3. *Mr. Forbes.*] You know the values that have been placed on the New Lynn leases by the Government valuer?—Yes.

4. Have you gone into the matter of those valuations?—Yes, I have gone into the whole question, and I have made an independent valuation which I am prepared to take my oath on as to its correctness to the best of my judgment. I have valued these properties the same as I should value them for any one who employed me privately.

5. Have you a list of your values as compared with the valuations made by the Government valuer?—I can tell you what they are: Section 1, Block VIII, F. H. Bird, 39 acres and 21 perches, I valued at £2,000. I value the land at £1,565 5s., and the improvements at £434 15s. That section was sold on the 11th July for £1,976 5s. 2d.

6. What improvements did you allow for?—I made the improvements £434 15s. If you allowed only £411 for improvements that would leave the land at £40 an acre. Then R. J. Carbine, Sections 7 and 8, Block III, 5 acres and 20 perches, I value at £425, and improvements at £115.

7. *Mr. Guthrie.*] What is the selling-price of that?—I take that to be the selling-price.

8. There has been no sale recently?—Not that I know of. Then, H. V. Chesterman, Section 1, Block XIII, 3 acres, value £105, or £35 an acre. The improvements I value at £380. Section 8, Block XV, R. J. Catteaux, value £140, and improvements £65. Sections 3 and 4 of Block III, J. Davis, 4 acres 3 roods 36 perches, I value at £335 12s. 6d., and improvements at £165. Then, John Davis, 5 acres, Sections 6 and 7, Block IX, £35 per acre, £175. R. L. Moore, Section 11, Block XIV, 5 acres, £130 for the land, £26 per acre, and improvements £100. That is a very awkward piece of land and difficult to work, and poor land. A. G. Foulds, 5 acres, Section 2, Block XIII, £150, £30 an acre, and improvements £35. Grasson, Section 7, Block XV, 4 acres, £30 per acre, £120, and improvements £335. Hutchinson, Sections 5 and 6 of Block V, 5 acres 1 rood, £35 per acre, £288 15s., and improvements £200. I might say that my lending-value on this land would be just half the amount I assess it at, so that in every case where I have given the valuation there is not a single case where I would recommend a bigger loan on the land than half the amount.

9. *Hon. Mr. Buddo.*] For what reason?—Because I think it would not be safe to lend more on these areas and in that locality. I as a trustee would not dream of lending more, and would not recommend any of my clients to lend any more than half on that land. Then, F. M. Hill, 5 acres, Block V, I value at £65 per acre. That land is on a road which is a chain and a half wide, and it is very well situated. W. F. Hanley, Section 9, Block XV, £30 an acre, £150, and the improvements £300.

10. *Mr. Forbes.*] Those values are fair market values?—In my opinion they are fair market values to-day. Sometimes we lend according to the class of building on the land, and sometimes we might lend up to two-thirds or three-fifths of the value of the buildings.

11. You said you would not advise lending more than half the value of this land. Do you anticipate, then, that this land will go back in value?—No. I do not like the way the men are shaping with regard to the land. There are not the improvements, and the properties do not seem to me to be worked by the men as if they had much heart in it. I expected when I went out there to find trimmer properties and more signs of permanent settlement. I do not believe the land will go back in value, but I do not believe there is going to be any very great advance.

12. Do you advise anybody lending money on land to lend more than half?—At the present time we are very cautious, and in the case of very much better land than this we are not lending more than half, because we think everything is boomed at the present time. In most cases now we are recommending only half the value as compared with two-thirds and three-fifths previously.

13. You do not think the values are on a solid foundation?—We do not like the idea at the present time so far as land-values are concerned.

14. You do not think there is a prospective value?—Yes, but I think there will be steady progress and development. There is as reasonable a prospect of things becoming successful out there as anywhere, but I think it will be a working-man's district. At places like Ellerslie and Remuera people will have to settle there and make greater improvements, and there are greater attractions. I do not want to give the impression that I think things will go back in the Hetana Settlement.

15. What do you value the land for workmen's homes at Ellerslie?—I should think for land out there you would get £300 an acre.

16. If you take your own statement just now that people would go to New Lynn for 2 or 3 acres at £40 an acre, the 3 acres would be only worth £120?—I said in some cases I thought they would. If some workmen had a chance of 2 or 3 acres at Grey Lynn and only a quarter-acre at Ellerslie they would go there. If a man wanted to keep poultry or bees or grow fruit he would go there.

17. You think that by the time the leases are out the land will have appreciated in value considerably?—I do; but I also say this: if you take the money which you get now for your interest in the land and allow that money to accumulate——

18. I am simply asking you whether there is a prospective value there?—Yes, there is, I believe.

19. What increase do you think there would be likely to be by the time the leases run out?—I suppose that that land might be worth a little more than double what it is worth now, possibly.

20. *Mr. T. W. Rhodes.*] You think that if a man had the option of taking a quarter-acre at Ellerslie as compared with 2 or 3 acres at Hetana he would prefer the larger area?—Some men would.