it was on the wrong side of the Terrace from a residential point of view. At the time of valuation, the only sales of land in the vicinity of which I had knowledge were all on the right side of the Terrace, and ranged from £40 per foot to £54 per foot frontage. After mature consideration I arrived at the value of £652, on the basis previously given, which represents an average value of £17 10s. on the frontage of 37 ft. 3 in. The correctness of this estimate is borne out in a remarkable manner by a sale which took place in December, 1907, of a portion of Town Acre 489, on the same side of the Terrace, but 4 chains further north towards Bowen Street. This section has a frontage of 180 links (119 ft.) by a depth varying from 69.5 links to 138.6 links, and was sold for £2,000, or at the rate of sixteen guineas per foot. At the present time it is for sale in various agents' hands for £2,300, or £19 6s. 6d. per foot. This price includes concrete foundations already laid down for two houses. The Corporation has now carried out the regrading of Woodward Street, from the beginning of Mr. Macdonald's land in that street, and the grade has been altered from 1 in 6.3 and 1 in 5.8 to an even grade of 1 in 8.6 right through to the junction with the Terrace at a point opposite the Crown section, and has also filled in the big hollow on the street-line of Wellington Terrace, besides erecting a retaining-wall along the boundary of Mr. Macdonald's land. The road was thus made available for the cartage of heavy loads. The important bearing that this has on the increase in value of the Crown land, in conjunction with other Terrace lands, will be readily understood when it is pointed out that at the time of valuation the only approach by cart traffic was by way of Boulcott Street or Bowen Street. It is now within $4\frac{1}{2}$ chains of Lindsay's corner for ordinary vehicle traffic, whereas then it was 43 chains distant by way of Bowen Street. The present value of Mr. Macdonald's land has been created not so much by the acquisition of the Crown block as by the improvements in the street-level made by the Corporation, and by the fact that he was not deprived of the larger area which I understood from him would be required for road-improvements. The main factor in the increase is undoubtedly the improved road-grade. A parallel case suggests itself in Jackson Street, Island Bay. Here land was selling at from £40 to £65 per section of an average area of half an acre. The Corporation expended about £400 in forming part of Adelaide Road, from Dee Street to the beginning of Jackson Street; and, although no road-formations was undertaken in the street itself, values immediately advanced from 100 per cent. to 200 per cent. as a result of the improvement. These factors must be taken into consideration in reviewing the statement that Mr. Macdonald refused to accept an offer of £8,000 for his property, or at the rate of £432 per perch of the area. Personally I do not believe that such an offer was ever made. I understand it was so reported in the newspapers in June last, but I have never been able to obtain any confirmation of the report. It has been stated, on the assumption that £432 per perch was refused, that the Government land which I valued at £100 per perch was sold at quarter of its true value. To prove the incorrectness of this statement I would point out that the value of the 6.55 perches, if worked out on a £432-per-perch basis, gives a total of £2,829 12s., which is equal to a frontage value of £81 8s. 6d. The highest sale in Wellington Terrace is that of a corner site nearly opposite, with a depth of 100 ft., at £50 per foot; and this sale was effected since the improvement of Woodward Street. More convincing proof still is the fact that the only land on the Terrace which bears comparison with the Crown block is in the market at present at £19 6s. 6d. per foot. It must not be forgotten that at the time I made the valuation in May, 1907, the market value of this land was very much less than it is now. It was then an isolated piece, too small to be of any appreciable use except to one of the adjoining owners, and this fact limited the possible number of buyers, and consequently its market value. After carefully reviewing the whole circumstances I cannot come to any other conclusion than that the value I placed on the land at the time was its full market value.

The Chairman: There is just one statement you made there—the fact of a street being laid out at Island Bay increasing the value to nearly double what it was without any work being done.

Witness: Without any work being done in the street at all, which was about five or six chains away from Dee Street. The value has increased from 100 to 200 per cent. as a result.

1. *Mr. Hislop.*] Did you understand whether that statement by Mr. Renner was about Mrs. Williams paying the rates?—Oh, no! He came into the Department in 1903, and said they were in possession of and paying rates for a piece of land for which they could not find an owner.

2. With regard to the relative values of Woodward Street, I suppose you agree that down Woodward Street itself is much more valuable?—Much more.

3. Of course, you know that Lindsay's side shop, and Meadows's, in that street, are doing a large business?—It would be a first-class place for dentists, doctors, or a private hotel. It has passed from being a right-of-way to practically a business street.

4. And relatively to the value of that section taken from the Government I suppose Woodward Street is of greater value over that than Lambton Quay is over Woodward Street?—I would not like to commit myself as to that.

5. You say that Mr. Macdonald, at the time you went on the place with him, told you he was the owner?—Oh, yes!