purchasing for cash?—We did not go into the matter from a cash-offer point of view. In making an offer in connection with any speculation I am engaged in, I always consider the question of interest on capital.

911. *Hon. Major Atkinson.*] Supposing you had received an intimation through the agent who was in communication with Mr. Stark, saying that Mr. Stark was not prepared to deal otherwise than for cash, would you have been prepared to make a reasonable cash offer?—If we could have got the property at what we considered a bargain for cash we should have bought it; but only as a bargain, as in such a large cash transaction we should hesitate to handicap ourselves by parting with too much ready money.

912. What would you consider a bargain for cash?—That is a question that is very difficult for me to answer offhand, because I never calculated from a cash-purchase point of view. I do not know how I could give you an answer. I might be able to do so were you to ask me what I would have considered a bargain if I had sufficient cash in hand to buy the property, and wanted to invest all my capital in that property.

913. But you must have had some idea in your mind?—I would buy property in Wellington to-day if I could get it a bargain. I would find the money in some way to do so. But I never went into this speculation with the intention of buying for cash; but I would not allow a property to pass into other hands if it was a good bargain.

914. Can you not tell us—speaking in general terms—what, in your mind, a good bargain would have been? I do not wish to bind you to exact amounts?—When I went into this question of the purchase of the property, I subdivided it to ascertain its value, calculated the probable proceeds, and then took into consideration on what terms it would suit us to purchase at the time, and sufficient time to allow us to dispose of the whole. I calculated the interest at such a price as would not increase the cost of the purchase too largely.

915. Then, I understand that you are incapable of telling the Committee what was the cash value of the property at the time you made your offer?—No; I do not say that.

916. Then will you kindly do so?—I say that in calculating the purchase of the property I did not calculate it from a cash basis.

917. I understand that. But what would you have given in cash?—It all depends on a man's means at the time of purchase what he would be prepared to give in the way of cash.

918. Not altogether. No doubt it does depend on what amount is at his command by financing?—Well, we always consider that as capital. I should consider as capital the amount I could obtain.

919. I want to get at the question of the cash value. You decline to answer the question as to what was the cash value at the time of your offer, not having made any calculation about it?—All I can say is that in making my calculations I did so in terms of my offer.

920. I want to know whether you are unable or unwilling—unable, I presume—to give any estimate of what was then the cash value. You have told us that you were well acquainted with the land in the district, and that there was no one better able than yourself to form an opinion of its value. We have in evidence from several persons what the cash value was at the time your offer was made?—I do not know how others would make their calculations. I would do so as a question of percentage on capital invested.

921. Could you make that calculation?—No, I do not think I could. I should require to go into figures.

922. *Mr. Dargaville.*] I understand you to say that in the offer you made for the property to Mr. Stark you offered £2,000 in cash and £14,000 by instalments in five years. Something would be paid off as you sold the land from time to time. That £14,000 was to bear 5 per cent.—that is, the balance that remained unpaid would bear 5 per cent. Assuming that you were able to raise the money yourself on mortgage, what rate of interest is the current rate payable in such transactions in the district?—We generally sell on terms of 7 or 8 per cent.

923. Putting it at 7½ per cent.: if you had raised £14,000 on mortgage to pay Mr. Stark in full, you would have had to pay 7½ per cent. for it. The difference, then, between the terms purchase and the cash purchase would be represented by 2½ per cent. on any portion of the £14,000 unpaid during the five years?—No, I do not follow you there. In buying on terms I had five years to pay the liability or a portion of it. And if I sold an allotment and received, say, £50 deposit, I had no occasion to hand that over to Mr. Stark. It would not be till he could be paid in full for the allotment that he would be required to be paid at all. In nineteen cases out of twenty sales are made on terms.

924. If you sold on terms and took mortgages you would have to assign these to Mr. Stark?—That is not the way we deal with our business on terms. We have an agreement.

925. The difference between 5 per cent. you bind yourselves to pay, and the percentage at which you could raise money, would give an idea of the difference between buying for cash and on terms, would it not?—I do not take it that it would give me any idea.

926. *Mr. Barron.*] You have told the Committee that you are engaged as a matter of business in valuing land and in buying and selling it, and that you are an expert in such valuation. Are you ever asked to value property by those desiring to advance money on mortgage?—Yes, I am.

927. Had you been asked, say, by a financial company to value this land as a security, how much would you have advised them that it was worth for that purpose?—I should have said about £10,000.

928. That is to say, you, as a respectable land-valuer, if you had been asked by a loan company to value the property, would have advised them that it was not worth more than £10,000?—No; that is not the way in which money is advanced on mortgage: the full amount of the value is never advanced. I should have said that it was security for £10,000, and would have no hesitation in recommending them to advance that sum against it.

929. You would lend on mortgage, perhaps, to one-third of the value?—I should lend so as to