

at that time I was under the impression that what the Corporation were wanting from me was nearly the size of the other.

21. Can you tell us when did you first realise that you were only to give a few feet of your land?—After the Mayor's interview with me.

22. That was after the receipt of the letter from the Commissioner of Crown Lands?—After the receipt of the letter stating what the price was to be, when I told him.

23. And at that time, as a matter of fact, the Wellington City Council had not applied for the land?—I do not know anything about what the Council did in the matter. All the documents in the matter prepared by the Council were not submitted to me. I knew nothing about it.

24. You see, the letter came from the Commissioner of Crown Lands on the 28th June, and on receipt of it the Town Clerk called on you, and you went and saw the Mayor?—I presume so, from the correspondence here.

25. And it was at that interview that the Mayor said only a few feet would be required?—I presume so.

26. Then there elapsed the months of July and August, and not until the 5th September does the Town Clerk apply for the land. But there is no mention of the important realisation of the wrong impression you were under either in that letter or in the other letter? You never told the Government?—It never struck me to tell the Government. The Government had fixed the price, which I thought was absolutely too big a price.

27. You signed an agreement on the 11th October?—Yes.

28. By which you granted the Council 45 perches of land and agreed not to claim any compensation?—Yes, that is right.

29. Can you tell us why that agreement was varied?—In what respect?

30. As to the payment to be made under it? What was your liability under the agreement?—I had no liability under the agreement except that I was to find the purchase-money and £100 towards the wall.

31. That agreement was varied?—Afterwards.

32. On whose initiative?—On the initiative of my architect. You see, I put the position to my architect, and said, "Is this all right? Will not this interfere unduly with your building? Because the responsibility is on you." I put the responsibility on him, and then he went into it very closely.

33. I think in your statement you say that you paid £1,000 for the corner section?—Yes.

34. Is that right?—Yes.

35. And you paid £652 for the Crown land?—Yes.

36. And before you had received title for the Crown land you had a mortgage drawn over the section for £2,400?—That is correct.

37. The mortgage greatly exceeded the money you paid for the section?—I did not think it too much, because I had agreed to pay for the perpetual lease years ago over £1,000. This agreement was completed last year.

38. Was it not freehold?—I want you to understand the position, Mr. Fisher: There were two branches of value—the value of the perpetual lease and the value of the freehold. The value of both was estimated to be worth £4,000, less the £652 for the Government section.

39. So that really you did not get the section for £1,000?—Oh, no! that was only the value of the goodwill of the thing.

40. Did you not put the land up for auction?—You mean to say the whole thing?

41. Yes, including the Government land?—That is right.

42. The *Evening Post* of the 23rd June states that the bidding started at £5,000 and rose to £8,000. Is that correct?—It is not correct. I never supplied that to the paper. There was no bid of £8,000 for it. It was started at £5,000 by myself.

43. There was no bid of £8,000?—No. We had no other.

44. Have you endeavoured to sell the 6½ perches separately?—No. We had several people asking questions about it.

45. Who paid the money for the land—the £652?—The solicitors arranged that. I passed the whole thing over to them.

46. They found the purchase-money?—They found the purchase-money out of £2,400 in their hands belonging to me.

47. You referred in your statement to the fact, "Some few months after Mr. Hislop's election as Mayor." Is that last year?—Oh, no! his first election.

48. When you called on Mr. Kensington that was five days after the mayoral election?—I could not say that: somewhere about the end of April.

49. You did not consult with Mr. Hislop on the matter at all?—Not in the least.

50. Now, you have stated that on a later date—that is, after the matter was fixed up—examination of the City Council plan revealed the fact "that they only required really less than half a perch (45 perches). The position had therefore to be recast. There was no necessity for an exchange of sites." Is that correct?—No doubt that was correct. When the Mayor told me that they did not want any but a few feet of land the whole position altered. There was no use in my discussing the question. I was quite willing that the city should have a present of the small piece of land.

51. Although the measurement of the land is so palpably plain, and it was your own land, you read it for 4 perches?—Yes, with the rough glance I had of it.

52. And you verified it by putting "4 perches" into that letter?—The impression on my mind was 4 perches also, and they were wanting too much money. I had that impression all through, and it was only after the Mayor's interview that I realised that all they wanted was an infinitesimal bit.