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Writ of Certiorari.

(Allowed and Issued August 2, 1915.)

NEW JERSEY, *ss.:*

THE STATE OF NEW JERSEY TO THE BOARD OF TAXES AND ASSESSMENTS AND EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, GREETING:

(SEAL)

We being willing for certain reasons (a proper cause having been presented, and due notice of application for this writ having been given) to be certified of the revaluations, reassessments and taxation for the year 1911 made and levied pursuant to an act of the Legislature of the State of New Jersey entitled "An Act to revise and amend 'An act for the taxation of railroad and canal property,' approved April tenth, One thousand eight hundred and eighty-four", which revision and amendment was approved March 27, 1888, and the acts amendatory thereof and supplementary thereto, of the lands of the Long Dock Company in the taxing district of Jersey City, described as follows:

	Re-assessed Valuation for 1911
Land outside main stem; tract used for terminal purposes, bounded as follows: beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street, thence easterly along the southerly line of Pavonia avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center	

line of 7th street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th street produced, to a point 1,225 feet east of the center line of Provost street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost street to the center line of 7th street produced; thence westerly along the center line of 7th street produced, to a point 255 feet east of Provost street; thence northerly to the north line of 8th street and in the westerly face of Cattle pens; thence westerly along the northerly line of 8th street to a point 125 feet east of Provost street; thence northerly parallel with Provost street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6; 16.039 acres $1,098,480

Land outside main stem; Terminal tract; Beginning at the point of intersection between the easterly line of Provost street and the center line of 12th street; thence easterly along the center line of 12th street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia avenue; thence westerly along the northerly line of Pavonia avenue to the easterly line of Kelso street; thence northerly along the easterly line of Kelso street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia avenue 185 feet; thence southerly 100 feet to the northerly line of Pavonia avenue; thence

westerly along the northerly line of Pavonia avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th street; thence westerly along the northerly line of 9th street to the easterly line of Provost street; thence northerly along the easterly line of Provost street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost street; thence northerly along the center line of Provost street to a point 45 feet south of the northerly line of 11th street; thence easterly at right angles to the center line of Provost street to the easterly line of Provost street; thence northerly along the easterly line of Provost street to the center line of 12th street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof), 43.872 acres..... 3,856,956

Land outside main stem; Land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, 2.09 acres..... 116,196

Land outside main stem; Beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th street produced; thence westerly parallel with and distant northerly 272½ feet to the center

line of 7th street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Plot B-7, 2.498 acres.....	138,878
Land outside main stem; Block 182, Plot C, .176 acres	13,812
Land outside main stem; Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the center line of Provost street, 1.118 acres	87,740
Land outside main stem; Block 218, excess south of main stem (exclusive of land occupied by warehouse), .624 acres	40,810
Land outside main stem; Block 323, excess south of main stem, .413 acres...	21,588
Land outside main stem; Block 360, excess south of main stem, .413 acres...	21,588
Land outside main stem; Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad, .362 acres.....	10,426
Land outside main stem, Block 395, excess south of main stem, Long Dock Co., .470 acres.....	13,536
Land outside main stem; Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad, .090 acres.....	2,592

Land outside main stem; Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick avenue and center line of Division street, 1.290 acres.....	37,152
Land outside main stem; Block 547, Plot 4-A, between center line of Division street and easterly line of New Jersey Junction Railroad, 1.090 acres.....	17,004
Land outside main stem; Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad, .250 acres	3,900
Land outside main stem; Block 547, Plot 2-D, excess north of main stem, .310 acres	4,836
Land outside main stem; Block 961, Plot 1 (including Utica street), 3.957 acres	28,015
Land outside main stem; Block 961, Plot 3, 6.315 acres.....	45,468
Land outside main stem; Block 961, Plot 5-B, 2.180 acres.....	15,434
Land outside main stem; Block 1,200, Plot 12, 14.180 acres.....	34,032
Land outside main stem; Block 1,200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad), 32.195 acres	57,952
Land outside main stem; Block 1,200, Plot 59-A, 32.180 acres.....	59,925

do command you that the original valuations, assessments and taxation of said lands for the year 1911, the statement or statements thereof certified and reported by said State Board of Assessors to the Comptroller of the Treasury of the State of New Jersey, the reports made by said Long Dock Company to said State Board of Assessors, pursuant to said statutes, together with the schedules accompanying the same, the written protest and

complaint made by said Long Dock Company with respect to said original valuations, assessments and taxation, the evidence, exhibits and statements taken upon the review of said original valuations, assessments and taxation before said State Board of Assessors, the final determination of said State Board of Assessors upon such review, all corrections made by said State Board of Assessors in said valuations, assessments and taxation, the certificate made by said State Board of Assessors to said Comptroller upon such review and final determination, all certificates returned to and filed with said State Board of Assessors by the Assessors of the several taxing districts of the State, the evidence, exhibits and statements taken upon the revaluation, reassessment and retaxation of said lands for the year 1911, the final determination of said State Board of Assessors upon said revaluations, reassessments and retaxation, all corrections made by said State Board of Assessors in the valuations, assessments and taxation of said lands for the year 1911 upon said reassessment, the revaluations, reassessments and retaxation of said lands for the year 1911, the certificate made by said State Board of Assessors and filed with said Comptroller upon such revaluations, reassessments and retaxation, together with all other proceedings and matters touching and concerning the said original valuations, assessments and taxation, and said revaluations, reassessments and retaxation, as fully as the same remain before you or any of you, or under your control, you do certify and send to the Justices of our Supreme Court at Trenton on the twenty-first day of August, 1915, together with this writ, that we may cause to be done thereupon what of right and according to law should be done.

WITNESS, William S. Gummere, Chief Justice of the said Supreme Court at Trenton, this second day of August, 1915.

WILLIAM C. GEBHARDT,
Clerk.

COLLINS & CORBIN,
Attorneys of Prosecutor.

ALLOCATUR.

I allow the writ. Let it be sealed. Upon condition that prosecutor pay to the State Comptroller within ten days from the date hereof, taxes for the year 1911 on all of its real estate used for railroad purposes other than main stem located within the taxing district of Jersey City as on a valuation of $800,000 in addition to the valuation of $4,451,136 as on which prosecutor has heretofore paid taxes for said year on said real estate, which will make a total payment heretofore made and to be made in accordance herewith, by prosecutor, of taxes for the year 1911 of $105,022.72 on all of its real estate used for railroad purposes other than main stem located in the taxing district of Jersey City as on a valuation of $5,251,136 of said real estate; and that prosecutor will not ask for refund of any part of the taxes so paid; and that if the assessment on said real estate be reduced in whole or in part prosecutor will pay any valid increase of tax for the year 1911 on its franchise resulting from such reduction, when ascertained, nothing herein however to prevent prosecutor from reviewing by appropriate proceedings any such increase of tax on its franchise before making payment thereof.

Dated, August 2, 1915.

F. J. SWAYZE, *J. S. C.*

Order Extending Time for Returns, &c.

Entered October 4, 1915.

New Jersey Supreme Court.

LONG DOCK COMPANY, *Prosecutor.*	*On Certiorari.*
vs.	
STATE BOARD OF TAXES AND ASSESSMENT, *et als.*, *Defendants.*	*Order.*

It is, on this second day of October, Nineteen Hundred and Fifteen, ORDERED, that the return day of the writ of certiorari in above entitled cause, and the time for making returns to said writ of certiorari, be and it hereby is extended until October 5, 1915, and the time for filing reasons in above cause extended for ten days after the returns to said writ have been filed.

Let the foregoing rule be entered.

F. J. SWAYZE,
J. S. C.

Entered October 4, 1915.

On motion of

COLLINS & CORBIN,
Attorneys of Prosecutor.

Return by State Board of Taxes and Assessments.

(Filed October 4, 1915)

To the Chief Justice and the Associate Justices of the Supreme Court of the State of New Jersey.

The State Board of Taxes and Assessments, pursuant to the commands of the writ of certiorari hereunto attached and for its return thereto, does certify as follows:

1. That pursuant to the provisions of an act of the Legislature of the State of New Jersey, entitled, "An Act to revise and amend an Act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four", which revision and amendment were approved March 27th, 1888, and of the acts amendatory thereof and supplemental thereto, the State Board of Assessors did value and assess for taxation for the year 1911, certain property of the Long Dock Company situate in the taxing district of Jersey City, County of Hudson, and State of New Jersey, consisting of real estate, other than main stem, used for railroad purposes, as shown upon the schedule hereto annexed and marked Schedule A, and did compute, assess and impose a tax upon the aforesaid assessed valuations of said property for local uses at the rate of Twenty Dollars per one thousand dollars of valuation, that being the full local rate of said taxing district for said year.

2. That on the 20th day of November, 1911, at 10 o'clock A. M., said Long Dock Company appeared before said State Board of Assessors, and served upon and filed with said State Board of Assessors, a written complaint and protest, copy of which is hereto annexed and marked Schedule B.

Return by State Board of Taxes and Assessments.

3. That on the 23rd day of November, 1911, said State Board of Assessors served upon the Treasurer of the said Long Dock Company a copy of the valuation in detail of the property of said corporation, and of the tax assessed against the same, and gave notice that they would meet on the 12th day of December, 1911, at 10 o'clock in the forenoon, at the State House in Trenton, for the purpose of reviewing their said assessments, the date for said review of said assessments having been extended by said State Board of Assessors, from the 20th day of November, 1911.

4. That on said 12th day of December, 1911, the said Long Dock Company appeared, pursuant to said last mentioned notice, and filed with the State Board of Assessors, its written complaint against said valuations, assessments and taxation, specifying its grievance, a copy of which written complaint is hereto annexed and marked Schedule C.

5 That on said 12th day of December, 1911, pursuant to above-mentioned notice by said State Board of Assessors, and from time to time, pursuant to adjournments made by said State Board of Assessors, said Long Dock Company appeared and produced witnesses on the hearing of its complaint against said valuations, assessments and taxation, the depositions of which witnesses were reduced to writing and are herewith returned and made a part hereof and marked Schedule D.

6 That after such review of said valuations, assessments and taxation, the said State Board of Assessors did, on the 2nd day of October, 1912, correct the same as shown upon the Schedule hereto annexed and marked Schedule E, and did certify to the Comptroller of the State all corrections which they made in said valuations, assessments and taxation.

7. Thereafter said valuations, assessments and taxation were reviewed by the New Jersey Supreme Court upon a writ of certiorari at the suit of said Long Dock Company, and affirmed by said Court. An appeal was taken by said Long Dock Company from the judgment of said Court to the New Jersey Court of Errors and Appeals and the judgment of the New Jersey Supreme Court, affirming said valuations, assessments and taxation, was reversed by the New Jersey Court of Errors and Appeals and the record remitted to the New Jersey Supreme Court for further proceedings. The New Jersey Supreme Court upon said remittitur set aside and cancelled said valuations, assessments and taxation, and referred the matter back to said State Board of Assessors for reassessment, a copy of the judgment of said Court ordering said reassessment being hereto annexed and marked Schedule F.

8. Subsequently, said State Board of Assessors proceeded to make such reassessment and received and considered thereon, certain testimony taken on complaint of said Long Dock Company against assessments on the same property for the year 1914, under a stipulation by the attorneys for said Long Dock Company and the Attorney General on behalf of the State, a copy of which stipulation is hereto annexed and marked Schedule G, and said testimony is to be considered as though returned herewith.

9. Such reassessment for said year 1911 was made by said State Board of Assessors, a copy of the resolution of said Board thereon being hereto annexed and marked Schedule H.

Return by State Board of Taxes and Assessments.

10. Said State Board of Assessors on June 29, 1915, certified and reported said reassessment to the Comptroller of the Treasury.

STATE BOARD OF TAXES
AND ASSESSMENT.

(Seal) By L. T. RUSSELL,
President.

IRVINE E. MAGUIRE,
Secretary.

SCHEDULE A.

Original Assessments.

STATE OF NEW JERSEY.

DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.,

Taxing district of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1911.

Description of Property.	Acreage.	Assessed Valuation for 1911.
Main Line:		
Land outside main stem; tract used for Terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north		

of the center line of 7th Street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th Street produced, to a point 1225 feet east of the center line of Provost Street; thence southerly parallel with and distant easterly 1225 feet from the center line of Provost Street to the center line of 7th Street produced; thence westerly along the center line of 7th Street produced, to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of Cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6.....	16,039	$1,098,480	
Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along			

	the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue, 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street to the center of 12th Street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof)	43.872	3,856,956

Land outside main stem; Land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water..	2.09	116,196	10
Land outside main stem: Beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant northerly 272½ feet to the center line of 7th Street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7.....	2.498	138,878	20
Land outside main stem: Block 182, Plot C.....	.176	13,812	30
Land outside main stem: Block 185, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street, and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	
Land outside main stem: Block 218, excess south of main stem (exclusive of land occupied by warehouse).....	.624	40,810	40

Land outside main stem: Block 323, excess south of main stem	.413	21,588
Land outside main stem: Block 360, excess south of Main stem	.413	21,588
Land outside main stem: Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad	.362	10,426
Land outside main stem: Block 395, excess south of main stem, Long Dock Co.....	.470	13,536
Land outside main stem: Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad	.090	2,592
Land outside main stem: Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick Avenue, and center line of Division Street.....	1.290	37,152
Land outside main stem: Block 547, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	17,004
Land outside main stem: Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad.....	.250	3,900
Land outside main stem: Block 547, Plot 2-D, excess north of main stem.....	.310	4,836

Land outside main stem: Block 961, Plot 1, including Utica Street	3.957	28,015
Land outside main stem: Block 961, Plot 3	6.315	45,468
Land outside main stem: Block 961, Plot 5-B	2.180	15,434
Land outside main stem: Block 1200, Plot 12	14.180	34,032
Land outside main stem: Block 1200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad)	32.195	57,952
Land outside main stem: Plot 59-A	32.180	57,925
Terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform		145,000
Add Balance of Assessments undisputed		1,515,860
Total		$7,385,180

SCHEDULE B.

Protest by Long Dock Co.

To the Honorable, the State Board of Assessors:

THE LONG DOCK COMPANY respectfully objects and protests because of the failure of your Honorable Board to serve upon or leave at the office of their Treasurer a copy of the valuation in detail by your Board of their property and of the taxes assessed against the same under the provisions of the General Railroad Tax Law, for the year 1911, which, by the Ninth Section of said Law, is required to be served on the first day of Novem-

ber or within ten days thereafter. The day for the filing by said Company of objections and protest is this 20th day of November, 1911, and they are now attending before this Board at Trenton and demanding an inspection of the said assessment and taxes and a copy thereof. They respectfully demand that when the same shall have been made, they have a copy thereof, and the full time and opportunity to consider and examine the same and to be heard thereon that they would have had if the Board had served the same on November 1st, as required by law. And they respectfully reserve all the grounds and reasons of objection which they could have presented on this day, if they had been served with notice and a copy of the said assessments and taxes within the time and in the manner required by law.

Respectfully,

THE LONG DOCK COMPANY.

By HARRISON WILLIAMS,
General Land and Tax Agent.

Dated November 20, 1911.

SCHEDULE C.

Complaint by Long Dock Co.

New York, December 11th, 1911.

To the State Board of Assessors of the State of New Jersey.

Gentlemen:

The Long Dock Company hereby complains of the valuation, determination and assessments and taxation for 1911 upon it and its property, made by the State Board of Assessors of the State of New Jersey for the year 1911, and specifies the

following grounds of complaint and grievance on the said valuation, determination, assessments and taxation above referred to, and the said company requests your honorable Board to review and correct the same.

First. Said Board erred in assessing and valuing the main stem of said Company at $2,336,800 and imposing a tax thereon at such valuation, because such valuation is in excess of the true value of said property and because the Board proceeded on erroneous principles in capriciously, and without evidence, and without legal authority, doubling the value of the land in main stem which it had ascertained to be the true value thereof, and which its evidence showed to be the true value thereof.

Second. Said Board erred in assessing and valuing the franchise of said Company at $230,200 and imposing a tax thereon at such valuation, in this, that such valuation is excessive and not the true value of the franchise, and said value was ascertained and determined on erroneous principles, and by illegal methods, and without regard to the actual value of the franchise of this particular company, and have valued the same by an arbitrary and capricious rule or method not appropriate or applicable to this franchise and without evidence of such value, and have considered in reaching such value factors entirely foreign to this Company's franchise, its earnings and its property; and moreover, that it has failed to accept the actual income and disbursements of said Company as such but has wilfully substituted therefor imaginary and fanciful figures.

Third. Said Board erred in assessing and valuing real estate of said Company used for railroad purposes other than main stem at $7,385,180 and imposing a tax thereon at such valuation, in that

said valuation is greatly in excess of the true value of the property, and was arrived at by improper and illegal and capricious methods, and in that, after ascertaining the true value thereof, in the judgment of said Board a certain percentage thereof was arbitrarily added thereto, without evidence and without lawful authority.

FOURTH. The said Board of Assessors erred in valuing the assessing the particular pieces of property set forth in the valuation and assessment of real estate used for railroad purposes other than main stem for the said year under the title "Description of Property," at the valuation therein set forth under the column entitled "Value," and also erred in valuing and assessing and imposing a tax on such property as real estate used for railroad purposes other than main stem.

FIFTH. The State Board of Assessors erred in including in its assessment and valuation of main stem, and in its assessment of property other than main stem used for railroad purposes, and in its said valuation and assessment for franchise, property not used for railroad purposes, property that is not taxable, and property that is not subject to valuation and assessment for taxes by said State Board of Assessors.

SIXTH. The State Board of Assessors erred in finding and fixing a rate of taxation on main stem property, franchise and tangible personal property necessary for and used in State commerce at $1.896 per $100.00 valuation.

SEVENTH. The said State Board of Assessors erred in valuing and assessing and imposing a tax upon the said Company in the manner set forth in their valuation and assessments for said year.

EIGHTH. The last valuations, determination, assessments and taxation are unlawful, unconstitu-

tional and void, and the laws under which said Board acted in making and imposing said valuations, determination, assessments and taxation are unconstitutional and void.

THE LONG DOCK COMPANY,

By HARRISON WILLIAMS,
General Land and Tax Agent.

SCHEDULE D.

Testimony upon review of original assessments.
Printed in Vol II.

SCHEDULE E.

Final Determination by Board on Original Assessments.

In re "The Erie Railroad System."

ASSESSMENT OF 1911.

OFFICE OF STATE BOARD OF ASSESSORS.

Trenton, N. J., October 2, 1912.

I hereby certify that the State Board of Assessors has adjudged the original assessments levied for the year 1911 against the various companies comprising the Erie Railroad System in New Jersey in manner following:

LONG DOCK COMPANY.

MAIN STEM.

Assessed valuation reduced from $2,336,800 to $1,925,781.

FRANCHISES.

Assessed valuation reduced from $230,200 to $150,000.

Return by State Board of Taxes and Assessments.

Reduction in valuation, $493,219.

Reduction in State tax.....	$9,351.43
Reduction in local tax.....	
Reduction in total tax.....	$9,351.43

CORRECTED TAX.

For State uses.....	$39,318.89
For local uses.....	147,573.34
Total tax.....	$186,892.23

IRVINE E. MAGUIRE,
Secretary.

SCHEDULE F.

Judgment of the Supreme Court Ordering Reassessment.

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* *vs.* CHARLES E. HENDRICKSON, JR., GEORGE E. HALSEY, GEORGE L. RECORD AND ISAAC BARBER, STATE BOARD OF ASSESSORS, AND EDWARD I. EDWARDS, COMPTROLLER OF THE STATE OF NEW JERSEY, RECORD AND ISAAC BARBER, *Defendants.*	*On Certiorari.* *(Assessments & Taxes for 1911.)* *Rule for Judgment on Remittitur.*

The judgment of this Court entered in above case on March 6, 1914, having been reversed, set aside and for nothing holden by the judgment of The New Jersey Court of Errors and Appeals entered on November 16, 1914; and the record and pro-

ceedings in said case having been remitted to this Court for further proceedings not inconsistent with the opinion of said New Jersey Court of Errors and Appeals and in accordance with the judgment of the last named Court and the practice of this Court; and this Court being of opinion that further testimony may be taken before said State Board of Assessors on a re-assessment of lands:

It is Ordered and Adjudged that the valuations, assessments and taxes for the year 1911, brought before this Court by the writ of certiorari in this case be and the same hereby are set aside, cancelled, annulled and for nothing holden:

And It Is Further Ordered that the matter be and it hereby is referred back to said State Board of Assessors for re-assessment of the property in question for said year 1911 with leave to take further testimony, which testimony may be taken before said State Board of Assessors either on behalf of the State or of said Long Dock Company, or both, on notice by said State Board of Assessors to the Attorney General and to said Long Dock Company of the time and place when it will meet to hear such testimony.

And It Is Further Ordered that the moneys heretofore paid by said Long Dock Company for taxes for the year 1911 upon certain valuations of the property, the assessments and taxes upon which are hereby set aside, cancelled and annulled, shall be credited on the taxes levied upon the reassessment of said property for said year.

Entered June 15, 1915.

On motion of

COLLINS & CORBIN,
Attorneys of Prosecutor.

SCHEDULE G.

Stipulation Relative to Testimony.

Before the State Board of Assessors of the State of New Jersey.

IN THE MATTER OF THE REASSESSMENT OF CERTAIN PROPERTY OF THE LONG DOCK COMPANY FOR THE YEAR 1911.

WHEREAS, the New Jersey Supreme Court by its judgment entered on June 15th, 1915, referred back to the State Board of Assessors the matter of the assessment of certain property of the Long Dock Company for the year 1911, for reassessment, with leave to take further testimony before said Board on said reassessment; and

WHEREAS, said Long Dock Company claims that said reassessment for the year 1911 should be made upon the testimony taken and exhibits offered before said Board on review by said Board of the original assessments of said property for the year 1911, which testimony was reviewed by the New Jersey Supreme Court and the New Jersey Court of Errors and Appeals, and that no further testimony should be taken on said reassessment at this time, and desires to preserve its right to review the action of the Supreme Court giving leave to take further testimony before said Board on reassessment; and

WHEREAS, testimony has been taken on behalf of said Company and of the State upon review by said Board of the assessments upon the same property for the year 1914, and each party desires to repeat on said reassessment for the year 1911, the testimony taken and exhibits offered on its

behalf respectively upon said review of said assessments for the year 1914, if it should be ultimately determined that additional testimony may be properly and lawfully taken on said reassessment at this time.

THEREFORE, to avoid repetition of said testimony taken and exhibits offered before said Board upon said review by said Board of said assessments for the year 1914, with respect to said reassessment for the year 1911, it is consented and stipulated that a copy of said testimony and exhibits shall be used and considered by said Board as though taken and offered before said Board on said reassessment, without prejudice to the right of the Long Dock Company to renew and assert in any future proceeding to review said reassessment its claim that said reassessment should be made upon the testimony taken and exhibits offered before said Board on review by said Board of the original assessments of said property for the year 1911, which testimony was reviewed by the New Jersey Supreme Court and the New Jersey Court of Errors and Appeals, and that no further testimony can be taken on said reassessment at this time; and also subject to the objections appearing upon the record of said testimony, and to further objection to any matter that has occurred or accrued since the assessments upon said property for the year 1911 was made by said Board, or which may be incompetent, immaterial or irrelevant upon said reassessment, except that the assessments made by Jersey City for the year 1914, as stated in the record of such testimony, shall be taken and considered as the assessments upon the same prop-

erties for the year 1911, unless otherwise appearing, there having been no substantial change in said assessments for the two years.

JOHN W. WESCOTT,
Attorney General.

COLLINS & CORBIN,
Attorneys of Long Dock Company.

SCHEDULE H.

Resolutions by Board Upon Reassessment.

Copy of Resolutions Adopted by the State Board of Assessors at a Meeting held June 29, 1915.

WHEREAS, The assessment of real estate used for railroad purposes other than main stem in the taxing district of Jersey City of the Long Dock Company for the year 1911 was reviewed by the Supreme Court on certiorari, and although originally confirmed by that Court was, after a reversal of the Supreme Court by the Court of Errors and Appeals, set aside by the Supreme Court; and

WHEREAS, By order of the said Supreme Court setting aside said assessment, it was further ordered that the matter be referred back to the State Board of Assessors for reassessment of the property in question for said year 1911, with leave to take further testimony, either on behalf of the State or the said Long Dock Company, or both; and

WHEREAS, The further testimony has been taken by the Board, and the Board having considered the same, as well as the testimony originally taken before the Board on the review of the 1911 assessment, and after listening to the arguments of

counsel and after due consideration by the Board, it is

RESOLVED, That the terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platforms be reassessed for the year 1911 at $123,600, as agreed upon between Mr. W. A. Dawley, representing the Erie Railroad Company, and Mr. Louis Focht, representing the State Board of Assessors.

FURTHER RESOLVED, That the real estate used for railroad purposes other than main stem in the taxing district of Jersey City of the Long Dock Company for the year 1911 be and the same is hereby reassessed in all its parts, with the exception of the above item, at the identical figures on each as it was assessed originally for the year 1911.

Return by State Comptroller.

Filed October 4, 1915.

To the Chief Justice and the Associate Justices of the Supreme Court of the State of New Jersey.

I, EDWARD I. EDWARDS, Comptroller of the State of New Jersey, do hereby certify and send as within I am commanded in the schedules hereunto annexed, statements of the valuations, assessments, revaluations, reassessments and taxation for the year 1911, of the property of the Long Dock Company, situate in the taxing district of Jersey City, and described in the writ of certiorari to which this return is made and the final determination of the said State Board of Assessors thereon, as the same remains in my office.

WITNESS my hand and seal at Trenton, the 28th day of September, One Thousand Nine Hundred and Fifteen.

E. I. EDWARDS (L. S.)
Comptroller of the State of New Jersey.

SCHEDULE A.

Certificate by Board on Original Assessments.

STATE OF NEW JERSEY.
DEPARTMENT STATE BOARD OF ASSESSORS.

To the Hon. Edward I. Edwards,
Comptroller of the State of New Jersey.

In pursuance of the provisions of an act entitled, "An Act to revise and amend an act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four" (which revision and amendment was

approved March 27th, 1888), and the acts amendatory and supplementary thereto, we, the State Board of Assessors, hereby certify and report to you the following statement of assessed valuations of the Long Dock Company pursuant to the provisions of said act, and of the separate valuation of property in each taxing district, as made by us; the amount of tax payable by said company with respect to its property separately valued in each taxing district, and the aggregate assessed valuation and the total tax levied upon said company, for the year 1911.

Assessed valuation of the Long Dock.

	For	
Main Stem	$2,336,800.00	
Franchise	230,200.00	$2,567,000.00
Assessed valuation of tangible personal property necessary for and used in State Commerce		
Total assessable for State uses,		2,567,000.00
Assessed valuation of real estate used for railroad purposes, other than main stem,		7,385,180.00
Aggregate assessed valuation,		9,952,180.00
Tax for State uses, at average tax rate of $1.896 per $100 valuation,		48,670.32
Tax for uses of taxing districts on real estate used for railroad purposes, other than main stem, at local rates,		147,573.34
Total tax,		196,243.66

O. C. Bargardus, President,
Charles E. Hendrickson, Jr.,
George E. Halsey,
George L. Record,
State Board of Assessors.

Return by State Comptroller.

State Comptroller,
Nov. 22, 1911,
Trenton, N. J.

Appealed. (Form R. A. 5)

STATE OF NEW JERSEY.
DEPARTMENT STATE BOARD OF ASSESSORS.

Schedule showing valuation of property of the Long Dock Company, used for Railroad purposes, other than Main Stem, in the taxing District of the State of New Jersey, together with the tax thereon for local uses, for the year 1911.

County	Taxing District	Value	Local Tax.
Hudson	Jersey City,	$7,365,680.00	$147,313.60
	Secaucus Borough	19,500.00	259.74
		$7,385,180.00	$147,573.34

SCHEDULE B.

Stipulation Relative to Payment by Long Dock Company.

WHEREAS, complaints in writing have been severally filed by * * * Long Dock Company * * * alleging that said railroads consider themselves aggrieved by the valuation and assessment made by the State Board of Assessors against said Railroad Companies for the year 1911, as certified and reported to the Comptroller of the Treasury pursuant to the provisions of the Act entitled "An Act to review and amend 'An Act for the taxation of railroad and canal property', approved April tenth, one thousand eight hundred and eighty-four" approved March 27th, 1888, and

the several supplements thereto and amendments thereof.

And Whereas, complaints have been in like manner filed by other Railroad Companies and hearings have been begun but for lack of time have not been and cannot be concluded, and the review of said valuation and assessment cannot be completed by the first day of February, 1912, when the taxes under said valuation and the assessment are, by the provisions of the act aforesaid and the supplements thereto and amendments thereof, due and payable.

And Whereas, the current support of the State Government is in part dependent on the revenue expected from the payment of said taxes, and the said Railroad Companies are willing to pay to the State notwithstanding their aforesaid complaints, a part of the taxes computed by the State Board of Assessors under the valuation and assessment aforesaid, as certified and reported to the Comptroller of the Treasury.

It Is Hereby Stipulated between the State (by the Attorney General), and said Railroad Companies (by William H. Corbin, of counsel prosecuting said railroads' complaints), as follows:

1. That the time limits prescribed by the act and the supplements thereto and amendments thereof, in the recital referred to, as to the completion of the valuation and assessment by the State Board of Assessors and the certification of the same, with the tax computed thereon, to the Comptroller of the Treasury, and the completion of the review upon said complaints to the said State Board of Assessors, be and the same hereby are waived; with like effect to the rights of the parties as if such time limits did not exist.

2. That without prejudice to the further prosecution by said railroad companies, or any of them, of said complaints now pending before the State Board of Assessors, or upon any subsequent review of said valuation and assessment, or contest against the validity or amount of the tax levied thereunder by certiorari under the railroad tax law, or otherwise, on or before the first of February, 1912, said railroad companies will pay on account of the tax for state uses and tax for taxing districts for the year 1911, at the legal rates, to wit: the average rate for state assessment and the local rates for local assessments on account of the taxes of the several railroads respectively, sums of money reckoned upon the values in each case which the railroad company conceded, the same being more fully set forth in the statements hereto appended, being one statement for each above named railroads; thus leaving in controversy for the year 1911 the amount of difference between the amount so conceded and the amount of valuation as shown by the tax bill heretofore rendered by the State Board of Assessors.

3. That the said railroad companies shall forthwith severally file with the Comptroller of the Treasury a copy of this stipulation and of said statements, which shall be their several consent that the amounts paid under this stipulation as part of the tax for state uses and the tax for taxing districts under the valuation and assessment for the year 1911, may be at once paid over to the several taxing districts through which the said railroads respectively run in the proportions to which said taxing districts may be thereto entitled, without recourse liability for repayment or condition except that the same shall be credited on the "tax for use of taxing districts" for the several taxing districts through which the said

railroad respectively run as the same may be finally fixed for the year 1911; that upon filing a copy hereof and such statement by said railroad companies respectfully the State Treasurer may pay over the sums paid to him by said railroad companies under this stipulation as part of the "tax for use of taxing districts", to the several taxing districts through which said railroads run in proportion to which said taxing districts may be thereto entitled.

Dated January 27th, 1912.

W. H. CORBIN,
Attorney and Counsel with Appellants.

EDMUND WILSON,
Attorney General,

By JOHN R. HARDIN,
Of Special Counsel.

Statement to Accompany Voucher Mem. No. 13,937 Covering Payment of Taxes Levied by the State of New Jersey for the Year 1911 Against the Long Dock Company.

For State Uses.

Class	Valuation	Rate	Tax
Main Stem,	$1,646,250	.01896	$31,212.90
No. Sub. Div. IV.	1,000	.01896	18.96
	$1,647,250		$31,231.86

For Use of Taxing Districts.

Taxing District	Valuation	Rate	Tax
*Jersey City	$4,426,654	.02000	$88,533.08
Secaucus Borough	19,500	.01332	259.74
	$4,446,154		$88,792.82

*Payment on account.

N. B.—The Column in above statement entitled "Valuation" contains the value conceded by the

Railroad Company. The excess over same shown by State's Tax Bill is the part of the valuation which is in dispute.

SCHEDULE C.

Certificate by Board on Corrected Assessments.

STATE OF NEW JERSEY.
DEPARTMENT STATE BOARD OF ASSESSORS.

To the Hon. Edward I. Edwards,
Comptroller of the State of New Jersey:

In pursuance of the provisions of an act entitled "An act to revise and amend an act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four" (which revision and amendment was approved March 27th, 1888), and the acts amendatory and supplementary thereto, we, the State Board of Assessors hereby certify and report to you the following statement of assessed valuations of the Long Dock Company, pursuant to the provisions of said act, and of the separate valuation of property in each taxing district, as made by us; the amount of tax payable by said company with respect to its property separately valued in each taxing district, and the aggregate assessed valuation, and the total tax levied upon said company, for the year 1911.

Assessed valuation of the Long Dock.

	For	
Main stem,	$1,923,781.00	
Franchise,	150,000.00	$2,073,781.00
Assessed valuation of tangible personal property necessary for and used in State Commerce,	.....	
Total assessable for State uses,		2,073,781.00

Return by State Comptroller.

Assessed valuation of real estate used for railroad purposes, other than main stem,	7,385,180.00	
Aggregate assessed valuation,	9,458,961.00	
Tax for State uses, at average tax rate of $1.896 per $100 valuation	39,318.89	
Tax for uses of taxing districts on real estate used for railroad purposes, other than main stem, at local rates	147,573.34	
Total Tax,		$ 186,892.23

O. C. Bagardus, President,
Charles E. Hendrickson, Jr.,
Geo. E. Halsey,
George L. Record,

State Board of Assessors.

Received.
Revised Return. Oct. 2, 1912.
Comptrollers Dept.

(Form R. A. 5)

STATE OF NEW JERSEY.
DEPARTMENT STATE BOARD OF ASSESSORS.

Schedule showing valuation of property of the Long Dock Company, used for Railroad purposes, other than Main Stem, in the taxing districts of the State of New Jersey, together with the tax thereon for local uses, for the year 1911.

County	Taxing District	Value	Local Tax
Hudson	Jersey City,	$7,365,680.00	$147,313.60
	Secaucus Borough	19,500.00	259.74
		$7,385,180.00	$147,573.34

Return by State Comptroller.

SCHEDULE D.

Letter of Board Transmitting Reassessment.

Trenton, N. J., June 30, 1915.

In re- "Long Dock Company".
Reassessment 1911.

Hon. E. I. Edwards,
Comptroller.

Dear Sir:—

Under direction of the State Board of Assessors, I beg to transmit herewith reassessment of the property of the Long Dock Company for the year 1911, made by said Board under Order of the New Jersey Supreme Court. I also transmit copy of Resolutions adopted by the State Board of Assessors at its meeting yesterday, making said reassessment.

Respectfully,

(Signed) IRVINE E. MAGUIRE,
Secretary.

(Copy of above mentioned resolutions returned by State Board of Taxes and Assessment as Schedule H, and heretofore printed.)

1911.

Reassessment Under Order of New Jersey Supreme Court.

June 30, 1915.
Comptroller's Dept.

STATE OF NEW JERSEY.
DEPARTMENT STATE BOARD OF ASSESSORS.

To the Hon. Edward I. Edwards,
Comptroller of the State of New Jersey:

In pursuance of the provisions of an act entitled "An act to revise and amend an act for the taxation of railroad and canal property, ap-

proved April tenth, one thousand eight hundred and eighty-four'' (which revision and amendment was approved March 27, 1888), and the acts amendatory and supplementary thereto, we, the State Board of Assessors, hereby certify and report to you the following statement of assessed valuations of the Long Dock Company, pursuant to the provisions of said act, and of the separate valuation of property in each taxing district, as made by us; the amount of tax payable by said company with respect to its property separately valued in each taxing district, and the aggregate assessed valuation, and the total tax levied upon said company, for the year 1911.

Assessed valuation of the Long Dock Company.

	For	
Main Stem	$1,923,781	
Franchise	150,000	$2,073,781.00
For tangible personal property necessary for and used in State Commerce,		.....
Total assessable for State uses,		2,073,781.00
For real estate used for railroad purposes, other than main stem,		7,363,780.00
Aggregate assessed valuation,		9,437,561.00
Tax for State uses, at average tax rate of $1.896 per $100 valuation,		39,318.89
For real estate used for railroad purposes, other than main stem, at local rates,		147,145.34
Total Tax,		186,464.23

Charles E. Hendrickson, Jr., President,
Isaac Barber,
Frederick A. Gentieu,

State Board of Assessors.

Return by State Comptroller.

(Form R. A. 5)

STATE OF NEW JERSEY.
DEPARTMENT STATE BOARD OF ASSESSORS.

Schedule showing valuation of property of the Long Dock Company, used for Railroad purposes, other than Main Stem, in the taxing Districts of the State of New Jersey, together with the tax thereon, for local uses, for the year 1911.

County	Taxing District	Value	Local Tax
Hudson	Jersey City	$7,344,280.00	$146,885.60
	Secaucus Borough	19,500.00	259.74
		$7,363,780.00	$147,145.34

SCHEDULE E.

Statement of payments made by Long Dock Company, on account of tax assessed for the year 1911, payable 1912.

	State Tax.	Local Tax.
Long Dock Company,	$38,318.89	$147,145.34
Cr.		
State.		
Feb. 2nd, 1912, Acct.	$31,231.86	
Oct. 16th, 1912, Balance	8,087.03	39,318.89
Local.		
Feb. 2nd, 1912, Acct.	88,792.82	
Oct. 16th, 1912, Acct.	489.64	
Aug. 11th, 1915, Acct.	16,000.00	105,282.46
Balance due		$ 41,862.88

Reasons.

Filed October 6, 1915.

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor.* vs. STATE BOARD OF TAXES AND ASSESSMENT, *et als.*, *Defendants.*	*On Certiorari.* (*Reassessment for the Year 1911.*) *Reasons.*

The Long Dock Company, prosecutor, presents the following reasons for setting aside the revaluations, reassessments and retaxation brought before this honorable Court by the writ of certiorari in the above entitled cause:

1. The principles upon which said revaluations, reassessments and retaxation were made and levied are erroneous.

2. Said revaluations and reassessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

3. Said revaluations and reassessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess of said assessment over the true value of

Reasons.

said lands representing an alleged value because of the adjacency of said lands to tide water, while in the value of the adjoining upland, throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

4. Said revaluations and reassessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

5. Said revaluations and reassessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

6. Said revaluations and reassessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

7. Said revaluations and reassessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

8. Said revaluations, reassessments and retaxation were not made and levied under a uniform rule.

9. Said reassessments were made at a rate in excess of the rates of assessment upon property of like characetr and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said reassessments are

Reasons.

in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and owners of the same class of property contributing to the common burden of taxation.

10. Said revaluations, reassessments and retaxation were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

11. Said revaluations, reasessments and retaxation are excessive.

12. Said revaluations, reassessments and retaxation were not made and levied according to the true value of said lands.

13. The State Board of Assessors on said reassessment admitted illegal evidence against the objection of prosecutor and based their final determination of said reassessment, in whole or in part, thereon.

14. Said revaluations and reassessments are contrary to the clear weight of evidence before the State Board of Assessors on said reassessment.

15. There was no legal evidence before the State Board of Assessors which supports said revaluations and reassessments.

16. The laws under which said revaluations, reassessments and retaxation were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors, whereas such review is given to the owners of other property contributing to the common burden of taxation, and therefore prosecutor is denied the

Reasons.

equal protection of the laws, contrary to the fourteenth amendment to the Constitution of the United States.

17. Said revaluations, reassessments and retaxation were not made and levied in accordance with the laws providing therefor.

18. Said revaluations, reassessments and retaxation are in other respects excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they purport to have been made and levied are in other respects unconstitutional.

COLLINS & CORBIN,
Attorneys for Prosecutor.

Dated, October 4, 1915.

Opinion.

(Filed June 10, 1916.)

New Jersey Supreme Court.

November Term, 1915.

LONG DOCK COMPANY,
Prosecutor,

vs.

STATE BOARD OF ASSESSORS, *et al.*,
Defendants.

Argued Nov. 4, 1915. Decided June 1916.

On four writs of certiorari to review the reassessment of "second class" railroad property for the year 1911, and the assessment of the same property for the years 1912, 1913 and 1914, respectively.

Argued November Term, 1915, before Justices Parker, Minturn and Kalisch.

For the prosecutors, Robert J. Bain (Gilbert Collins and George S. Hobart, on the brief).

For the defendants, John R. Hardin.

The opinion of the court was delivered by PARKER, *J.*

The assessments for all the years mentioned relate to precisely the same property with the exception of 1914. Generally speaking, the property includes all of the terminal yard and water front at Harsimus in Jersey City, as

used by the Erie Railroad Company, and other property adjoining the main stem in lower Jerser City, also at the west end of the tunnel and cut, and land used for car storage and similar railroad purposes on and adjoining the Hackensack meadows.

The valuation fixed by the State Board for 1911 was brought before the Supreme Court on certiorari and was there affirmed, 85 N. J. L., 536. On review in the Court of Errors and Appeals it was reversed (86 N. J. L., 593), and that court held distinctly that it was the duty of the Supreme Court to examine the evidence and reverse in case of "palpable error" appearing. The reversal in the Court of Errors and Appeals went on the ground that all the evidence appearing in the case showed a lower valuation, and that the State Board were not entitled to use their "personal knowledge" of values as a basis of a finding while refusing to state or be examined and give testimony as to what that knowledge was and how they acquired it.

The case was remitted to the Supreme Court and that court then directed a reassessment with leave to take further testimony on valuations. When the matter was again opened before the Board, prosecutor objected to further testimony, and now makes the point that it was inadmissible. So to hold would be to overrule the express direction of this court, which appears to have been made in obedience to the plain intent of the opinion in the Court of Errors and Appeals and it would have been error if the assessors had excluded it.

This point being settled, counsel have so arranged the evidence by various stipulations that we consider all four years on the same evidence,

except that in 1914 there was an increase in water front valuations because of extension of the pier line by the War Department, which must be dealt with separately.

There are certain legal points that may as well be dealt with first, so as to lay a foundation for consideration of the facts.

It is first asserted that the valuations generally were ascertained and fixed by the application of an arbitrary multiple. This appeared to be a fact when the 1911 case was before the Court of Errors and Appeals. It is explained more or less satisfactorily now. Two of the commissioners, Messrs. Record and Hendrickson, took the stand as witnesses. Both swore and most credibly, to long study and experience in appraising this class of property. They qualified as "experts" in the legal sense, because of this special study. There were three principal questions to be practically treated: (1) What was the value of the various parcels *per se* for average business or other purposes? (2) Did they have any greater value for railroad purposes irrespective of railroad franchise, and if so how much? (3) In connection with (2), was any greater value imparted to them because assembled into a connected whole appropriate to a railroad terminal, and if so, what? Both Messrs. Record and Hendrickson, as their testimony seems to indicate, testified from experience to the increment of value due to assembling and availability for special use. It is now argued that such an element of value cannot be considered, and the United States Supreme Court case of *New York City* v. *Sage,* 36 Sup. Ct. Rep., 25, is relied on. But we agree with counsel for defendants and it is not on

the point, for it is a condemnation case and relates to the value of an outside tract before assemblage, a very different thing from an integral part after assemblage. It is elementary that in combining two or more tracts of land for a purpose requiring both or all together, the value of the whole may well be more than the total of the parts separately. So Chief Justice Beasley in effect said in *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L., 1. If the multiple is in fact arbitrary, of course it is presumably erroneous; but if the evidence indicates that it is based on a reasonable consideration of facts, it is not made arbitrary because it happens to be a mathematical constant. See *Wayne Township* v. *Laflin & Rand Co.,* 76 L. at p. 177.

Next it is insisted that the lands under water should have been joined to the upland for assessment and not segregated into separate tracts. The answer is that if the lands under water are owned by the taxpayer, either method is allowable and some discretion must be accorded to the Board. *Jersey City* v. *Board,* 73 N. J. L., 166; S. C., 75 N. J. L., 571; *Long Dock Co.* v. *Board,* 87 N. J. L., 22. If it is owned land, whether under water or not, it is assessable as such; but if only a right to reclaim not exercised, it may be regarded as an increment of value to the shoreward property, *Ib.* This will appear presently in connection with the extended pier line questions.

The next point is numbered IV, and is a complaint of double increment because both upland and riparian lands were valued as adjacent to tide water. We fail to see why the element of adjacency or proximity or accessibility to tide water may not extend within rea-

sonable limits, more or less indefinitely inland as an element of value. Where questions of convenient storage and transportation are involved, situations with regard to tide water and accessibility thereto become of great importance.

Point V is covered by what has been said under the second point herein discussed.

Point VI is that the valuation is based in whole or in part on the value of other lands not similarly situated. The practical complaint is that lands in the "business" section of Hoboken and Jersey City were considered. We fail to see why, for purpose of comparison, all the land in lower Jersey City and Hoboken, should not be considered. It is impossible to secure identical conditions. What is looked for is substantially similar conditions. There is at least enough similarity along this water front to justify a comparison of values. *Packard* v. *Bergen Neck Railway Co.*, 54 N. J. L., 553; *Manda* v. *Orange,* 82 N. J. L., 688.

VII. Cost of reproduction. That this is properly an element to consider we think needs no argument.

VIII brings up the real point, viz: that the valuation fixed by the Board if inseparably connected with the franchise. The Board says in effect that it is not, and we think the prosecutor has failed to show the contrary. This is a great terminal property opposite New York City, and which, while in fact connected with the Long Dock Railroad, might be connected with any other railroad now operating from the Jersey side, or that might be organized so to operate. If the Erie Railroad Company

should go out of business, it could be used for a terminal connecting with all the railroads terminating between Communipaw and Weehawken. Taken by itself it is a great unified tract with deep water in front and railroad communications behind. We think it is idle to argue, as do prosecutors experts, that it is to be split into two, or three, or four or more zones each to be valued separately. Every part of this main tract depends for its value in some measure on every other part. There are tracts of land elsewhere that are worth more when cut up into building lots, and there are also tracts worth more because assembled and peculiarly adaptable to business. This is one of the latter cases.

Point IX is that the valuations were not made under a uniform rule, as required by the constitution. This is predicated on the testimony of Mr. Record, one of the Board, that as a matter of practice they valued railroad property where railroading was unprofitable, at or below ordinary values of adjacent property, and where railroading is profitable, at more than such ordinary values. We are not at present concerned with the practical fairness of this method, but only with the uniformity of the rule. Manifestly, if applied to all railroad property, it is uniform; and we think it is quite conceivable that property affected by a railroad use is more valuable in some localities than in others. The test is, whether it is valued as railroad property and by uniform rules applicable thereto. If the argument on this point is sound, the valuation of all railroad property in the state should be fixed by ascertaining its value for general purposes, and adding some

fixed increment for railroad use; a proceeding which, on account of its arithmetical character, would undoubtedly result in much false valuation. This is not the uniformity contemplated by the constitution.

The tenth point is that "the assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed and said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation." This point, when developed, amounts to this: That the railroads are assessed at what the Board considered "true value" whereas private lands in the neighborhood were assessed at varying percentage less than true value. The argument is that the assessments on railroad land in Jersey City are, to use the language of the brief, "not in the same relative proportion of true value as that by which other property in the same taxing district was assessed." The inference is that if other property was undervalued, railroad property should also have been undervalued to the same extent. We know of no authority for this rule, and counsel cite none. On the contrary, the language of the constitution, of the statutes and of the cases has been uniform in reiterating the true value rule. It is true that local assessors often adopted in practice a sort of undervaluation rule, substantially uniform for a taxing district, and this while illegal would work no practical injustice if uniformly applied throughout the

county and state, but it was not, and advantage was taken of it to evade the just apportionment of county and other taxes affecting more than one district. It was to remedy this that the county tax board legislation was adopted, which among other things provided for equalization of valuations as between individuals and also taxing districts. P. L. 1906, p. 210; C. S., 5115 *et seq.* Valuation at true value was laid down by Sec. 2 as the primary and fundamental duty of the Board. The same rule is laid down in the railroad tax act. C. S. 5264, pl. 447. If the legislature has provided no machinery enabling a railroad whose property is assessed at true value to compel the undervaluation of neighboring property to be raised to its true value, the proposition to lower the railroad value may appeal to a sense of fairness, but is not legally sound. *Central R. R. Co.* v. *Board,* 49 N. J. L., at p. 19.

The eleventh point in the brief raises certain questions of evidence.

(a) The sale price of other lands in the neighborhood not similar as to conditions. This is covered by what has already been said under Point VI.

(b) That the valuation of the Pennsylvania and Lackawanna terminals was admitted as a criterion. The fact that they were valued by the Board was admissible as a basis for the qualifications of Messrs. Hendrickson and Record as witnesses. Assuming the irregularity of the amount of valuation as a criterion, it was something of which the Board necessarily had personal knowledge. Their finding is fully supportable in this court, except as hereafter

noted, without that evidence. We consider the error, if error there was, harmless.

(c) Evidence that Harrison Williams represented the Erie Railroad Company, identified for the purposes of this case with the Long Dock Company, prosecutor, and that he assented to the valuation of 1911. We do not find it necessary to consider this evidence either. Of course, the fact was fully within the knowledge of the Board. We incline to think that when Mr. Williams was more or less formally accredited with the Board as an agent of prosecutor specially interested with the conduct of its real estate and taxation matters, he was at least held out as empowered to deal with those matters in such a way as to bind his principal, and that admissions by him in the course of negotiation and discussion, not made without prejudice, would be competent evidence. We have ourselves not considered them in ascertaining whether there was palpable error in the findings of the Board.

This brings us to the question of the sufficiency of the evidence to support the valuations of the respective parcels of land, which are discussed in detail under Point I of prosecutor's brief. Our duty in this regard is pointed out in Section 13 of the Railroad Tax Act of 1888, as expounded by the Court of Errors and Appeals in *Long Dock Co.* v. *State Board,* 86 N. J. L., at p. 594. It appears to be different from the duty existing under the act of 1884, as viewed by Chief Justice Beasley in the *Central Railroad case,* 48 N. J. L., at pp. 3 and 4. The requirement that "if it shall be made to appear that any assessment is excessive or insufficient, the court shall correct the same and

reduce or increase it as may be just, or refer it back to the board of assessors" makes it optional with this court as a matter of judicial discretion to send back valuations deemed excessive for revaluation, or itself make such revaluation. The general inadvisability of this court resolving itself into a reviewing board of tax valuation is pointed out by Chief Justice Beasley in the Central Railroad case last cited. But this litigation has been before the courts for several years and ought to be settled so far as an ascertainment of facts can settle it. Accordingly, we have examined the evidence bearing on the several parcels of land assessed, and finding that in some cases they are palpably excessive, have ourselves fixed what we deem a reasonable valuation in view of the principles above enunciated. We subjoin a list of the tracts and our findings on the valuations thereof imposed by the Board. So far as the valuations of the Board are herein held excessive, they will be reversed and revalued in our judgment according to the figures stated; otherwise the assessment will be affirmed.

There was an additional value placed by the Board on the water front tracts for 1914, because of the extension of the pier line in the Hudson River in 1913. This did not confer a title to the land under water between the old and new pier lines, until the land is reclaimed. *Long Dock Co.* v. *Board,* 87 N. J. L., 22. It was further held in that case, that the addition if any to the value of the upland should be taxed with the upland. The Board undertook to add to the upland value what amounted to one dollar per square foot of the area included be-

tween the old and new pier lines. Whether any increase in the upland values is supportable on the evidence, we think is doubtful; but we are in no doubt that an increase approximately equal to 75 per cent. of the additional area valued as upland, for a mere privilege, is out of all reason; and as there is nothing before us as a proper basis for the valuation of the increment, if any, the amount of increase on this account will go back to the Board. This results in a reversal of the 1914 tax on all water front properties affected, irrespective of the general revaluations placed by us on some of them, which form a basis for the 1914 value to which may be added the increment for pier line extension if any.

SCHEDULE.

List of Properties and Valuations by Court.

17 A. 2. Affirmed, except as indicated for 1914.

16 B. 62. Affirmed, except as indicated for 1914. Foot of Pavonia avenue. Reduced to (1911-12-13) $96,000; 1914, $96,000 basis; Pier line increment referred back.

16 B. 7. Reduced to $108,812 for 1911-12-13, and basis of 1914; Pier line increment referred back.

182c. Affirmed.

183a. Affirmed.

218. Affirmed.

323. Reduced to $13,000.

360. Reduced to $13,000.

395. The $10,426 parcel reduced to $6,000; the other affirmed.

Opinion.

421.	(Wedge) reduced to $1,000; the other reduced to $25,000.	
547, 4a.	Reduced to	$ 6,000.
2b.	"	1,500.
2d.	"	2,000.
961, (1).	"	15,000.
961, (3).	"	23,000.
961, 5b.	"	10,000.
1200—12.	"	25,000.
1200—57d.	"	35,000.
1200—59a.	"	35,000.

Rule for Judgment.

(Entered September 27, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* *v.* STATE BOARD OF TAXES AND ASSESSMENT, EDWARD I. EDWARDS, COMPTROLLER OF THE STATE OF NEW JERSEY, AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* *(In re re-assessments for the year 1911.)* *Rule for Judgment.*

The Court having inspected the revaluations, reassessments, retax and proceedings returned with the certiorari in this cause, and considered the reasons filed for setting aside said revaluations, reassessments and retax and heard the argument of counsel thereon;

And it appearing that said revaluations, reassessments and retax are in part lawful and in part unlawful and excessive;

It is ORDERED that said revaluations, reassessments and retax be corrected by the State Board of Taxes and Assessment as follows:

The revaluation of the parcel described in the Return as Block 17, Plot A-2, for reassessment for the year 1911, shall be at the sum of $3,856,956, as heretofore finally determined for said year by the State Board of Assessors.

Rule for Judgment.

The revaluation of the parcel described in the Return as Block 16, Plot B-6, for reassessment for the year 1911, shall be at the sum of $1,098,480, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 182, Plot C, for reassessment for the year 1911 shall be at the sum of $13,812, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 183, Portion of Plot A, between the southerly line of Eleventh street and the northerly line of Tenth street, from the easterly line of Henderson street to the center line of Provost street, for reassessment for the year 1911, shall be at the sum of $87,740, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse) for reassessment for the year 1911, shall be at the sum of $40,810, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 395, excess south of main stem, Long Dock Company, for reassessment for the year 1911, shall be at the sum of $13,536, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under

water, for reassessment for the year 1911, shall be reduced from $116,196 to $96,000.

The revaluation of the parcel described in the Return as Block 16, Plot B-7, for reassessment for the year 1911, shall be reduced from $138,878 to $108,812.

The revaluation of the parcel described in the Return as Block 323, excess south of main stem, for reassessment for the year 1911, shall be reduced from $21,588 to $13,000.

The revaluation of the parcel described in the Return as Block 360, excess south of main stem, for reassessment for the year 1911, shall be reduced from $21,588 to $13,000.

The revaluation of the parcel described in the Return as Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad, and the southerly line of main stem, Branch A, Penhorn Creek Railroad, for reassessment for the year 1911, shall be reduced from $10,426 to $6,000.

The revaluation of the parcel described in the Return as Block 421, excess between the northerly line of main stem, Penhorn Creek Railroad main line, and southerly line main stem, Branch A, Penhorn Creek Railroad, for reassessment for the year 1911, shall be reduced from $2,592 to $1,000.

The revaluation of the parcel described in the Return as Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick avenue and center line of Division street, for assessment for the year 1911, shall be reduced from $37,152 to $25,000.

The revaluation of the parcel described in the Return as Block 547, Plot 4-A, between center line of Division street and easterly line

of New Jersey Junction Railroad, for reassessment for the year 1911, shall be reduced from $17,004 to $6,000.

The revaluation of the parcel described in the Return as Block 547, portion of Plot 2-B, excess south of main stem Penhorn Creek Railroad, for reassessment for the year 1911, shall be reduced from $3,900 to $1,500.

The revaluation of the parcel described in the Return as Block 547, Plot 2-D, excess north of main stem, for reassessment for the year 1911, shall be reduced from $4,836 to $2,000.

The revaluation of the parcel described in the Return as Block 961, Plot 1 (including Utica street), for reassessment for the year 1911, shall be reduced from $28,015 to $15,000.

The revaluation of the parcel described in the Return as Block 961, Plot 3, for reassessment for the year 1911, shall be reduced from $45,468 to $23,000.

The revaluation of the parcel described in the Return as Block 961, Plot 5-B, for reassessment for the year 1911, shall be reduced from $15,434 to $10,000.

The revaluation of the parcel described in the Return as Block 1200, Plot 12, for reassessment for the year 1911, shall be reduced from $34,032 to $25,000.

The revaluation of the parcel described in the Return as Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek Railroad), for reassessment for the year 1911, shall be reduced from $57,952 to $35,000.

The revaluation of the parcel described in the Return as Block 1200, Plot 59-A, for reassessment for the year 1911, shall be reduced from $57,925 to $35,000.

Rule for Judgment.

And it is further ORDERED that said revaluations, reassessments and retax, so far as they are in excess of the valuations and assessments reduced as above stated, be and they hereby are reversed, set aside and cancelled.

Entered September 27, 1916.

On motion of

JOHN W. WESCOTT,
Attorney General.

Notice of Appeal.

(Filed October 3, 1916.)

New Jersey Supreme Court.

LONG DOCK COMPANY, *Prosecutor,* v. STATE BOARD OF TAXES AND ASSESSMENT, EDWARD I. EDWARDS, COMPTROLLER OF THE STATE OF NEW JERSEY, AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* *(In re re-assessments for the year 1911.)* *Notice of Appeal.*

To Hon. John W. Wescott, Attorney General, Attorney of State Board of Taxes and Assessment, and Edward I. Edwards, Comptroller of the State of New Jersey, defendants; and John Bentley, Esq., Attorney of the Mayor and Aldermen of Jersey City, defendant:

TAKE NOTICE that the prosecutor appeals to the New Jersey Court of Errors and Appeals from so much of the judgment entered in this cause as orders and adjudges that the revaluations, reassessments and retax returned with the certiorari in said cause shall be as follows:

The revaluation of the parcel described in the return as Block 17, Plot A-2, for reassessment for the year 1911, shall be at the sum of $3,856,-956, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 16, Plot B-6, for reassessment for the year 1911, shall be at the sum of $1,098,480, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 182, Plot C, for reassessment for the year 1911, shall be at the sum of $13,812, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 183, Portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street, from the easterly line of Henderson street to the centre line of Provost street, for reassessment for the year 1911, shall be at the sum of $87,740, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse) for reassessment for the year 1911, shall be at the sum of $40,810, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as Block 395, excess south of main stem, Long Dock Company, for reassessment for the year 1911, shall be at the sum of $13,536, as heretofore finally determined for said year by the State Board of Assessors.

The revaluation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, for re-

assessment for the year 1911, shall be reduced from $116,196 to $96,000.

The revaluation of the parcel described in the Return as Block 16, Plot B-7, for reassessment for the year 1911, shall be reduced from $138,-878 to $108,812.

The grounds of said appeal are as follows:

1. The Supreme Court ordered and adjudged revaluations of said lands, for reassessment for the year 1911, shall be at the revaluations thereof as heretofore finally determined for said year by the State Board of Assessors, except for the reductions mentioned, whereas said Court should have set aside or reduced the revaluations, reassessments and retax upon said lands for said year for one or some of the following reasons:

(a) The principles upon which said revaluations, reassessments and retax were made and levied are erroneous.

(b) Said revaluations and reassessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

(c) Said revaluations and reassessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess of said assessment over the true value of said lands representing an alleged value because of the adjacency of said lands to tide water, while in the value of the adjoining

upland, throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

(d) Said revaluations and reassessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

(e) Said revaluations and reassessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

(f) Said revaluations and reassessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

(g) Said revaluations and reassessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

(h) Said revaluations, reassessments and retax were not made and levied under a uniform rule.

(i) Said reassessment were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said reassessments are in excess of and disproportionate to the assessments placed upon the property

of other owners in said taxing district and owners of the same class of property contributing to the common burden of taxation.

(j) Said revaluations, reassessments and retax were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

(k) Said revaluations, reassessments and retax are excessive.

(l) Said revaluations, reassessments and retax were not made and levied according to the true value of said lands.

(m) The State Board of Assessors on said reassessment admitted illegal evidence against the objection of prosecutor and based their final determination of said reassessment, in whole or in part, thereon.

(n) Said revaluations and reassessments are contrary to the clear weight of evidence before the State Board of Assessors on said reassessment.

(o) There was no legal evidence before the State Board of Assessors which supports said revaluations and reassessments.

(p) The laws under which said revaluations, reassessments and retax were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors, whereas such review is given to the owners of other property contributing to the common burden of taxation, and therefore prosecutor is denied the equal protection of the laws, contrary

to the fourteenth amendment to the Constitution of the United States.

(q) Said revaluations, reassessments and retax were not made and levied in accordance with the laws providing therefor.

(r) Said revaluations, reassessments and retax are in other respects excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they purport to have been made and levied are in other respects unconstitutional.

2. The principles upon which the Supreme Court determined the value of said lands for reassessment for the year 1911, are erroneous.

3. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle, in that said lands were divided into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

4. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were valued at more than their true value, the excess of said valuation over the true value of said lands representing an alleged value because of the adjacency of said lands to tide-water, while in the value of the adjoining upland, throughout its whole extent, there was again included the same element of adjacency to tide-water, thus constituting a double assessment.

5. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle, in that said lands under water, between the exterior line for solid filling and the exterior line for piers, were valued separately from the upland.

6. Said Court determined the value of said lands for assessment for the year 1911, by and upon an erroneous principle, in that said value was based in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

7. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle in that said value was based in whole or in part upon an alleged cost of reproduction of the railroad terminal of prosecutor.

8. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle, in that said Court ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

9. The value of said lands for reassessment for the year 1911, as determined by the said Court, was not under uniform rules.

10. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle, in that said value is in excess of the rate of assessment upon property of like character and similarly situated, and is not the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said

value is in excess of and disproportionate to the assessment placed upon the property of other owners in the same taxing district and owners of the same class of property contributing to the common burden of taxation.

11. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle, in that it increased the value of said lands for assessment beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Court.

12. Said Court determined the value of said lands for reassessment for the year 1911, by and upon an erroneous principle in that said value was not according to the true value of said lands and is excessive.

13. There was no evidence before the Supreme Court which supports or justifies the value of said lands for reassessment for the year 1911, as determined by said Court.

14. The value of said lands for reassessment, as determined by the Supreme Court, for the year 1911, is for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

15. That part of said judgment of the Supreme Court above mentioned, and the revaluations, reassessments and retax ordered thereby, are for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

COLLINS & CORBIN,
Attorneys of Appellant.

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Writ of Certiorari.

(Allowed and Issued January 30, 1913).

STATE OF NEW JERSEY—*ss.*

(SEAL) The State of New Jersey to Charles E. Hendrickson, Jr., George E. Halsey, George L. Record, and Isaac Barber, State Board of Assessors, and Edward I. Edwards, Comptroller of the Treasury—GREETING:

We being willing for certain reasons (a proper case having been presented, and due notice of this application having been given) to be certified of the valuations, assessments and tax for the year 1912 made pursuant to "An Act to revise and amend an act for the taxation of railroad and canal property," approved April 10, 1884, which revision and amendment was approved March 27, 1888, and the facts amendatory thereof and supplementary thereto, on the lands and property of LONG DOCK COMPANY in the taxing district of Jersey City, enumerated as follows:

LOCATION OF PROPERTY.	Assessed Valuation fof 1912
MAIN LINE.	
Land outside main stem; tract used for terminal purposes, bounded as follows: beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street, thence easterly along the southerly line of Pavonia avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center	

line of 7th street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th street produced, to a point 1,225 feet east of the center line of Provost street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost street to the center line of 7th street produced; thence westerly along the center line of 7th street produced, to a point 255 feet east of Provost street; thence northerly to the north line of 8th street and in the westerly face of cattle pens; thence westerly along the northerly line of 8th street to a point 125 feet east of Provost street; thence northerly parallel with Provost street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6; 16.039 acres $1,098,480

Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost street and the center line of 12th street; thence easterly along the center line of 12th street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia avenue; thence westerly along the northerly line of Pavonia avenue to the easterly line of Kelso street; thence northerly along the easterly line of Kelso street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia avenue 185 feet; thence southerly 100 feet to the northerly line of Pavonia avenue; thence

westerly along the northerly line of Pavonia avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th street; thence westerly along the northerly line of 9th street to the easterly line of Provost street; thence northerly along the easterly line of Provost street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost street; thence northerly along the center line of Provost street to a point 45 feet south of the northerly line of 11th street; thence easterly at right angles to the center line of Provost street to the easterly line of Provost street; thence northerly along the easterly line of Provost street to the center line of 12th street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof), 43.872 acres..... 3,856,956

Land outside main stem; Land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, 2.09 acres..... 116,196

Land outside main stem; Beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th street produced; thence westerly parallel with and distant northerly 272½ feet to the center

	line of 7th street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Plot B-7, 2.498 acres.....	138,878
10	Land outside main stem; Block 182, Plot C, .176 acres	13,812
	Land outside main stem; Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the center line of Provost street, 1.118 acres	87,740
20	Land outside main stem; Block 218, excess south of main stem (exclusive of land occupied by warehouse), .624 acres	40,810
	Land outside main stem; Block 323, excess south of main stem, .413 acres...	21,588
	Land outside main stem; Block 360, excess south of main stem, .413 acres...	21,588
30	Land outside main stem; Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad, .362 acres.....	10,426
	Land outside main stem, Block 395, excess south of main stem, Long Dock Co., .470 acres.....	13,536
40	Land outside main stem; Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad, .090 acres.....	2,592

Land outside main stem; Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick avenue and center line of Division street, 1.290 acres.....	37,152
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Land outside main stem; Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad, .250 acres	3,900
Land outside main stem; Block 547, Plot 2-D, excess north of main stem, .310 acres	4,836
Land outside main stem; Block 961, Plot 1 (including Utica street), 3.957 acres	28,015
Land outside main stem; Block 961, Plot 3, 6.315 acres.....	45,468
Land outside main stem; Block 961, Plot 5-B, 2.180 acres.....	15,434
Land outside main stem; Block 1,200, Plot 12, 14.180 acres.....	34,032
Land outside main stem; Block 1,200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad), 32.190 acres	57,952
Land outside main stem; Block 1,200, Plot 59-A, 32.180 acres.....	57.925
Terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform....	146,470

do command you, that the said valuations, assessments and tax, the statement or statements thereof certified and reported by said Board to the Comptroller of the Treasury of the State of New Jersey for the year 1912, the returns made by said Company to said Board pursuant to the said statutes,

Allocatur.

together with the schedules accompanying the same pursuant to said statutes, the written protest and complaint made by said Company with respect to said valuation, assessments and tax, the evidence, exhibits and statements taken upon the review before said Board of said valuations, assessments and tax, and the final determinations of said Board upon such review, and all corrections made by said Board in said valuations, assessments and tax, and the certificates made by said Board to the said Comptroller upon such review and final determination, and also all certificates returned and filed with said Board by the Assessors of the several taxing districts of the State, together with all other proceedings and matters touching and concerning the said valuations, assessments and tax, as fully as the same remain before you, or any of you, or under your control, you do certify and send to the justices of our Supreme Court at Trenton on the nineteenth day of February, 1913, together with this writ, that we may cause to be done thereupon what of right and according to law should be done.

WITNESS, William S. Gummere, Chief Justice of the said Supreme Court at Trenton, the thirtieth day of January, 1913.

JOSEPH P. TUMULTY,
Clerk.

COLLINS & CORBIN,
Attorneys of Prosecutor.

ALLOCATUR.

I allow this writ. Let it be sealed upon condition that the prosecutor pay to the State Comptroller, within two days from the date hereof, the taxes upon all its real estate other than main stem

Allocatur.

located within the taxing district of Jersey City as on a valuation of $5,280,468, amounting to the sum of $116,170.30, together with the full amount of the taxes upon all its real estate other than main stem located within the taxing district of Secaucus Borough on the assessed value of $19,500, amounting to the sum of $283.92, making the total tax to be paid on said property the sum of $116,-454.22; and will not ask for the refund of any part thereof; the prosecutor having stipulated that if the assessment on said property be reduced in whole or in part the prosecutor will pay any increase of tax on franchise for the year 1912 resulting from such reduction, when ascertained—nothing herein, however, to prevent the prosecutor from reviewing by appropriate proceedings any such increase of franchise tax before making payment thereof.

F. J. SWAYZE,
Justice Supreme Court.

January 30, 1913.

Stipulation.

New Jersey Supreme Court.

LONG DOCK COMPANY, *Prosecutor,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.,* STATE BOARD OF ASSESSORS OF THE STATE OF NEW JERSEY, AND EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, *Defendants.*	*On Certiorari to Review Assessments and Taxes on Second Class Property for the Year* 1912. *Stipulation.*

A writ of *certiorari* in above suit having been allowed, issued and served, it is hereby stipulated that no return need be made to said writ, nor any reasons filed in above suit, nor any further proceedings taken therein, until the final determination of the case of Long Dock Company vs. Charles E. Hendrickson, Jr., et als., State Board of Assessors, and Edward I. Edwards, Comptroller of the Treasury, on certiorari to review assessments and taxes on second class property of the Long Dock Company for the year 1911.

Dated January 8, 1914.

COLLINS & CORBIN,
Attorneys of Prosecutor.

EDMUND WILSON,
Attorney General,
Attorney of Defendants.

By JOHN R. HARDIN,
of Counsel.

Return by State Board of Assessors.

(Filed July 24, 1915)

To the Chief Justice and Associate Justices of the Supreme Court of the State of New Jersey:

Charles E. Hendrickson, Jr., George L. Record, Isaac Barber, and Fred A. Gentieu, constituting the State Board of Assessors of the State of New Jersey, pursuant to the commands of the writ of *certiorari* hereunto attached, and for their return thereto, do certify as follows:

1. That pursuant to the provisions of an act entitled, "An Act to revise and amend an Act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four," which revision and amendment were approved March 27, 1888, and of the Acts amendatory of and supplemental thereto, the State Board of Assessors of the State of New Jersey did value and assess for taxation for the year 1912, certain property of the Long Dock Company, situate in the taxing district of Jersey City, County of Hudson and State of New Jersey, consisting of real estate other than main stem and used for railroad purposes, as shown upon the schedule hereto annexed and marked "Schedule A," and did compute, assess and impose a tax upon the aforesaid assessed valuations of said property for local uses, at the rate of $22.00 per $1,000.00 of valuation, that being the full local rate of said taxing district for said year.

2. That on or about the first day of November, 1912, said State Board of Assessors served upon the Treasurer of said Long Dock Company, a copy of such valuation in detail of the property of said corporation and of the tax assessed against the

same, and gave notice that they would meet on the third Monday of November, 1912, at the State House in Trenton, for the purpose of reviewing their said assessment.

3. Thereafter said Long Dock Company duly filed its written complaint against said valuations, assessments and taxation, specifying its grievance, a copy of which written complaint is hereto annexed and marked "Schedule B," and on said third Monday of November, 1912, said Long Dock Company appeared before said State Board of Assessors, pursuant to said notice.

4. That the hearing by said State Board of Assessors upon the review of said valuations, assessments and taxation was adjourned until the thirteenth day of December, 1912, at which time said Long Dock Company appeared and produced witnesses on the hearing of its complaint against said valuations, assessments and taxation, the depositions of which witnesses were reduced to writing and are herewith returned and made a part hereof and marked "Schedule C." Upon the conclusion of the taking of said testimony, it was stated on behalf of said Long Dock Company, that if said valuations, assessments and taxation were affirmed by said State Board of Assessors upon said testimony, application would be made for a writ of *certiorari* to review said valuations, assessments and taxation, and that if such writ of *certiorari* was allowed, it was agreed by said State Board of Assessors and said Long Dock Company, that said State Board of Assessors, or the State, might take such testimony as they saw fit, and that said Long Dock Company might take testimony in rebuttal, such testimony to have the same force and effect as if taken before said Board prior to such affirmation, and include such testimony in the return to said writ of *certiorari*.

5. That without hearing any testimony upon review of said valuations, assessments and taxation, other than that produced by said Long Dock Company, said Board of Assessors affirmed said valuations, assessments and taxation, as shown by the schedule hereto annexed and marked "Schedule D," and certified the same to the Comptroller of the State.

6. That under a stipulation made by the Attorney General and the attorneys for said Long Dock Company, it was consented that certain testimony taken before said State Board of Assessors, upon review of the assessments on the same property for the year 1914, should be used and considered by said State Board of Assessors, as if repeated before said Board upon review of said valuations, assessments and taxation for the year 1912, subject to the objections mentioned in said stipulation, a copy of which stipulation is hereto annexed and marked "Schedule E," and said testimony is to be considered as included in the return to said writ of *certiorari*.

Dated June 29, 1915.

CHARLES E. HENDRICKSON, Jr.
ISAAC BARBER,
FREDERIC A. GENTIEU,
State Board of Assessors.

IRVINE E. MAGUIRE,
Secretary.

SCHEDULE A.

Original Assessments.

STATE OF NEW JERSEY.

DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.,

Taxing district of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1912.

Description of Property.	Acreage.	Assessed Valuation for 1912
Main Line:		
Land outside main stem; tract used for Terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th Street produced, to a point 1225 feet east of the center line of Provost Street; thence southerly parallel with and distant easterly 1225 feet from the center line of Provost Street to the center line of 7th Street produced; thence west-		

erly along the center line of 7th Street produced, to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of Cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6.....	16.039	$1,098,480	
Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue, 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue; thence westerly along the northerly line of			

Pavonia Avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street to the center of 12th Street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof)	43.872	3,856,956
Land outside main stem; Land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water..	2.09	116,196
Land outside main stem: Beginning at a point in the exterior line for solid filling 130 feet south of the northerly		

line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant northerly 272½ feet to the center line of 7th Street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7.....	2.498	138,878	
Land outside main stem: Block 182, Plot C.....	.176	13,812	
Land outside main stem: Block 185, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street, and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	
Land outside main stem: Block 218, excess south of main stem (exclusive of land occupied by warehouse).....	.624	40,810	
Land outside main stem: Block 323, excess south of main stem	.413	21,588	
Land outside main stem: Block 360, excess south of Main stem	.413	21,588	
Land outside main stem: Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and			

	the southerly line of main stem, Branch A, Penhorn Creek Railroad	.362	10,426
	Land outside main stem: Block 395, excess south of main stem, Long Dock Co.....	.470	13,536
10	Land outside main stem: Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad	.090	2,592
	Land outside main stem: Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick Avenue, and center line		
20	of Division Street.....	1.290	37,152
	Land outside main stem: Block 547, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	17,004
	Land outside main stem: Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad.....	.250	3,900
30	Land outside main stem: Block 547, Plot 2-D, excess north of main stem.....	.310	4,836
	Land outside main stem: Block 961, Plot 1, (including Utica Street)	3.957	28,015
	Land outside main stem: Block 961, Plot 3.....	6.315	45,468
	Land outside main stem: Block 961, Plot 5-B.....	2.180	15,434
40	Land outside main stem: Block 1200, Plot 12.....	14.180	34,032

Return by State Board of Assessors.

Land outside main stem: Plot 59-A	32.180	57,925
Land outside main stem: Block 1200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad)	32.195	57,952
Terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform....		146,470
Add Balance of Assessments undisputed		1.531,525
Total		$7,402,315

SCHEDULE B.

Complaint by Long Dock Co.

New York, November 17th, 1912.

To the State Board of Assessors of the State of New Jersey:

Gentlemen:

THE LONG DOCK COMPANY, hereby complains of the valuations, determinations, assessments and taxation for 1912 upon certain of its property as shown on Schedule hereto annexed, made by the State Board of Assessors of the State of New Jersey for the year 1912, and specifies the following grounds of complaint and grievances on the said valuations, determination, assessments and taxation above referred to and the said Company requests your Honorable Board to review and correct the same.

First. Said Board erred in assuming and valuing real estate of said Company used for railroad purposes other than main stem at $7,402,315 and imposing a tax thereon at such valuation, in that

said valuation is greatly in excess of the true value of the property and was arrived at by improper and illegal and capricious methods, and in that, after ascertaining the true value thereof, in the judgment of said Board, a certain percentage thereof was arbitrarily added thereto, without evidence and without lawful authority.

Second. The said State Board of Assessors erred in valuing and assessing the particular pieces of property set forth in their valuation and assessment of real estate used for railroad purposes other than main stem, as shown on Schedule hereto annexed, for the said year under the title, "Description of property," at the valuations therein set forth under the column entitled, "Assessed Valuation for 1912," and also erred in valuing and assessing and imposing a tax on such property as real estate used for railroad purposes other than main stem.

Third. The State Board of Assessors erred in including in its said assessment and valuation of property other than main stem used for railroad purposes, property not used for railroad purposes, property that is not taxable, and property that is not subject to valuation and assessment for taxes by said State Board of Assessors.

Fourth. State Board of Assesssors erred in finding and fixing and applying a rate of taxation of $2.20 per $100 valuation on property other than main stem used for railroad purposes, located in Jersey City, as shown upon Schedule hereto annexed.

Fifth. Said State Board of Assessors erred in valuing and assessing and imposing a tax upon the said Company, in the manner set forth in their valuation and assessments of said property, so far as said tax relates to property other than main

stem used for railroad purposes, as shown on Schedule hereto annexed.

Sixth. The said valuation, determination and assessments of property other than main stem and the several items and classes thereof, respectively, are at a rate in excess of the rate of assessment levied against property of like character and similarly situated and devoted to the same use, and are not valued and assessed in the same relative proportion to true value as were the other properties assessed in the various taxing districts where the same are situate and are assessed in excess of and disproportionately to the assessment placed upon the property of other owners in said taxing districts and of the owners of the same class of property contributing to the same common burden of taxation.

Seventh. The said valuations, determination, assessments and taxation are unlawful, unconstitutional and void, and the laws under which said Board acted in making and imposing said valuations, determination, assessments and taxation are unconstitutional and void.

THE LONG DOCK COMPANY,

By Harrison Williams,

General Land and Tax Agent.

Return by State Board of Assessors.

SCHEDULE.

STATE OF NEW JERSEY,
DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.

Taxing District of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1912.

Description of Property	Acreage	Valuation Assessed for 1912	True Value
Main Line			
Land outside main stem; tract used for terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th street produced to a point 1,225 feet			

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
east of the center line of Provost Street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost Street to the center line of 7th Street produced; thence westerly along the center line of 7th Street produced to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6	16.039	$1,098,480	$790,174
Land outside main stem; terminal tract; Beginning at the			

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue thence westerly along the northerly line of Pavonia Avenue to a			

Return by State Board of Assessors.

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost			

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
Street to the center of 12th Street, the place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof.)	43.872	$3,856,956	$1,778,967
Land outside main stem, land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water	2.09	116,196	48,000
Land outside main stem, beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant			

Return by State Board of Assessors.

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
northerly 272½ feet to the center line of 7th Street produced to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7	2.498	138,878	56,000
Land outside main stem, Block 182, Plot C	0.176	13,812	4,570
Land outside main stem, Block 185, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	29,220
Land outside main stem, Block 218, excess south of main stem (exclusive of land occupied by warehouse)	0.624	40,810	14,144

Return by State Board of Assessors.

	Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
10	Land outside main stem, Block 323, excess south of main stem	0.413	21,588	9,355
	Land outside main stem, Block 360, excess south of main stem	0.413	21,588	7,196
20	Land outside main stem, Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad	0.362	10,426	6,308
	Land outside main stem, Block 395, excess south of main stem, Long Dock Co.	0.470	13,536	8,190
30	Land outside main stem, Block 421, excess between the northerly line, main stem, Penhorn Creek Railroad, main line, and southerly line main stem, Branch A, Penhorn Creek Railroad	0.090	2,592	1,255
40	Land outside main stem, Block 421, excess south of main			

Return by State Board of Assessors.

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
stem, Long Dock Company, between center line of Brunswick Avenue and center line of Division Street	1.290	37,152	17,982
Land outside main stem, Block 541, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	$17,004	$6,495
Land outside main stem, Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad	0.250	3,900	1,490
Land outside main stem, Block 547, Plot 2-D, excess north of main stem	0.310	4,836	1,848
Land outside main stem, Block 961, Plot 1 (including Utica Street)	3.957	28,015	7,914
Land outside main stem, Bl'ck 961, Plot 3	6.315	45,468	12,630
Land outside main stem, Block 961, Plot 5-B	2.180	15,434	7,760

Return by State Board of Assessors.

Description of Property Main Line	Acreage	Assessed Valuation for 1912	True Value
Land outside main stem, Block 1200, Plot 12	14.180	34,032	17,725
Land outside main stem, Plot 59-A	32.180	57,925	38,616
Land outside main stem, Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek R. R.)	32.195	57,952	32,195
Terminal Station, including ferry buildings, tracks, platforms, floats, waiting room, train shelters and platform		146,470	65,659

SCHEDULE C.

Testimony.

Printed in Volume II.

SCHEDULE D.

Final Determination by Board.

OFFICE STATE BOARD OF ASSESSORS.

Trenton, N. J., January 21, 1913.

To the Long Dock Company:

I hereby certify that at a meeting of the State Board of Assessors, held at Trenton, New Jersey, January 21, 1913, the original assessment levied by said Board upon the property of the above

named Company for taxes for 1912, having been reviewed, was, by resolution, corrected as follows:

Main Stem.

Assessed valuation increased from $1,923,781 to $1,928,192.

Increase in valuation,	$4411.00
Increase in State tax,	$86.50
Increase in local tax,	....
Increase in total tax,	$86.50

Corrected Tax

For State uses,	$40,753.35
For local uses,	162,705.85
Total tax,	$203,459.20

Statement showing above adjustment enclosed herewith.

Respectfully,

IRVINE E. MAGUIRE,
Secretary.

January 21, 1913.

ERIE RAILROAD SYSTEM
LONG DOCK COMPANY
CORRECTIONS ON APPEAL, 1912 ASSESSMENT
MAIN STEM
TELEGRAPH AND TELEPHONES

Item	Original Value 1912 Assessment Quantity Value	Original Value 1912 Assessment New Present Value	Adjusted Value New Quantity Value	Adjusted Value New Present Value	Additions	Deductions	Remarks
Telegraph and Telephone Lines	$6,928	$5,196	$12,809	$9,607	$4,411		Adjusted to conform to property actually owned, balance owned by Western Union Telegraph Co.
Total for Long Dock Company	$6,928	$5,196	$12,809	$9,607	$4,411		

	Value New	Present Value
Main Stem, as adjusted	$2,192,913	$1,928,192
Second Class	8,283,332	7,402,315
Total	$10,476,245	$9,330,507

Return by State Board of Assessors.

SCHEDULE E.

Stipulation relative to Testimony.

BEFORE THE STATE BOARD OF ASSESSORS OF THE STATE OF NEW JERSEY.

IN THE MATTER OF THE COMPLAINT OF THE LONG DOCK COMPANY AGAINST ASSESSMENTS FOR THE YEAR 1912.	*Stipulation.*

WHEREAS, complaint was made by the Long Dock Company against the assessments made by the State Board of Assessors upon certain of its property, known as second class property, for the year 1912, and testimony was offered by said Long Dock Company upon review of said assessments and received by said Board, but no testimony was taken on behalf of said Board upon such review, it being stipulated that if said assessments for the year 1912 were affirmed by said Board, and a writ of certiorari allowed to review said assessments, then said Board might take further testimony upon review of said assessments and make such testimony a part of the return to such writ of certiorari, as though taken before such affirmation, and

WHEREAS, said assessments for the year 1912 were affirmed by said Board and a writ of certiorari allowed to review said assessments, and

WHEREAS, complaint was filed by said Long Dock Company against the assessments made by said Board, upon the same property for the year 1914, and testimony was taken on behalf of said Company and of the State upon review by said Board of said assessments for the year 1914, and

Return by State Board of Assessors.

WHEREAS, to avoid repetition of the testimony heretofore taken upon review of the assessments for the year 1914, with respect to the assessments for the year 1912, it is desired by each party that a copy of the testimony taken and exhibits offered on its behalf, respectively, upon review of the assessments for the year 1912;

THEREFORE, it is stipulated that a copy of the testimony taken and exhibits offered before said State Board of Assessors upon review of said assessments for the year 1914, shall be used and considered by said Board, as though repeated before said Board upon review of said assessments for the year 1912, subject to the objections appearing upon the record of said testimony, and to further objection to any matter that has occurred or accrued since said assessments for the year 1912 were finally made by said Board or which may be incompetent, immaterial or irrelevant to said assessments for the year 1912, except that the assessments made by Jersey City for the year 1914 as stated in the record of such testimony shall be taken and considered as the assessments upon the same properties for the year 1912, there having been no substantial change in said assessments for the two years.

JOHN W. WESCOTT,
Attorney-General.

COLLINS & CORBIN,
Attorneys of Long Dock Company.

Return by State Comptroller.

Filed July 24, 1915.

To the Chief Justice and the Associate Justices of the Supreme Court of the State of New Jersey.

I, EDWARD I. EDWARDS, Comptroller of the State of New Jersey, do hereby certify and send as within I am commanded, in the schedules hereunto annexed, the statement of the valuations, assessments, adjustments and taxes for the year 1912, upon the property of the Long Dock Company situate in the taxing district of Jersey City, and described in the writ of certiorari to which this return is made and the final determination of the State Board of Assessors thereon, as the same remains in my office.

WITNESS, my hand and seal at Trenton, the sixteenth day of July, Nineteen hundred and fifteen.

E. I. EDWARDS (L. S.)
Comptroller of the State of New Jersey.

SCHEDULE A.

Certificate by Board on Original and Corrected Assessments.

STATE OF NEW JERSEY,

DEPARTMENT STATE BOARD OF ASSESSORS.

To the Hon. Edward I. Edwards,
Comptroller of the State of New Jersey:

In pursuance of the provisions of an act entitled "An act to revise and amend an act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred

and eighty-four'' (which revision and amendment was approved March 27th, 1888), and the acts amendatory and supplementary thereto, we, the State Board of Assessors, hereby certify and report to you the following statement of assessed valuations of the Long Dock Company, pursuant to the provisions of said act, and of the separate valuation of property in each taxing district, as made by us; the amount of tax payable by said company with respect to its property separately valued in each taxing district, and the aggregate assessed valuation, and the total tax levied upon said company for the year 1912.

Assessed valuation of the Long Dock Company:		
For Main Stem.....	$1,928,192.00	$2,078,192.00
	~~1,923,781.00~~	~~2,073,781.00~~
For franchise	150,000.00	
For tangible property necessary for and used in State Commerce.....	"	"
Total assessable for State uses.....		2,078,192.00
		~~2,073,781.00~~
For real estate used for railroad purposes, other than main stem.....		7,402,315.00
Aggregate assessed valuation.....		9,480,507.00
		~~9,476,096.00~~
Tax for State uses, at average rate of $1.961 per $100 valuation.....		40,753.35
		~~40,666.85~~
Tax for uses of taxing districts on real estate used for railroad purposes, other than main stem, at local rates		162,705.85
Total tax		$203,459.20
		~~$203,372.70~~

Return by State Comptroller.

CHARLES E. HENDRICKSON, JR.,
President.

GEO. E. HALSEY,
GEORGE L. RECORD,
ISAAC BARBER,
State Board of Assessors.

Received November 4, 1912, Comptroller's Department.

Appealed.

Revised Return.

Received January 21, 1913, Comptroller's Department.

STATE OF NEW JERSEY.

Department State Board of Assessors.

Schedule showing valuation of property of the Long Dock Company, used for railroad purposes, other than Main Stem, in the taxing Districts of the State of New Jersey, together with the tax thereon, for local uses, for the year 1912.

County	Taxing District	Value	Local Tax
Hudson,	Jersey City....	$7,382,815.00	$162,421,93
	Secaucus Borough	19,500.00	283.92
		$7,402,315.00	162,705.85

SCHEDULE B.

PAYMENTS BY LONG DOCK COMPANY.
STATEMENT,

Amount of State tax	$ 40,753.35
Amount of State tax paid Feb. 3, 1913.	40,753.35
Amount of local tax	$162,705.85
Paid on account Feb 3, 1913	116,454.22
Balance due	$ 46,251.63

Reasons.

Filed August 7, 1915, as in time by Consent.

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY,. *Prosecutor,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS AND EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, *Dfendants.*	*On Certiorari. In re assessments and taxes for the year 1912.* *Reasons.*

THE LONG DOCK COMPANY, prosecutor, presents the following reasons for setting aside the valuations, assessments and taxation brought before this honorable court by the writ of certiorari in the above entitled cause.

1. The principles upon which said valuations, assessments and taxes were made and levied, are erroneous.

2. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

3. Said valuations and assessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess

Reasons.

of said assessment over the true value of said lands representing an alleged value, because of the adjacency of said lands to tide water, while in the value of the adjoining upland throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

4. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

5. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

6. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

7. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

8. Said valuations, assessments and taxes were not made and levied under a uniform rule.

9. Said assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said assessments

Reasons.

are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation.

10. Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

11. Said valuations, assessments and taxes are excessive.

12. Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

13. The State Board of Assessors on the hearing of prosecutor's complaint against said valuations, assessments and taxation admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole or in part, thereon.

14. Said valuations and assessments are contrary to the clear weight of evidence produced before the State Board of Assessors on the complaint of prosecutor.

15. There was no legal evidence before the State Board of Assessors which supports said valuations and assessments.

16. The laws under which said valuations, assessments and taxes were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors, whereas such review is given to the owners of other prop-

Reasons.

erty contributing to the common burden of taxation, and therefore prosecutor is denied the equal protection of the laws contrary to the fourteenth amendment to the Constitution of the United States.

17. Said valuations, assessments and taxes are in other respects, excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they were made and levied are in other respects unconstitutional.

Dated, July 26, 1915.

COLLINS & CORBIN,
Attorneys of Prosecutor.

Opinion.

(Filed June 10, 1916.)

New Jersey Supreme Court.

November Term, 1915.

LONG DOCK COMPANY,
Prosecutor,

vs.

STATE BOARD OF ASSESSORS, *et al.*,
Defendants.

Argued Nov. 4, 1915. Decided June 1916.

On four writs of certiorari to review the reassessment of "second class" railroad property for the year 1911, and the assessment of the same property for the years 1912, 1913 and 1914, respectively.

Argued November Term, 1915, before Justices Parker, Minturn and Kalisch.

For the prosecutors, Robert J. Bain (Gilbert Collins and George S. Hobart, on the brief).

For the defendants, John R. Hardin.

The opinion of the court was delivered by PARKER, *J.*

The assessments for all the years mentioned relate to precisely the same property with the exception of 1914. Generally speaking, the property includes all of the terminal yard and water front at Harsimus in Jersey City, as

used by the Erie Railroad Company, and other property adjoining the main stem in lower Jerser City, also at the west end of the tunnel and cut, and land used for car storage and similar railroad purposes on and adjoining the Hackensack meadows.

The valuation fixed by the State Board for 1911 was brought before the Supreme Court on certiorari and was there affirmed, 85 N. J. L., 536. On review in the Court of Errors and Appeals it was reversed (86 N. J. L., 593), and that court held distinctly that it was the duty of the Supreme Court to examine the evidence and reverse in case of "palpable error" appearing. The reversal in the Court of Errors and Appeals went on the ground that all the evidence appearing in the case showed a lower valuation, and that the State Board were not entitled to use their "personal knowledge" of values as a basis of a finding while refusing to state or be examined and give testimony as to what that knowledge was and how they acquired it.

The case was remitted to the Supreme Court and that court then directed a reassessment with leave to take further testimony on valuations. When the matter was again opened before the Board, prosecutor objected to further testimony, and now makes the point that it was inadmissible. So to hold would be to overrule the express direction of this court, which appears to have been made in obedience to the plain intent of the opinion in the Court of Errors and Appeals and it would have been error if the assessors had excluded it.

This point being settled, counsel have so arranged the evidence by various stipulations that we consider all four years on the same evidence,

except that in 1914 there was an increase in water front valuations because of extension of the pier line by the War Department, which must be dealt with separately.

There are certain legal points that may as well be dealt with first, so as to lay a foundation for consideration of the facts.

It is first asserted that the valuations generally were ascertained and fixed by the application of an arbitrary multiple. This appeared to be a fact when the 1911 case was before the Court of Errors and Appeals. It is explained more or less satisfactorily now. Two of the commissioners, Messrs. Record and Hendrickson, took the stand as witnesses. Both swore and most credibly, to long study and experience in appraising this class of property. They qualified as "experts" in the legal sense, because of this special study. There were three principal questions to be practically treated: (1) What was the value of the various parcels *per se* for average business or other purposes? (2) Did they have any greater value for railroad purposes irrespective of railroad franchise, and if so how much? (3) In connection with (2), was any greater value imparted to them because assembled into a connected whole appropriate to a railroad terminal, and if so, what? Both Messrs. Record and Hendrickson, as their testimony seems to indicate, testified from experience to the increment of value due to assembling and availability for special use. It is now argued that such an element of value cannot be considered, and the United States Supreme Court case of *New York City* v. *Sage,* 36 Sup. Ct. Rep., 25, is relied on. But we agree with counsel for defendants and it is not on

the point, for it is a condemnation case and relates to the value of an outside tract before assemblage, a very different thing from an integral part after assemblage. It is elementary that in combining two or more tracts of land for a purpose requiring both or all together, the value of the whole may well be more than the total of the parts separately. So Chief Justice Beasley in effect said in *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L., 1. If the multiple is in fact arbitrary, of course it is presumably erroneous; but if the evidence indicates that it is based on a reasonable consideration of facts, it is not made arbitrary because it happens to be a mathematical constant. See *Wayne Township* v. *Laflin & Rand Co.,* 76 L. at p. 177.

Next it is insisted that the lands under water should have been joined to the upland for assessment and not segregated into separate tracts. The answer is that if the lands under water are owned by the taxpayer, either method is allowable and some discretion must be accorded to the Board. *Jersey City* v. *Board,* 73 N. J. L., 166; *S. C.,* 75 N. J. L., 571; *Long Dock Co.* v. *Board,* 87 N. J. L., 22. If it is owned land, whether under water or not, it is assessable as such; but if only a right to reclaim not exercised, it may be regarded as an increment of value to the shoreward property, *Ib.* This will appear presently in connection with the extended pier line questions.

The next point is numbered IV, and is a complaint of double increment because both upland and riparian lands were valued as adjacent to tide water. We fail to see why the element of adjacency or proximity or accessibility to tide water may not extend within rea-

sonable limits, more or less indefinitely inland as an element of value. Where questions of convenient storage and transportation are involved, situations with regard to tide water and accessibility thereto become of great importance.

Point V is covered by what has been said under the second point herein discussed.

Point VI is that the valuation is based in whole or in part on the value of other lands not similarly situated. The practical complaint is that lands in the "business" section of Hoboken and Jersey City were considered. We fail to see why, for purpose of comparison, all the land in lower Jersey City and Hoboken, should not be considered. It is impossible to secure identical conditions. What is looked for is substantially similar conditions. There is at least enough similarity along this water front to justify a comparison of values. *Packard* v. *Bergen Neck Railway Co.*, 54 N. J. L., 553; *Manda* v. *Orange,* 82 N. J. L., 688.

VII. Cost of reproduction. That this is properly an element to consider we think needs no argument.

VIII brings up the real point, viz: that the valuation fixed by the Board is inseparably connected with the franchise. The Board says in effect that it is not, and we think the prosecutor has failed to show the contrary. This is a great terminal property opposite New York City, and which, while in fact connected with the Long Dock Railroad, might be connected with any other railroad now operating from the Jersey side, or that might be organized so to operate. If the Erie Railroad Company

should go out of business, it could be used for a terminal connecting with all the railroads terminating between Communipaw and Weehawken. Taken by itself it is a great unified tract with deep water in front and railroad communications behind. We think it is idle to argue, as do prosecutors experts, that it is to be split into two, or three, or four or more zones each to be valued separately. Every part of this main tract depends for its value in some measure on every other part. There are tracts of land elsewhere that are worth more when cut up into building lots, and there are also tracts worth more because assembled and peculiarly adaptable to business. This is one of the latter cases.

Point IX is that the valuations were not made under a uniform rule, as required by the constitution. This is predicated on the testimony of Mr. Record, one of the Board, that as a matter of practice they valued railroad property where railroading was unprofitable, at or below ordinary values of adjacent property, and where railroading is profitable, at more than such ordinary values. We are not at present concerned with the practical fairness of this method, but only with the uniformity of the rule. Manifestly, if applied to all railroad property, it is uniform; and we think it is quite conceivable that property affected by a railroad use is more valuable in some localities than in others. The test is, whether it is valued as railroad property and by uniform rules applicable thereto. If the argument on this point is sound, the valuation of all railroad property in the state should be fixed by ascertaining its value for general purposes, and adding some

fixed increment for railroad use; a proceeding which, on account of its arithmetical character, would undoubtedly result in much false valuation. This is not the uniformity contemplated by the constitution.

The tenth point is that "the assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed and said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation." This point, when developed, amounts to this: That the railroads are assessed at what the Board considered "true value" whereas private lands in the neighborhood were assessed at varying percentage less than true value. The argument is that the assessments on railroad land in Jersey City are, to use the language of the brief, "not in the same relative proportion of true value as that by which other property in the same taxing district was assessed." The inference is that if other property was undervalued, railroad property should also have been undervalued to the same extent. We know of no authority for this rule, and counsel cite none. On the contrary, the language of the constitution, of the statutes and of the cases has been uniform in reiterating the true value rule. It is true that local assessors often adopted in practice a sort of undervaluation rule, substantially uniform for a taxing district, and this while illegal would work no practical injustice if uniformly applied throughout the

county and state, but it was not, and advantage was taken of it to evade the just apportionment of county and other taxes affecting more than one district. It was to remedy this that the county tax board legislation was adopted, which among other things provided for equalization of valuations as between individuals and also taxing districts. P. L. 1906, p. 210; C. S., 5115 *et seq.* Valuation at true value was laid down by Sec. 2 as the primary and fundamental duty of the Board. The same rule is laid down in the railroad tax act. C. S. 5264, pl. 447. If the legislature has provided no machinery enabling a railroad whose property is assessed at true value to compel the undervaluation of neighboring property to be raised to its true value, the proposition to lower the railroad value may appeal to a sense of fairness, but is not legally sound. *Central R. R. Co.* v. *Board,* 49 N. J. L., at p. 19.

The eleventh point in the brief raises certain questions of evidence.

(a) The sale price of other lands in the neighborhood not similar as to conditions. This is covered by what has already been said under Point VI.

(b) That the valuation of the Pennsylvania and Lackawanna terminals was admitted as a criterion. The fact that they were valued by the Board was admissible as a basis for the qualifications of Messrs. Hendrickson and Record as witnesses. Assuming the irregularity of the amount of valuation as a criterion, it was something of which the Board necessarily had personal knowledge. Their finding is fully supportable in this court, except as hereafter

noted, without that evidence. We consider the error, if error there was, harmless.

(c) Evidence that Harrison Williams represented the Erie Railroad Company, identified for the purposes of this case with the Long Dock Company, prosecutor, and that he assented to the valuation of 1911. We do not find it necessary to consider this evidence either. Of course, the fact was fully within the knowledge of the Board. We incline to think that when Mr. Williams was more or less formally accredited with the Board as an agent of prosecutor specially interested with the conduct of its real estate and taxation matters, he was at least held out as empowered to deal with those matters in such a way as to bind his principal, and that admissions by him in the course of negotiation and discussion, not made without prejudice, would be competent evidence. We have ourselves not considered them in ascertaining whether there was palpable error in the findings of the Board.

This brings us to the question of the sufficiency of the evidence to support the valuations of the respective parcels of land, which are discussed in detail under Point I of prosecutor's brief. Our duty in this regard is pointed out in Section 13 of the Railroad Tax Act of 1888, as expounded by the Court of Errors and Appeals in *Long Dock Co.* v. *State Board,* 86 N. J. L., at p. 594. It appears to be different from the duty existing under the act of 1884, as viewed by Chief Justice Beasley in the *Central Railroad case,* 48 N. J. L., at pp. 3 and 4. The requirement that "if it shall be made to appear that any assessment is excessive or insufficient, the court shall correct the same and

reduce or increase it as may be just, or refer it back to the board of assessors" makes it optional with this court as a matter of judicial discretion to send back valuations deemed excessive for revaluation, or itself make such revaluation. The general inadvisability of this court resolving itself into a reviewing board of tax valuation is pointed out by Chief Justice Beasley in the Central Railroad case last cited. But this litigation has been before the courts for several years and ought to be settled so far as an ascertainment of facts can settle it. Accordingly, we have examined the evidence bearing on the several parcels of land assessed, and finding that in some cases they are palpably excessive, have ourselves fixed what we deem a reasonable valuation in view of the principles above enunciated. We subjoin a list of the tracts and our findings on the valuations thereof imposed by the Board. So far as the valuations of the Board are herein held excessive, they will be reversed and revalued in our judgment according to the figures stated; otherwise the assessment will be affirmed.

There was an additional value placed by the Board on the water front tracts for 1914, because of the extension of the pier line in the Hudson River in 1913. This did not confer a title to the land under water between the old and new pier lines, until the land is reclaimed. *Long Dock Co.* v. *Board,* 87 N. J. L., 22. It was further held in that case, that the addition if any to the value of the upland should be taxed with the upland. The Board undertook to add to the upland value what amounted to one dollar per square foot of the area included be-

tween the old and new pier lines. Whether any increase in the upland values is supportable on the evidence, we think is doubtful; but we are in no doubt that an increase approximately equal to 75 per cent. of the additional area valued as upland, for a mere privilege, is out of all reason; and as there is nothing before us as a proper basis for the valuation of the increment, if any, the amount of increase on this account will go back to the Board. This results in a reversal of the 1914 tax on all water front properties affected, irrespective of the general revaluations placed by us on some of them, which form a basis for the 1914 value to which may be added the increment for pier line extension if any.

SCHEDULE.

List of Properties and Valuations by Court.

17 A. 2.	Affirmed, except as indicated for 1914.
16 B. 62.	Affirmed, except as indicated for 1914. Foot of Pavonia avenue. Reduced to (1911-12-13) $96,000; 1914, $96,000 basis; Pier line increment referred back.
16 B. 7.	Reduced to $108,812 for 1911-12-13, and basis of 1914; Pier line increment referred back.
182c.	Affirmed.
183a.	Affirmed.
218.	Affirmed.
323.	Reduced to $13,000.
360.	Reduced to $13,000.
395.	The $10,426 parcel reduced to $6,000; the other affirmed.

Opinion.

421.	(Wedge) reduced to $1,000; the other reduced to $25,000.	
547, 4a.	Reduced to	$ 6,000.
2b.	"	1,500.
2d.	"	2,000.
961, (1).	"	15,000.
961, (3).	"	23,000.
961, 5b.	"	10,000.
1200—12.	"	25,000.
1200—57d.	"	35,000.
1200—59a.	"	35,000.

Rule for Judgment.

(Entered September 27, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* *v.* CHARLES E. HENDRICKSON, JR., *et als.* STATE BOARD OF ASSESSORS, EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; and THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* (*In re-assessments for the year 1912*). *Rule for Judgment.*

The Court having inspected the valuations, assessments, tax and proceedings, returned with the certiorari in this cause, and considered the reasons filed for setting aside said valuations, assessments and tax, and heard the argument of counsel thereon;

And it appearing that said valuations, assessments and tax are in part lawful and in part unlawful and excessive:

It is ORDERED that said valuations, assessments and tax be corrected by the State Board of Taxes and Assessment as follows:

The valuation of the parcel described in the Return as Block 17, Plot A-2, for assessment for the year 1912, shall be at the sum of $3,856,956 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 16, Plot B-6, for assessment for

Rule for Judgment.

the year 1912 shall be at the sum of $1,098,480 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 182, Plot C, for assessment for the year 1912, shall be at the sum of $13,812 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the centre line of Provost street, for assessment for the year 1912, shall be at the sum of $87,740 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse) for assessment for the year 1912, shall be at the sum of $40,810 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 395, excess south of main stem Long Dock Co. for assessment for the year 1912, shall be at the sum of $13,536 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, for assessment for the year 1912, shall be reduced from $116,196 to $96,000.

Rule for Judgment.

The valuation of the parcel described in the Return as Block 16, Plot B-7 for assessment for the year 1912 shall be reduced from $138,878 to $108,812.

The valuation of the parcel described in the Return as Block 323, excess south of main stem, for assessment for the year 1912 shall be reduced from $21,588 to $13.000.

The valuation of the parcel described in the Return as Block 360, excess south of main stem, for assessment for the year 1912, shall be reduced from $21,588 to $13,000.

The valuation of the parcel described in the Return as Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad, and the southerly line of main stem, Branch A, Penhorn Creek Railroad, for assessment for the year 1912, shall be reduced from $10,426 to $6,000.

The valuation of the parcel described in the Return as Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad, for assessment for the year 1912, shall be reduced from $2,592 to $1,000.

The valuation of the parcel described in the Return as Block 421, excess south of main stem, Long Dock Company, between centre line of Brunswick avenue and centre line of Division street, for assessment for the year 1912, shall be reduced from $37,152 to $25,000.

The valuation of the parcel described in the Return as Block 547, Plot 4-A, between centre line of Division street and easterly line of New Jersey Junction Railroad, for assessment for

the year 1912, shall be reduced from $17,004 to $6,000.

The valuation of the parcel described in the Return as Block 547, portion of Plot 2-B, excess south of main stem Penhorn Creek Railroad, for assessment for the year 1912, shall be reduced from $3,900 to $1,500.

The valuation of the parcel described in the Return as Block 547, Plot 2-D, excess north of main stem, for assessment for the year 1912, shall be reduced from $4,836 to $2,000.

The valuation of the parcel described in the Return as Block 961, Plot 1 (including Utica street), for assessment for the year 1912, shall be reduced from $28,015 to $15,000.

The valuation of the parcel described in the Return as Block 961, Plot 3, for assessment for the year 1912, shall be reduced from $45,468 to $23,000.

The valuation of the parcel described in the Return as Block 961, Plot 5-B, for assessment for the year 1912, shall be reduced from $15,434 to $10,000.

The valuation of the parcel described in the Return as Block 1200, Plot 12, for assessment for the year 1912, shall be reduced from $34,032 to $25,000.

The valuation of the parcel described in the Return as Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek Railroad), for assessment for the year 1912, shall be reduced from $57,952 to $35,000.

The valuation of the parcel described in the Return as Block 1200, Plot 59-A, for assessment for the year 1912, shall be reduced from $57,925 to $35,000.

Rule for Judgment.

And it is further ORDERED, upon consent of Collins & Corbin, attorneys of prosecutor, and John W. Wescott, Attorney General, attorney for defendants, that the valuation of the property described in the Return as Terminal Station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform, for assessment for the year 1912, shall be reduced from $146,470 to $123,600, as agreed between prosecutor and the State Board of Assessors.

And it is further ORDERED that said valuations, assessments and tax, so far as they are in excess of the valuations and assessments reduced as above stated, he and they hereby are reversed, set aside and cancelled.

Entered September 27th, 1916.

On motion of

JOHN W. WESCOTT,
Attorney General,
Attorney of Defendants.

Notice of Appeal.

(Filed October 3, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* *v.* CHARLES E. HENDRICKSON, JR., *et als.* STATE BOARD OF ASSESSORS, EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; and THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* (*In re-assessments for the year 1912.*) *Notice of Appeal.*

To Hon. John W. Wescott, Attorney General, Attorney of Charles E. Hendrickson, Jr., *et als.*, State Board of Assessors; and Edward I. Edwards, Comptroller of the Treasury, Defendants; and John Bentley, Esq., Attorney of The Mayor and Aldermen of Jersey City, Defendant.

TAKE NOTICE that the prosecutor appeals to the New Jersey Court of Errors and Appeals from so much of the judgment entered in this cause as orders and adjudges that the valuations, assessments and tax returned with the certiorari in said cause shall be as follows:

The valuation of the parcel described in the Return as Block 17, Plot A-2, for assessment for the year 1912, shall be at the sum of $3,856,956, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 16, Plot B-6, for assessment for the year 1912, shall be at the sum of $1,098,480, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 182, Plot C, for assessment for the year 1912, shall be at the sum of $13,812, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 183, portion of Plot A, between the southerly line of Eleventh street and the northerly line of Tenth street and from the easterly line of Hendrickson street to the center line of Provost street, for assessment for the year 1912, shall be at the sum of $87,740, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouses), for assessment for the year 1912, shall be at the sum of $40,810, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 395, excess south of main stem Long Dock Co. for assessment for the year 1912, shall be at the sum of $13,536, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line of solid filling from the northerly side of Pavonia avenue southward, including the value of land under water,

for assessment for the year 1912, shall be reduced from $116,196 to $96,000.

The valuation of the parcel described in the Return as Block 16, Plot B-7, for assessment for the year 1912, shall be reduced from $138,-878 to $108,812.

The grounds of said appeal are as follows:

1. The Supreme Court ordered and adjudged that the valuations of said lands, for assessment for the year 1912, shall be at the valuations thereof, as heretofore finally determined for said year by the State Board of Assessors, except for the reductions mentioned; whereas said court should have set aside or reduced the valuations, assessments and tax upon said lands for said year for one or some of the following reasons:

(a) The principles upon which said valuations, assessments and taxes were made and levied, are erroneous.

(b) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value, except in connection with and as appurtenant to the others, which others had but small value, except in connection with the lands under water.

(c) Said valuations and assessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess of said assessment over the true value of said lands representing an alleged value, because of the adjacency of said

lands to tide water, while in the value of the adjoining upland throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

(d) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

(e) Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

(f) Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

(g) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

(h) Said valuations, assessments and taxes were not made and levied under a uniform rule.

(i) Said assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and

said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation.

(j) Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

(k) Said valuations, assessments and taxes are excessive.

(l) Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

(m) The State Board of Assessors on the hearing of prosecutor's complaint against said valuations, assessments and taxation admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole or in part, thereon.

(n) Said valuations and assessments are contrary to the clear weight of evidence produced before the State Board of Assessors on the complaint of prosecutor.

(o) There was no legal evidence before the State Board of Assessors which supports said valuations and assessments.

(p) The laws under which said valuations, assessments and taxes were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property

before a tribunal separate from the assessors, whereas such review is given to the owners of other property contibuting to the common burden of taxation, and therefore prosecutor is denied the equal protection of the laws contrary to the fourteenth amendment to the Constitution of the United States.

(q) Said valuations, assessments and taxes are in other respects, excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they were made and levied are in other respects unconstitutional.

2. The principles upon which the Supreme Court determined the value of said lands for assessment for the year 1912, are erroneous.

3. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that said lands were divided into arbitrary parcels, some of which were wholly under water and had no value, except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

4. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were valued at more than their true value, the excess of said valuation over the true value of said lands representing an alleged value because of the adjacency of said lands to tide water, while in the value of the adjoining upland, throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

5. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that said lands under water, between the exterior line for solid filling and the exterior line for piers, were valued sparately from the upland.

6. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that said value was based in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

7. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle in that said value was based in whole or in part upon an alleged cost of reproduction of the railroad terminal of prosecutor.

8. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that said Court ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

9. The value of said lands for assessment for the year 1912, as determined by the said Court, was not under uniform rules.

10. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that said value is in excess of the rate of assessment upon property of like character and similarly situated, and is not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said

value is in excess of and disproportionate to the assessment placed upon the property of other owners in the same taxing district and owners of the same class of property contributing to the common burden of taxation.

11. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle, in that it increased the value of said lands for assessment beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Court.

12. Said Court determined the value of said lands for assessment for the year 1912, by and upon an erroneous principle in that said value was not according to the true value of said lands and is excessive.

13. There was no evidence before the Supreme Court which supports or justifies the value of said lands for assessment for the year 1912, as determined by said Court.

14. The value of said lands for assessment, as determined by the Supreme Court, for the year 1912, is for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

15. That part of said judgment of the Supreme Court above mentioned, and the valuations, assessments and tax ordered thereby, are for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

COLLINS & CORBIN,
Attorneys of Appellant.

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Writ of Certiorari.

(Allowed and Issued January 3, 1914.)

STATE OF NEW JERSEY—*ss.*

(Seal) The State of New Jersey to Charles E. Hendrickson, Jr., George L. Record, Isaac Barber and Fred A. Gentieu, State Board of Assessors of the State of New Jersey, and Edward I. Edwards, Comptroller of the Treasury—GREETING:

We being willing for certain reasons (a proper case having been presented, and due notice of application for this writ having been given) to be certified of the valuations, assessments and tax for the year 1913 made pursuant to "An Act to revise and amend an act for the taxation of railroad and canal property," approved April 10, 1884, which revision and amendment was approved March 27, 1888, and the acts amendatory thereof and supplementary thereto, on the lands and property of LONG DOCK COMPANY in the taxing district of Jersey City, enumerated as follows:

LOCATION OF PROPERTY.	Assessed Valuation for 1913
MAIN LINE.	
Land outside main stem; tract used for terminal purposes, bounded as follows: beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street, thence easterly along the southerly line of Pavonia avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center	

line of 7th street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th street produced, to a point 1,225 feet east of the center line of Provost street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost street to the center line of 7th street produced; thence westerly along the center line of 7th street produced, to a point 255 feet east of Provost street; thence northerly to the north line of 8th street and in the westerly face of cattle pens; thence westerly along the northerly line of 8th street to a point 125 feet east of Provost street; thence northerly parallel with Provost street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6; 16.039 acres $1,098,480

Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost street and the center line of 12th street; thence easterly along the center line of 12th street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia avenue; thence westerly along the northerly line of Pavonia avenue to the easterly line of Kelso street; thence northerly along the easterly line of Kelso street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia avenue 185 feet; thence southerly 100 feet to the northerly line of Pavonia avenue; thence

westerly along the northerly line of Pavonia avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th street; thence westerly along the northerly line of 9th street to the easterly line of Provost street; thence northerly along the easterly line of Provost street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost street; thence northerly along the center line of Provost street to a point 45 feet south of the northerly line of 11th street; thence easterly at right angles to the center line of Provost street to the easterly line of Provost street; thence northerly along the easterly line of Provost street to the center line of 12th street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof), 43.872 acres..... 3,856,956

Land outside main stem; Land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, 2.09 acres..... 116,196

Land outside main stem; Beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th street produced; thence westerly parallel with and distant northerly 272½ feet to the center

	line of 7th street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Plot B-7, 2.498 acres.....	138,878
10	Land outside main stem; Block 182, Plot C, .176 acres	13,812
	Land outside main stem; Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the center line of Provost street, 1.118 acres	87,740
20	Land outside main stem; Block 218, excess south of main stem (exclusive of land occupied by warehouse), .624 acres	40,810
	Land outside main stem; Block 323, excess south of main stem, .413 acres...	21,588
	Land outside main stem; Block 360, excess south of main stem, .413 acres...	21,588
30	Land outside main stem; Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad, .362 acres.....	10,426
	Land outside main stem, Block 395, excess south of main stem, Long Dock Co., .470 acres.....	13,536
40	Land outside main stem; Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad, .090 acres.....	2,592

Land outside main stem; Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick avenue and center line of Division street, 1.290 acres.....	37,152
Land outside main stem; Block 547, Plot 4-A, between center line of Division street and easterly line of New Jersey Junction Railroad, 1.090 acres.....	17,004
Land outside main stem; Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad, .250 acres	3,900
Land outside main stem; Block 547, Plot 2-D, excess north of main stem, .310 acres	4,836
Land outside main stem; Block 961, Plot 1 (including Utica street), 3.957 acres	28,015
Land outside main stem; Block 961, Plot 3, 6.315 acres.....	45,468
Land outside main stem; Block 961, Plot 5-B, 2.180 acres.....	15,434
Land outside main stem; Block 1,200, Plot 12, 14.180 acres.....	34,032
Land outside main stem; Block 1,200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad), 32.190 acres	57,952
Land outside main stem; Block 1,200, Plot 59-A, 32.180 acres.....	57.925
Terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform....	146,470

do command you, that the said valuations, assessments and tax, the statement or statements thereof certified and reported by said State Board of Assessors to the Comptroller of the Treasury of the State of New Jersey for the year 1913, the returns made by said Company to said Board pursuant to the said statutes, together with the schedules accom-

Allocatur.

panying the same pursuant to said statutes, the written protest and complaint made by said Company with respect to said valuation, assessments and tax, the evidence, exhibits and statements taken upon the review before said Board of said valuations, assessments and tax, and the final determinations of said Board upon such review. and all corrections made by said Board in said valuations assessments and tax, and the certificates made by said Board to the said Comptroller upon such review and final determination, and also all certificates returned and filed with said Board by the Assesors of the several taxing district of the State, together with all other proceedings and matters touching and concerning the said valuations, assessments and tax, as fully as the same remain before you, or any of you, or under your control, you do certify and send to the justices of our Supreme Court at Trenton on the twenty-third day of January, 1914, together with this writ, that we may cause to be done thereupon what of right and according to law should be done.

WITNESS, William S. Gummere, Chief Justice of the said Supreme Court at Trenton, the third day of January, 1914.

WM. C. GEBHARDT,
Clerk.

COLLINS & CORBIN,
Attorneys of Prosecutor.

ALLOCATUR.

I allow this writ. Let it be sealed upon condition that prosecutor pay on or before February 1, 1914, the taxes upon its real estate used for railroad purposes other than main stem located in the

Allocatur.

taxing district of Jersey City for the year 1913 as on a valuation of $5,348,736, amounting to $113,-553.66, together with the taxes for said year upon its same class of property in the taxing district of Secaucus on an assessment of $19,500, amounting to $282.55, making the total amount of taxes to be paid the sum of $113,836.21; and upon the further condition that prosecutor will not ask for refund of the taxes paid in accordance with above condition; and upon the further condition that if the valuation and assessment of above mentioned property for the year 1913 is reduced in whole or in part, prosecutor will pay any valid increase of tax upon its franchise for said year resulting from such reduction, nothing herein, however, to prevent prosecutor from having such increase of tax upon its franchise, if made, reviewed by appropriate proceedings before paying same.

F. J. SWAYZE,
J. S. C.

Jan. 3, 1914.

Stipulation.

New Jersey Supreme Court.

LONG DOCK COMPANY, *Prosecutor,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS OF THE STATE OF NEW JERSEY, AND EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, *Defendants.*	*On Certiorari to Review Assessments and Taxes on Second Class Property for the year 1913.* *Stipulation.*

A writ of *certiorari* in above suit having been allowed, issued and served, it is hereby stipulated that no return need be made to said writ, nor any reasons filed in above suit, nor any further proceedings taken therein, until the final determination of the case of Long Dock Company vs. Charles E. Hendrickson, Jr., et als., State Board of Assessors, and Edward I. Edwards, Comptroller of the Treasury, on certiorari to review assessments and taxes on second class property of the Long Dock Company for the year 1911.

Dated January 8, 1914.

COLLINS & CORBIN,
Attorneys of Prosecutor.

EDMUND WILSON,
Attorney General,
Attorney of Defendants.

By JOHN R. HARDIN,
of Counsel.

Return by State Board of Assessors.

(Filed July 24, 1915.)

To the Chief Justice and Associate Justices of the Supreme Court of the State of New Jersey:

Charles E. Hendrickson, Jr., George L. Record, Isaac Barber and Fred A. Gentieu, constituting the State Board of Assessors of the State of New Jersey, pursuant to the commands of the writ of certiorari hereunto attached, and for their return thereto, do certify as follows:

1. That pursuant to the provisions of an act entitled, "An act to revise and amend an act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four," which revision and amendment were approved March 27, 1888, and of the acts amendatory or and supplemental thereto, the State Board of Assessors of the State of New Jersey did value and assess for taxation for the year 1913, certain property for the Long Dock Company, situate in the taxing district of Jersey City, County of Hudson and State of New Jersey, consisting of real estate other than main stem and used for railroad purposes, as shown upon the schedule hereto annexed and marked "Schedule A," and did compute, assess and impose a tax upon the aforesaid assessed valuations of said property for local uses at the rate of $21.23 per $1,000. of valuation, that being the full local rate of said taxing district for said year.

2. That on or about the first day of November, nineteen hundred and thirteen, said State Board of Assessors served upon the Treasurer of said Long Dock Company a copy of such valuation in detail of the property of said corporation and of the tax

assessed against the same, and gave notice that they would meet on the third Monday of November, 1913, at the State House in Trenton, for the purpose of reviewing their said assessment.

3. That hereafter said Long Dock Company duly filed its written complain against said valuations, assessments and taxation, specifying its grievance, a copy of which written complaint is hereto annexed and marked "Schedule B."

4. That on said third Monday of November, 1913, being the 17th day of November, 1913, said Long Dock Company appeared before said State Board of Assessors, pursuant to said notice, and produced testimony on the hearing of its complaint against said valuations, assessments and taxation, a copy of which testimony is herewith returned and made a part hereof, and marked "Schedule C." Said testimony was received by said State Board of Assessors upon condition that if no further testimony was taken on behalf of said State Board of Assessors upon review of said valuations, assessments and taxation for the year 1913, and said valuations, assessments and taxation for said year were affirmed by said Board and a writ of certiorari allowed to review the same, then said State Board of Assessors might take further testimony upon review of said valuations, assessments and taxation for said year and make such testimony a part of the return to said writ of certiorari.

5. That without hearing any testimony upon review of said valuations, assessments and taxation other than that produced by said Long Dock Company, said State Board of Assessors affirmed said valuations, assessments and taxation as shown by the schedule hereto annexed and marked "Schedule D," and certified the same to the Comptroller of the State.

Return by State Board of Assessors.

6. That under a stipulation made by the Attorney General and the Attorneys for said Long Dock Company, it was consented that certain testimony taken before State Board of Assessors upon review of assessments upon same property for the year 1914, should be used and considered by said State Board of Assessors as if repeated before said Board upon review of said valuations, assessments and taxation for the year 1913, subject to the objections mentioned in said stipulation, a copy of which stipulation is hereto annexed and marked "Schedule E," and said testimony is to be considered as included in the return to said writ of certiorari.

Dated June 29, 1915.

CHARLES E. HENDRICKSON, JR.,
ISAAC BARBER,
FREDERIC A. GENTIEU,
State Board of Assessors.

IRVINE E. MAGUIRE,
Secretary.

SCHEDULE A.

Original Assessments.

STATE OF NEW JERSEY.

DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.,

Taxing district of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1913.

Description of Property.	Acreage.	Assessed Valuation for 1913
Main Line:		
Land outside main stem; tract used for Terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th Street produced, to a point 1,225 feet east of the center line of Provost Street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost Street to the center line of 7th Street produced; thence west-		

erly along the center line of 7th Street produced, to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of Cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6.....	16.039	$1,098,480
Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue, 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue; thence westerly along the northerly line of		

Pavonia Avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street to the center of 12th Street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof)	43.872	3,856,956
Land outside main stem; Land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water..	2.09	116,196
Land outside main stem: Beginning at a point in the exterior line for solid filling 130 feet south of the northerly		

line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant northerly 272½ feet to the center line of 7th Street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7.....	2.498	138,878	
Land outside main stem: Block 182, Plot C.....	.176	13,812	
Land outside main stem: Block 185, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street, and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	
Land outside main stem: Block 218, excess south of main stem (exclusive of land occupied by warehouse).....	.624	40,810	
Land outside main stem: Block 323, excess south of main stem	.413	21,588	
Land outside main stem: Block 360, excess south of Main stem	.413	21,588	
Land outside main stem: Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and			

the southerly line of main stem, Branch A, Penhorn Creek Railroad	.362	10,426
Land outside main stem: Block 395, excess south of main stem, Long Dock Co.....	.470	13,536
Land outside main stem: Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad	.090	2,592
Land outside main stem: Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick Avenue, and center line of Division Street.....	1.290	37,152
Land outside main stem: Block 547, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	17,004
Land outside main stem: Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad.....	.250	3,900
Land outside main stem: Block 547, Plot 2-D, excess north of main stem.....	.310	4,836
Land outside main stem: Block 961, Plot 1, (including Utica Street)	3.957	28,015
Land outside main stem: Block 961, Plot 3.....	6.315	45,468
Land outside main stem: Block 961, Plot 5-B.....	2.180	15,434
Land outside main stem: Block 1200, Plot 12.....	14.180	34,032

Return by State Board of Assessors.

Land outside main stem: Plot 59-A	32.180	57,925
Land outside main stem: Block 1200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad)	32.195	57,952
Terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform		146,470
Add Balance of Assessments undisputed		1,599,793
Total		$7,470,583

SCHEDULE B.

Complaint by Long Dock Co.

New York, November 14, 1913.

To the State Board of Assessors of the State of New Jersey:

Gentlemen:—The Long Dock Company considers itself aggrieved by the valuations, determination, assessments and taxation for the year 1913, made and imposed by the State Board of Assessors of the State of New Jersey upon certain of its property shown on the schedule hereto annexed and hereby makes written complaint against, and specifies its grievance upon such valuations, determination, assessments and taxation for the following reasons:

1. Said State Board of Assessors erred in valuing and assessing the real estate and property of said company used for railroad purposes other than main stem in Jersey City at $7,451,083, and imposing a tax thereon at such valuation, in that said valuations and assessments are greatly in ex-

cess of the true value of the property and were made by improper, illegal and capricious methods, and in that after ascertaining the true value of such property, the Board added a certain percentage thereof arbitrarily, without evidence and without lawful authority.

2. Said State Board of Assessors erred in valuing and assessing the particular parcels and pieces of property set forth in their valuation and assessment of real estate used for railroad purposes other than main stem, for the year 1913, as shown in the schedule hereto annexed under the title "description of property" at the valuations set forth in said schedule under the column entitled "assessed valuation for 1913;" and also erred in imposing a tax on such property based upon said valuations.

3. Said State Board of Assessors erred in including in its assessments and valuations of said property other than main stem used for railroad purposes, property not used for railroad purposes, property which is not subject to valuation and assessment for taxes by said State Board of Assessors and property which is not taxable.

4. Said State Board of Assessors erred in finding, fixing and applying the rate of taxation of $2.123 per one hundred dollars of valuation on property other than main stem sued for railroad purposes, located in the taxing district of Jersey City, as shown upon schedule hereto annexed.

5. Said State Board of Assessors erred in valuing and assessing the property shown on the schedule hereto annexed and imposing a tax upon said property in the manner set forth in their valuations and assessments of said property, so far as said tax relates to property other than main stem used for railroad purposes.

6. The property shown on the annexed schedule is valued and assessed for said year 1913, at a rate in excess of the rate of assessment levied against property of like character and similarly situated, and said property is not valued and assessed in the same relative proportion of true value as is other property in the same taxing districts; and such property is assessed in excess of and disproportionately to the assessment placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the same common burden of taxation.

7. The said valuations, determination, assessments and taxation are unlawful, unconstitutional and void, and the laws under which said Board acted in making and imposing said valuations, determination, assessments and taxation are unconstitutional and void.

Therefore, the iasd Long Dock Company requests your Honorable Board to review said valuations, determination, assessments and taxation for said year 1913 upon its said property, and correct the same.

LONG DOCK COMPANY,
H. M. ANDREWS,
General Land and Tax Agent.

Return by State Board of Assessors.

SCHEDULE.

STATE OF NEW JERSEY,
DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.

Taxing District of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1913.

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
Land outside main stem; tract used for terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th Street produced to a point 1,225 feet			

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
east of the center line of Provost Street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost Street to the center line of 7th Street produced; thence westerly along the center line of 7th Street produced to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6	16.039	$1,098,480	$790,174
Land outside main stem; terminal tract; Beginning at the			

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue thence westerly along the northerly line of Pavonia Avenue to a			

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost			

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
Street to the center of 12th Street, the place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof.)	43.872	$3,856,956	$1,778,967
Land outside main stem, land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water	2.09	116,196	48,000
Land outside main stem, beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant			

Return by State Board of Assessors.

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
northerly 272½ feet to the center line of 7th Street produced to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7	2.498	138,878	56,000
Land outside main stem, Block 182, Plot C	0.176	13,812	4,570
Land outside main stem, Block 185, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	29,220
Land outside main stem, Block 218, excess south of main stem (exclusive of land occupied by warehouse)	0.624	40,810	14,144

Return by State Board of Assessors.

Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
Land outside main stem, Block 323, excess south of main stem	0.413	21,588	9,355
Land outside main stem, Block 360, excess south of main stem	0.413	21,588	7,196
Land outside main stem, Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad	0.362	10,426	6,308
Land outside main stem, Block 395, excess south of main stem, Long Dock Co.	0.470	13,536	8,190
Land outside main stem, Block 421, excess between the northerly line, main stem, Penhorn Creek Railroad, main line, and southerly line main stem, Branch A, Penhorn Creek Railroad	0.090	2,592	1,255
Land outside main stem, Block 421, excess south of main			

Return by State Board of Assessors.

Description of Property	Acreage	Assessed Valuation for 1913	True Value	
Main Line				
stem, Long Dock Company, between center line of Brunswick Avenue and center line of Division Street	1.290	37,152	17,982	10
Land outside main stem, Block 541, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	$17,004	$6,495	20
Land outside main stem, Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad	0.250	3,900	1,490	
Land outside main stem, Block 547, Plot 2-D, excess north of main stem	0.310	4,836	1,848	30
Land outside main stem, Block 961, Plot 1 (including Utica Street)	3.957	28,015	7,914	
Land outside main stem, Bl'ck 961, Plot 3	6.315	45,468	12,630	
Land outside main stem, Block 961, Plot 5-B	2.180	15,434	7,760	40

Return by State Board of Assessors.

	Description of Property Main Line	Acreage	Assessed Valuation for 1913	True Value
	Land outside main stem, Block 1200, Plot 12	14.180	34,032	17,725
10	Land outside main stem, Plot 59-A	32.180	57,925	38,616
	Land outside main stem, Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek R. R.)	32.195	57,952	32,195
20	Terminal Station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform		146,470	65,659

SCHEDULE C.

Testimony.
Printed in Volume II.

SCHEDULE D.

30 *Final Determination by Board.*

OFFICE STATE BOARD OF ASSESSORS.

Trenton, N. J., December 11, 1913.

In re Assessment 1913.

Mr. H. M. Andrews,
Tax Agent, Erie Railroad Co.
50 Church Street,
New York City.

Dear Sir:—I hereby certify that at a meeting of
40 the State Board of Assessors held December 9,

1913, the assessments levied against the following named corporations for the year 1913, having been reviewed, were confirmed as originally levied.

Yours truly,

IRVINE E. MAGUIRE,
Secretary.

Erie Railroad System

Docks Connecting Railway Company,
Long Dock Company,
New York, Lake Erie and Western Docks and Improvement Co .(Erie R. R. Co., Lessee)
Complaint withdrawn.

SCHEDULE E.

Stipulation relative to Testimony.

BEFORE THE STATE BOARD OF ASSESSORS OF THE STATE OF NEW JERSEY.

IN THE MATTER OF THE COMPLAINT OF THE LONG DOCK COMPANY AGAINST ASSESSMENTS FOR THE YEAR 1913. — *Stipulation.*

WHEREAS, complaint was made by the Long Dock Company against the assessments made by the State Board of Assessors upon certain of its property, known as second class property, for the year 1913, and testimony was offered by said Long Dock Company upon review of said assessments and received by said Board, but no testimony was taken on behalf of said Board upon such review, it being stipulated that if said assessments for the year 1913 were affirmed by said

Board, and a writ of certiorari allowed to review said assessments, then said Board might take further testimony upon review of said assessments and make such testimony a part of the return to such writ of certiorari, as though taken before such affirmation, and

WHEREAS, said assessments for the year 1913 were affirmed by said Board and a writ of certiorari allowed to review said assessments, and

WHEREAS, complaint was filed by said Long Dock Company against the assessments made by said Board, upon the same property for the year 1914, and testimony was taken on behalf of said Company and of the State upon review by said Board of said assessments for the year 1914, and

WHEREAS, to avoid repetition of the testimony heretofore taken upon review of the assessments for the year 1914, with respect to the assessments for the year 1913, it is desired by each party that a copy of the testimony taken and exhibits offered on its behalf, respectively, upon review of the assessments for the year 1914, shall be used and considered as though repeated upon review of the assessments for the year 1913;

THEREFORE, it is stipulated that a copy of the testimony taken and exhibits offered before said State Board of Assessors upon review of said assessments for the year 1914, shall be used and considered by said Board, as though repeated before said Board upon review of said assessments for the year 1913, subject to the objections appearing upon the record of said testimony, and to further objection to any matter that has occurred or accrued since said assessments for the year 1913 were finally made by said Board or which may be incompetent, immaterial or irrelevant to said assessments for the year 1913, except that the assessments made by Jersey City for the year

1914 as stated in the record of such testimony shall be taken and considered as the assessments upon the same properties for the year 1913, there having been no substantial change in said assessments for the two years.

JOHN W. WESCOTT,
Attorney-General.

COLLINS & CORBIN,
Attorneys of Long Dock Company.

Return by State Comptroller.

Filed July 24, 1915.

To the Chief Justice and the Associate Justices of the Supreme Court of the State of New Jersey.

I, EDWARD I. EDWARDS, Comptroller of the State of New Jersey, do hereby certify and send as within I am commanded, in the schedules hereunto annexed, the statement of the valuations, assessments, adjustments and taxes for the year 1913, upon the property of the Long Dock Company situate in the taxing district of Jersey City, and described in the writ of certiorari to which this return is made and the final determination of the State Board of Assessors thereon, as the same remains in my office.

WITNESS, my hand and seal at Trenton, the sixteenth day of July, Nineteen hundred and fifteen.

E. I. EDWARDS (L. S.)
Comptroller of the State of New Jersey.

Return by State Comptroller.

SCHEDULE A.

Certificate by Board on Original Assessments and After Review.

STATE OF NEW JERSEY,

DEPARTMENT STATE BOARD OF ASSESSORS.

To the Hon. Edward I. Edwards,
Comptroller of the State of New Jersey:

In pursuance of the provisions of an act entitled "An act to revise and amend an act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four" (which revision and amendment was approved March 27th, 1888), and the acts amendatory and supplementary thereto, we, the State Board of Assessors, hereby certifiy and report to you the following statement of assessed valuations of the Long Dock Company, pursuant to the provisions of said act, and of the separate valuation of property in each taxing district, as made by us; the amount of tax payable by said company with respect to its property separately valued in each taxing district, and the aggregate assessed valuation, and the total tax levied upon said company, for the year 1913.

Assessed valuation of the Long Dock Company:		
For Main Stem,	$1,928,824.	
For Franchise,	150,000.	$2,078,824.00
For tangible personal property necessary for and used in State Commerce,		" "
Total assessable for State uses,		$2,078,824.00
For real estate used for railroad purposes, other than main stem,		7,470,583.00
Aggregate assessed valuation,		$9,549,407.00

Tax for State uses, at average tax rate of $1.979 per $100 valuation,	$ 41,139.93
Tax for uses of taxing districts on real estate used for railroad purposes, other than main stem, at local rates,	158,469.04
Total Tax,	$199,608.97

CHARLES E. HENDRICKSON, JR.,
President.

GEORGE L. RECORD,
ISAAC BARBER,
FRED A. GENTIEU,
State Board of Assessors.

Received November 6, 1913, Comptroller's Department.

Assessment confirmed.

Received December 11, 1913, Comptroller's Department.

STATE OF NEW JERSEY.

Department State Board of Assessors.

Schedule showing valuation of property of the Long Dock Company, used for Railroad purposes, other than Main Stem, in the taxing Districts of the State of New Jersey, together with the tax thereon, for Local uses, for the year 1913.

County	Taxing District.	Value	Local Tax
Hudson	Jersey City	$7,451,083.00	$158,186.49
	Secaucus Borough,	19,500.00	282.55
		$7,470,583.00	$158,469.04

SCHEDULE B.

PAYMENTS BY LONG DOCK CO. STATEMENT.

Amount of State tax,	$41,139.93
Amount of State tax paid Feb. 2, 1914,	41,139.93
Amount of Local tax,	$158,469.04
Paid on account Feb. 2, 1914,	113,836.21
Balance due,	$ 44,632.83

Reasons.

Filed August 7, 1915, as in time by Consent.

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY,. *Prosecutor,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS AND EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, *Defendants.*	*On Certiorari. In re assessments and taxes for the year 1913.* *Reasons.*

THE LONG DOCK COMPANY, prosecutor, presents the following reasons for setting aside the valuations, assessments and taxation brought before this honorable court by the writ of certiorari in the above entitled cause.

1. The principles upon which said valuations, assessments and taxes were made and levied, are erroneous.

2. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

3. Said valuations and assessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess

Reasons.

of said assessment over the true value of said lands representing an alleged value, because of the adjacency of said lands to tide water, while in the value of the adjoining upland throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

4. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

5. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

6. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

7. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

8. Said valuations, assessments and taxes were not made and levied under a uniform rule.

9. Said assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said assessments

Reasons.

are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation.

10. Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

11. Said valuations, assessments and taxes are excessive.

12. Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

13. The State Board of Assessors on the hearing of prosecutor's complaint against said valuations, assessments and taxation admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole or in part, thereon.

14. Said valuations and assessments are contrary to the clear weight of evidence produced before the State Board of Assessors on the complaint of prosecutor.

15. There was no legal evidence before the State Board of Assessors which supports said valuations and assessments.

16. The laws under which said valuations, assessments and taxes were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors, whereas such review is given to the owners of other prop-

Reasons.

erty contributing to the common burden of taxation, and therefore prosecutor is denied the equal protection of the laws contrary to the fourteenth amendment to the Constitution of the United States.

17. Said valuations, assessments and taxes are in other respects, excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they were made and levied are in other respects unconstitutional.

Dated, July 26, 1915.

COLLINS & CORBIN,
Attorneys of Prosecutor.

Opinion.

(Filed June 10, 1916.)

New Jersey Supreme Court.

November Term, 1915.

LONG DOCK COMPANY,
Prosecutor,

vs.

STATE BOARD OF ASSESSORS, *et al.*,
Defendants.

Argued Nov. 4, 1915. Decided June 1916.

On four writs of certiorari to review the reassessment of "second class" railroad property for the year 1911, and the assessment of the same property for the years 1912, 1913 and 1914, respectively.

Argued November Term, 1915, before Justices Parker, Minturn and Kalisch.

For the prosecutors, Robert J. Bain (Gilbert Collins and George S. Hobart, on the brief).

For the defendants, John R. Hardin.

The opinion of the court was delivered by PARKER, *J.*

The assessments for all the years mentioned relate to precisely the same property with the exception of 1914. Generally speaking, the property includes all of the terminal yard and water front at Harsimus in Jersey City, as

New Jersey State Library

used by the Erie Railroad Company, and other property adjoining the main stem in lower Jerser City, also at the west end of the tunnel and cut, and land used for car storage and similar railroad purposes on and adjoining the Hackensack meadows.

The valuation fixed by the State Board for 1911 was brought before the Supreme Court on certiorari and was there affirmed, 85 N. J. L., 536. On review in the Court of Errors and Appeals it was reversed (86 N. J. L., 593), and that court held distinctly that it was the duty of the Supreme Court to examine the evidence and reverse in case of "palpable error" appearing. The reversal in the Court of Errors and Appeals went on the ground that all the evidence appearing in the case showed a lower valuation, and that the State Board were not entitled to use their "personal knowledge" of values as a basis of a finding while refusing to state or be examined and give testimony as to what that knowledge was and how they acquired it.

The case was remitted to the Supreme Court and that court then directed a reassessment with leave to take further testimony on valuations. When the matter was again opened before the Board, prosecutor objected to further testimony, and now makes the point that it was inadmissible. So to hold would be to overrule the express direction of this court, which appears to have been made in obedience to the plain intent of the opinion in the Court of Errors and Appeals and it would have been error if the assessors had excluded it.

This point being settled, counsel have so arranged the evidence by various stipulations that we consider all four years on the same evidence,

except that in 1914 there was an increase in water front valuations because of extension of the pier line by the War Department, which must be dealt with separately.

There are certain legal points that may as well be dealt with first, so as to lay a foundation for consideration of the facts.

It is first asserted that the valuations generally were ascertained and fixed by the application of an arbitrary multiple. This appeared to be a fact when the 1911 case was before the Court of Errors and Appeals. It is explained more or less satisfactorily now. Two of the commissioners, Messrs. Record and Hendrickson, took the stand as witnesses. Both swore and most credibly, to long study and experience in appraising this class of property. They qualified as "experts" in the legal sense, because of this special study. There were three principal questions to be practically treated: (1) What was the value of the various parcels *per se* for average business or other purposes? (2) Did they have any greater value for railroad purposes irrespective of railroad franchise, and if so how much? (3) In connection with (2), was any greater value imparted to them because assembled into a connected whole appropriate to a railroad terminal, and if so, what? Both Messrs. Record and Hendrickson, as their testimony seems to indicate, testified from experience to the increment of value due to assembling and availability for special use. It is now argued that such an element of value cannot be considered, and the United States Supreme Court case of *New York City* v. *Sage,* 36 Sup. Ct. Rep., 25, is relied on. But we agree with counsel for defendants and it is not on

the point, for it is a condemnation case and relates to the value of an outside tract before assemblage, a very different thing from an integral part after assemblage. It is elementary that in combining two or more tracts of land for a purpose requiring both or all together, the value of the whole may well be more than the total of the parts separately. So Chief Justice Beasley in effect said in *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L., 1. If the multiple is in fact arbitrary, of course it is presumably erroneous; but if the evidence indicates that it is based on a reasonable consideration of facts, it is not made arbitrary because it happens to be a mathematical constant. See *Wayne Township* v. *Laflin & Rand Co.,* 76 L. at p. 177.

Next it is insisted that the lands under water should have been joined to the upland for assessment and not segregated into separate tracts. The answer is that if the lands under water are owned by the taxpayer, either method is allowable and some discretion must be accorded to the Board. *Jersey City* v. *Board,* 73 N. J. L., 166; *S. C.,* 75 N. J. L., 571; *Long Dock Co.* v. *Board,* 87 N. J. L., 22. If it is owned land, whether under water or not, it is assessable as such; but if only a right to reclaim not exercised, it may be regarded as an increment of value to the shoreward property, *Ib.* This will appear presently in connection with the extended pier line questions.

The next point is numbered IV, and is a complaint of double increment because both upland and riparian lands were valued as adjacent to tide water. We fail to see why the element of adjacency or proximity or accessibility to tide water may not extend within rea-

sonable limits, more or less indefinitely inland as an element of value. Where questions of convenient storage and transportation are involved, situations with regard to tide water and accessibility thereto become of great importance.

Point V is covered by what has been said under the second point herein discussed.

Point VI is that the valuation is based in whole or in part on the value of other lands not similarly situated. The practical complaint is that lands in the "business" section of Hoboken and Jersey City were considered. We fail to see why, for purpose of comparison, all the land in lower Jersey City and Hoboken, should not be considered. It is impossible to secure identical conditions. What is looked for is substantially similar conditions. There is at least enough similarity along this water front to justify a comparison of values. *Packard* v. *Bergen Neck Railway Co.*, 54 N. J. L., 553; *Manda* v. *Orange*, 82 N. J. L., 688.

VII. Cost of reproduction. That this is properly an element to consider we think needs no argument.

VIII brings up the real point, viz: that the valuation fixed by the Board is inseparably connected with the franchise. The Board says in effect that it is not, and we think the prosecutor has failed to show the contrary. This is a great terminal property opposite New York City, and which, while in fact connected with the Long Dock Railroad, might be connected with any other railroad now operating from the Jersey side, or that might be organized so to operate. If the Erie Railroad Company

should go out of business, it could be used for a terminal connecting with all the railroads terminating between Communipaw and Weehawken. Taken by itself it is a great unified tract with deep water in front and railroad communications behind. We think it is idle to argue, as do prosecutors experts, that it is to be split into two, or three, or four or more zones each to be valued separately. Every part of this main tract depends for its value in some measure on every other part. There are tracts of land elsewhere that are worth more when cut up into building lots, and there are also tracts worth more because assembled and peculiarly adaptable to business. This is one of the latter cases.

Point IX is that the valuations were not made under a uniform rule, as required by the constitution. This is predicated on the testimony of Mr. Record, one of the Board, that as a matter of practice they valued railroad property where railroading was unprofitable, at or below ordinary values of adjacent property, and where railroading is profitable, at more than such ordinary values. We are not at present concerned with the practical fairness of this method, but only with the uniformity of the rule. Manifestly, if applied to all railroad property, it is uniform; and we think it is quite conceivable that property affected by a railroad use is more valuable in some localities than in others. The test is, whether it is valued as railroad property and by uniform rules applicable thereto. If the argument on this point is sound, the valuation of all railroad property in the state should be fixed by ascertaining its value for general purposes, and adding some

fixed increment for railroad use; a proceeding which, on account of its arithmetical character, would undoubtedly result in much false valuation. This is not the uniformity contemplated by the constitution.

The tenth point is that "the assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed and said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation." This point, when developed, amounts to this: That the railroads are assessed at what the Board considered "true value" whereas private lands in the neighborhood were assessed at varying percentage less than true value. The argument is that the assessments on railroad land in Jersey City are, to use the language of the brief, "not in the same relative proportion of true value as that by which other property in the same taxing district was assessed." The inference is that if other property was undervalued, railroad property should also have been undervalued to the same extent. We know of no authority for this rule, and counsel cite none. On the contrary, the language of the constitution, of the statutes and of the cases has been uniform in reiterating the true value rule. It is true that local assessors often adopted in practice a sort of undervaluation rule, substantially uniform for a taxing district, and this while illegal would work no practical injustice if uniformly applied throughout the

county and state, but it was not, and advantage was taken of it to evade the just apportionment of county and other taxes affecting more than one district. It was to remedy this that the county tax board legislation was adopted, which among other things provided for equalization of valuations as between individuals and also taxing districts. P. L. 1906, p. 210; C. S., 5115 *et seq.* Valuation at true value was laid down by Sec. 2 as the primary and fundamental duty of the Board. The same rule is laid down in the railroad tax act. C. S. 5264, pl. 447. If the legislature has provided no machinery enabling a railroad whose property is assessed at true value to compel the undervaluation of neighboring property to be raised to its true value, the proposition to lower the railroad value may appeal to a sense of fairness, but is not legally sound. *Central R. R. Co.* v. *Board,* 49 N. J. L., at p. 19.

The eleventh point in the brief raises certain questions of evidence.

(a) The sale price of other lands in the neighborhood not similar as to conditions. This is covered by what has already been said under Point VI.

(b) That the valuation of the Pennsylvania and Lackawanna terminals was admitted as a criterion. The fact that they were valued by the Board was admissible as a basis for the qualifications of Messrs. Hendrickson and Record as witnesses. Assuming the irregularity of the amount of valuation as a criterion, it was something of which the Board necessarily had personal knowledge. Their finding is fully supportable in this court, except as hereafter

noted, without that evidence. We consider the error, if error there was, harmless.

(c) Evidence that Harrison Williams represented the Erie Railroad Company, identified for the purposes of this case with the Long Dock Company, prosecutor, and that he assented to the valuation of 1911. We do not find it necessary to consider this evidence either. Of course, the fact was fully within the knowledge of the Board. We incline to think that when Mr. Williams was more or less formally accredited with the Board as an agent of prosecutor specially interested with the conduct of its real estate and taxation matters, he was at least held out as empowered to deal with those matters in such a way as to bind his principal, and that admissions by him in the course of negotiation and discussion, not made without prejudice, would be competent evidence. We have ourselves not considered them in ascertaining whether there was palpable error in the findings of the Board.

This brings us to the question of the sufficiency of the evidence to support the valuations of the respective parcels of land, which are discussed in detail under Point I of prosecutor's brief. Our duty in this regard is pointed out in Section 13 of the Railroad Tax Act of 1888, as expounded by the Court of Errors and Appeals in *Long Dock Co.* v. *State Board,* 86 N. J. L., at p. 594. It appears to be different from the duty existing under the act of 1884, as viewed by Chief Justice Beasley in the *Central Railroad case,* 48 N. J. L., at pp. 3 and 4. The requirement that "if it shall be made to appear that any assessment is excessive or insufficient, the court shall correct the same and

reduce or increase it as may be just, or refer it back to the board of assessors" makes it optional with this court as a matter of judicial discretion to send back valuations deemed excessive for revaluation, or itself make such revaluation. The general inadvisability of this court resolving itself into a reviewing board of tax valuation is pointed out by Chief Justice Beasley in the Central Railroad case last cited. But this litigation has been before the courts for several years and ought to be settled so far as an ascertainment of facts can settle it. Accordingly, we have examined the evidence bearing on the several parcels of land assessed, and finding that in some cases they are palpably excessive, have ourselves fixed what we deem a reasonable valuation in view of the principles above enunciated. We subjoin a list of the tracts and our findings on the valuations thereof imposed by the Board. So far as the valuations of the Board are herein held excessive, they will be reversed and revalued in our judgment according to the figures stated; otherwise the assessment will be affirmed.

There was an additional value placed by the Board on the water front tracts for 1914, because of the extension of the pier line in the Hudson River in 1913. This did not confer a title to the land under water between the old and new pier lines, until the land is reclaimed. *Long Dock Co.* v. *Board,* 87 N. J. L., 22. It was further held in that case, that the addition if any to the value of the upland should be taxed with the upland. The Board undertook to add to the upland value what amounted to one dollar per square foot of the area included be-

tween the old and new pier lines. Whether any increase in the upland values is supportable on the evidence, we think is doubtful; but we are in no doubt that an increase approximately equal to 75 per cent. of the additional area valued as upland, for a mere privilege, is out of all reason; and as there is nothing before us as a proper basis for the valuation of the increment, if any, the amount of increase on this account will go back to the Board. This results in a reversal of the 1914 tax on all water front properties affected, irrespective of the general revaluations placed by us on some of them, which form a basis for the 1914 value to which may be added the increment for pier line extension if any.

SCHEDULE.

LIST OF PROPERTIES AND VALUATIONS BY COURT.

17 A. 2.	Affirmed, except as indicated for 1914.
16 B. 62.	Affirmed, except as indicated for 1914. Foot of Pavonia avenue. Reduced to (1911-12-13) $96,000; 1914, $96,000 basis; Pier line increment referred back.
16 B. 7.	Reduced to $108,812 for 1911-12-13, and basis of 1914; Pier line increment referred back.
182c.	Affirmed.
183a.	Affirmed.
218.	Affirmed.
323.	Reduced to $13,000.
360.	Reduced to $13,000.
395.	The $10,426 parcel reduced to $6,000; the other affirmed.

Opinion.

421.	(Wedge) reduced to $1,000; the other reduced to $25,000.	
547, 4a.	Reduced to	$ 6,000.
2b.	"	1,500.
2d.	"	2,000.
961, (1).	"	15,000.
961, (3).	"	23,000.
961, 5b.	"	10,000.
1200—12.	"	25,000.
1200—57d.	"	35,000.
1200—59a.	"	35,000.

Rule for Judgment.

(Entered September 27, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* v. CHARLES E. HENDRICKSON, JR., *et als.* STATE BOARD OF ASSESSORS, EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; and THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* (*In re-assessments for the year 1913.* *Rule for Judgment.*

The court having inspected the valuations, assessments, tax and proceedings, returned with the certiorari in this cause, and considered the reasons filed for setting aside said valuations, assessments and tax, and heard the argument of counsel thereon:

And it appearing that said valuations, assessments and tax are in part lawful and in part unlawful and excessive;

It is ORDERED that said valuations, assessments and tax be corrected by the State Board of Taxes and Assessment as follows:

The valuation of the parcel described in the Return as Block 17, Plot A-2, for assessment for the year 1913, shall be at the sum of $3,856,956 as heretofore finally determined for said year by the State Board of Assessors.

Rule for Judgment.

The valuation of the parcel described in the Return as Block 16, Plot B-6, for assessment for the year 1913, shall be at the sum of $1,098,480 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 182, Plot C, for assessment for the year 1913, shall be at the sum of $13,812 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the centre line of Provost street, for assessment for the year 1913, shall be at the sum of $87,740, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse), for assessment for the year 1913, shall be at the sum of $40,810, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 395, excess south of main stem Long Dock Co. for assessment for the year 1913, shall be at the sum of $13,536 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, for as-

sessment for the year 1913, shall be reduced from $116,196 to $96,000.

The valuation of the parcel described in the Return as Block 16, Plot B-7, for assessment for the year 1913, shall be reduced from $138,-878 to $108,812.

The valuation of the parcel described in the Return as Block 323, excess south of main stem, for assessment for the year 1913, shall be reduced from $21,588 to $13,000.

The valuation of the parcel described in the Return as Block 360, excess south of main stem, for assessment for the year 1913, shall be reduced from $21,588 to $13,000.

The valuation of the parcel described in the Return as Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad, and the southerly line of main stem, Branch A, Penhorn Creek Railroad, for assessment for the year 1913, shall be reduced from $10,426 to $6,000.

The valuation of the parcel described in the Return as Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line, and southerly line main stem, Branch A, Penhorn Creek Railroad, for assessment for the year 1913, shall be reduced from $2,592 to $1,000.

The valuation of the parcel described in the Return as Block 421, excess south of main stem, Long Dock Company, between centre line of Brunswick avenue and centre line of Division street, for assessment for the year 1913, shall be reduced from $37,152 to $25,000.

The valuation of the parcel described in the Return as Block 547, Plot 4-A, between centre

line of Division street and easterly line of New Jersey Junction Railroad, for assessment for the year 1913, shall be reduced from $17,004 to $6,000.

The valuation of the parcel described in the Return as Block 547, portion of Plot 2-B, excess south of main stem Penhorn Creek Railroad, for assessment for the year 1913, shall be reduced from $3,900 to $1,500.

The valuation of the parcel described in the Return as Block 547, Plot 2-D, excess north of main stem, for assessment for the year 1913, shall be reduced from $4,836 to $2,000.

The valuation of the parcel described in the Return as Block 961, Plot 1, (including Utica street), for assessment for the year 1913, shall be reduced from $28,015 to $15,000.

The valuation of the parcel described in the Return as Block 961, Plot 3, for assessment for the year 1913, shall be reduced from $45,468 to $23,000.

The valuation of the parcel described in the Return as Block 961, Plot 5-B, for assessment for the year 1913, shall be reduced from $15,-434 to $10,000.

The valuation of the parcel described in the Return as Block 1200, Plot 12, for assessment for the year 1913, shall be reduced from $34,032 to $25,000.

The valuation of the parcel described in the Return as Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek Railroad), for assessment for the year 1913, shall be reduced from $57,952 to $35,000.

The valuation of the parcel described in the Return as Block 1200, Plot 59-A, for assessment

for the year 1913, shall be reduced from $57,925 to $35,000.

And it is further ORDERED, upon consent of Collins & Corbin, Attorneys of prosecutor, and John W. Wescott, Attorney General, attorney of defendants, that the valuation of the property described in the Return as Terminal Station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform, for assessment for the year 1913, shall be reduced from $146,470 to $123,600, as agreed between prosecutor and the State Board of Assessors.

And it is further ORDERED that said valuations, assessments and tax, so far as they are in excess of the valuations and assessments reduced as above stated, be and they hereby are reversed, set aside and cancelled.

Entered September 27th, 1916,

On motion of

JOHN W. WESCOTT,
Attorney General,
Attorney of Defendants.

Notice of Appeal.

(Filed October 3, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* *v.* CHARLES E. HENDRICKSON, JR., *et als.,* STATE BOARD OF ASSESSORS, EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; and THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* *(In re-assessments for the year 1913.)* *Notice of Appeal.*

To Hon. John W. Wescott, Attorney General, Attorney of Charles E. Hendrickson, Jr., *et als.,* State Board of Assessors; and Edward I. Edwards, Comptroller of the Treasury, Defendants; and John Bentley, Esq., Attorney of The Mayor and Aldermen of Jersey City, Defendant.

TAKE NOTICE that the prosecutor appeals to the New Jersey Court of Errors and Appeals from so much of the judgment entered in this cause as orders and adjudges that the valuations, assessments and tax returned with the certiorari in said cause shall be as follows:

The valuation of the parcel described in the Return as Block 17, Plot A-2, for assessment for the year 1913, shall be at the sum of $3,856,956 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 16, Plot B-6, for assessment for the year 1913, shall be at the sum of $1,098,-480 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 182, Plot C, for assessment for the year 1913, shall be at the sum of $13,812, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the centre line of Provost street, for assessment for the year 1913, shall be at the sum of $87,740 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse), for assessment for the year 1913, shall be at the sum of $40,810 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 395, excess south of main stem Long Dock Co. for assessment for the year 1913, shall be at the sum of $13,536 as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water,

for assessment for the year 1913, shall be reduced from $116,196 to $96,000.

The valuation of the parcel described in the Return as Block 16, Plot B-7, for assessment for the year 1913, shall be reduced from $138,878 to $108,812.

The grounds of said appeal are as follows:

1. The Supreme Court ordered and adjudged that the valuations of said lands, for assessment for the year 1913, shall be at the valuations thereof as heretofore finally determined for said year by the State Board of Assessors, except for the reductions mentioned; whereas said Court should have set aside or reduced the valuations, assessments and tax upon said lands for said year for one or some of the following reasons:

(a) The principles upon which said valuations, assessments and taxes were made and levied, are erroneous.

(b) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors, divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

(c) Said valuations and assessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess of said assessment over the true value of said lands representing an alleged

value, because of the adjacency of said lands to tide water, while in the value of the adjoining upland throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

(d) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

(e) Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

(f) Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

(g) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

(h) Said valuations, assessments and taxes were not made and levied under a uniform rule.

(i) Said assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said

assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation.

(j) Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

(k) Said valuations, assessments and taxes are excessive.

(l) Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

(m) The State Board of Assessors on the hearing of prosecutor's complaint against said valuations, assessments and taxation admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxations, in whole or in part, thereon.

(n) Said valuations and assessments are contrary to the clear weight of evidence produced before the State Board of Assessors on the complaint of prosecutor.

(o) There was no legal evidence before the State Board of Assessors which supports said valuations and assessments.

(p) The laws under which said valuations, assessments and taxes were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors,

whereas such review is given to the owners of other property contributing to the common burden of taxation, and therefore prosecutor is denied the equal protection of the laws contrary to the fourteenth amendment to the Constitution of the United States.

(q) Said valuations, assessments and taxes are in other respects, excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they were made and levied are in other respects unconstitutional.

2. The principles upon which the Supreme Court determined the value of said lands for assessment for the year 1913, are erroneous.

3. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that said lands were divided into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

4. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were valued at more than their true value, the excess of said valuation over the true value of said lands representing an alleged value because of the adjacency of said lands to tide water, while in the value of the adjoining upland, throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

5. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that said lands under water, between the exterior line for solid filling and the exterior line for piers, were valued separately from the upland.

6. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that said value was based in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

7. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle in that said value was based in whole or in part upon an alleged cost of reproduction of the railroad terminal of prosecutor.

8. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that said Court ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

9. The value of said lands for assessment for the year 1913, as determined by the said Court, was not under uniform rules.

10. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that said value is in excess of the rate of assessment upon property of like character and similarly situated, and is not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said

value is in excess of and disproportionate to the assessment placed upon the property of other owners in the same taxing district and owners of the same class of property contributing to the common burden of taxation.

11. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that it increased the value of said lands for assessment beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Court.

12. Said Court determined the value of said lands for assessment for the year 1913, by and upon an erroneous principle, in that said value was not according to the true value of said lands and is excessive.

13. There was no evidence before the Supreme Court which supports or justifies the value of said lands for assessment for the year 1913, as determined by said Court.

14. The value of said lands for assessment, as determined by the Surpeme Court, for the year 1913, is for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

15. That part of said judgment of the Supreme Court above mentioned, and the valuations, assessments and tax ordered thereby, are for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

COLLINS & CORBIN,
Attorneys of Appellant.

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Writ of Certiorari.

(Allowed and Issued June 26, 1915.)

STATE OF NEW JERSEY—*ss.*

The State of New Jersey to Charles E. Hendrickson, Jr., George L. Record, (Seal) Isaac Barber and Fred A. Gentieu, State Board of Assessors of the State of New Jersey, and their successors, the State Board of Taxes and Assessments, when in office, and to Edward I. Edwards, Comptroller of the Treasury—GREETING:

We being willing for certain reasons (a proper case having been presented, and due notice of application for this writ having been given) to be certified of the valuations, assessments and taxes for the year 1914 made and levied pursuant to "An Act to revise and amend an act for the taxation of railroad and canal property," approved April 10, 1884, which revision and amendment was approved March 27, 1888, and the acts amendatory thereof and supplementary thereto, on the lands and property of LONG DOCK COMPANY in the taxing district of Jersey City, enumerated as follows:

LOCATION OF PROPERTY.	Assessed Valuation for 1914
Land outside main stem; tract used for terminal purposes, bounded as follows: beginning at a point in the southerly line of Pavonia avenue 108 feet east of Provost street, thence easterly along the southerly line of Pavonia **avenue to the exterior line for**	

solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th street produced, to a point 1,225 feet east of the center line of Provost street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost street to the center line of 7th street produced; thence westerly along the center line of 7th street produced, to a point 255 feet east of Provost street; thence northerly to the north line of 8th street and in the westerly face of cattle pens; thence westerly along the northerly line of 8th street to a point 125 feet east of Provost street; thence northerly parallel with Provost street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6; 16.039 acres $1,098,480

Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost street and the center line of 12th street; thence easterly along the center line of 12th street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia avenue; thence westerly along the northerly line of Pavonia avenue to the easterly line of Kelso street; thence northerly along the easterly line of Kelso street 100 feet; thence westerly parallel and distant northerly 100 feet from the

north line of Pavonia avenue 185 feet; thence southerly 100 feet to the northerly line of Pavonia avenue; thence westerly along the northerly line of Pavonia avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th street; thence westerly along the northerly line of 9th street to the easterly line of Provost street; thence northerly along the easterly line of Provost street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost street; thence northerly along the center line of Provost street to a point 45 feet south of the northerly line of 11th street; thence easterly at right angles to the center line of Provost street to the easterly line of Provost street; thence northerly along the easterly line of Provost street to the center line of 12th street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof), 43.872 acres..... 3,973,653

Land outside main stem; Land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, 2.394 acres..... 129,438

Land outside main stem; Beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of

	the center line of 7th street produced; thence westerly parallel with and distant northerly 272½ feet to the center line of 7th street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Plot B-7, 2,836 acres.....	153,601
	Land outside main stem; Block 182, Plot C, .176 acres	13,812
	Land outside main stem; Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street and from the easterly line of Henderson street to the center line of Provost street, 1.118 acres	87,740
	Land outside main stem; Block 218, excess south of main stem (exclusive of land occupied by warehouse), .624 acres	40,810
	Land outside main stem; Block 323, excess south of main stem, .413 acres...	21,588
	Land outside main stem; Block 360, excess south of main stem, .413 acres...	21,588
	Land outside main stem; Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad, .362 acres.....	10,426
	Land outside main stem, Block 395, excess south of main stem, Long Dock Co., .470 acres.....	13,536
	Land outside main stem; Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main	

line and southerly line main stem, Branch A, Penhorn Creek Railroad, .090 acres.....	2,592
Land outside main stem; Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick avenue and center line of Division street, 1.290 acres.....	37,152
Land outside main stem; Block 547, Plot 4-A, between center line of Division street and easterly line of New Jersey Junction Railroad, 1.090 acres.....	17,004
Land outside main stem; Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad, .250 acres	3,900
Land outside main stem; Block 547, Plot 2-D, excess north of main stem, .310 acres	4,836
Land outside main stem; Block 961, Plot 1 (including Utica street), 3.957 acres	28,015
Land outside main stem; Block 961, Plot 3, 6.315 acres.....	45,468
Land outside main stem; Block 961, Plot 5-B, 2.180 acres.....	15,434
Land outside main stem; Block 1,200, Plot 12, 14.180 acres.....	34,032
Land outside main stem; Block 1,200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad), 32.195 acres	57,952
Land outside main stem; Block 1,200, Plot 59-A, 32.180 acres.....	57.925

do command you, that the said valuations, assessments and taxes, the statement or statements thereof certified and reported by said State Board of Assessors to the Comptroller of the Treasury of the State of New Jersey for the year 1914, the returns made by said Company to said Board pursuant to the said statutes, together with the schedules accom-

Allocatur.

panying the same, the written protest and complaint made by said Company with respect to said valuation, assessments and taxes, the evidence, exhibits and statements taken upon the review before said Board of said valuations, assessments and taxes, and the final determinations of said Board upon such review, and all corrections made by said Board in said valuations, assessments and taxes, and the certificates made by said Board to the said Comptroller upon such review and final determination, and also all certificates returned and filed with said Board by the assessors of the several taxing districts of the State, together with all other proceedings and matters touching and concerning the said valuations, assessments and taxes, as fully as the same remain before you, or any of you, or under your control, you do certify and send to the justices of our Supreme Court at Trenton on the sixteenth day of July, 1915, together with this writ, that we may cause to be done thereupon what of right and according to law should be done.

WITNESS, William S. Gummere, Chief Justice of the said Supreme Court at Trenton, the twenty-sixth day of June, 1915.

WM. C. GEBHARDT,
Clerk.

COLLINS & CORBIN,
Attorneys of Prosecutor.

ALLOCATUR.

I allow this writ. Let it be sealed. Upon condition that prosecutor will not ask repayment of the amount heretofore paid by it on account of taxes for the year 1914, upon its real estate used

Allocatur.

for railroad purposes other than main stem under stipulation of January 28, 1915, in case the taxes upon said real estate, part of which are brought before the Court for review by this writ, shall eventually be reduced below the amount so paid on account thereof, and upon the further condition that if the valuations and assessments upon the within mentioned property for the year 1914 are reduced, in whole or in part, prosecutor will pay any valid increase in the tax upon its franchise for said year resulting from such reduction, nothing herein however to prevent prosecutor from having such increase in the tax upon its franchise, if made, reviewed by appropriate proceedings before paying same.

F. J. SWAYZE,
J. S. C.

June 26, 1915.

Return by State Board of Taxes and Assessment.

(Filed July 24, 1915.)

To the Chief Justice and the Associate Justices of the Supreme Court of the State of New Jersey:

The State Board of Taxes and Assessment, successor to the State Board of Assessors, pursuant to the commands of the writ of certiorari hereunto attached, and for its return thereto, does certify as follows:

1. That pursuant to the provisions of an act of the Legislature of the State of New Jersey, entitled "An Act to revise and amend an Act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four," which revision and amendment were approved March 28, 1888, and the acts amendatory thereof and supplemental thereto, the State Board of Assessors did value and assess for taxation for the year 1914 certain property of the Long Dock Company situate in the taxing district of Jersey City, County of Hudson and State of New Jersey, consisting of real estate other than main stem, and used for railroad purposes, as shown upon the schedule hereto annexed and marked "Schedule A," and did compute, assess and impose a tax upon the aforesaid assessed valuations of said property for local uses, at the rate of $21.13 per $1,000 of valuation, that being the full local rate of said taxing district for said year.

2. That on or about the first day of November, 1914, said State Board of Assessors served upon the Treasurer of said Long Dock Company a copy of such valuation in detail of the property of said corporation and of the tax assessed against the

same, and gave notice that they would meet on the third Monday of November, 1914, at the State House in Trenton for the purpose of reviewing their said assessment.

3. That on said third Monday of November, 1914, being the 16th day of November, 1914, said Long Dock Company appeared, pursuant to said notice, and filed with said State Board of Assessors its written complaint against said valuations, assessments and taxation, specifying its grievances, a copy of which written complaint is hereto annexed and marked "Schedule B."

4. That the hearing before said State Board of Assessors upon review of their said valuations, assessments and taxation, was adjourned by said Board to January 11, 1915, and from time to time thereafter, at which times said Long Dock Company appeared and witnesses were produced upon the hearing of its complaint against said valuations, assessments and taxation, the depositions of which witnesses were reduced to writing and are herewith returned and made a part hereof and marked "Schedule C."

5. That after such review of said valuations, assessments and taxation the said State Board of Assessors did, on the 15th day of June, 1915, correct the same, as shown upon the schedule hereto annexed and marked "Schedule D," and did certify to the Comptroller of the State all corrections which they made in said valuations, assessments and taxation.

Dated July 14, 1915.

STATE BOARD OF TAXES AND ASSESSMENT,
By L. T. RUSSELL,
President.

[SEAL]

IRVINE E. MAGUIRE,
Secretary.

SCHEDULE A.

Original Assessments.

STATE OF NEW JERSEY.

DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.,

Taxing district of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1914.

Description of Property.	Acreage.	Assessed Valuation for 1914
Main Line:		
Land outside main stem; tract used for Terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th Street produced, to a point 1,225 feet east of the center line of Provost Street; thence southerly parallel with and distant easterly 1,225 feet from the center line of Provost Street to the center line of 7th Street produced; thence west-		

erly along the center line of 7th Street produced, to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of Cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6.....	16.039	$1,098,480
Land outside main stem; Terminal tract: Beginning at the point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue, 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue; thence westerly along the northerly line of		

	Pavonia Avenue to a point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street to the center of 12th Street, place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof)	43.872	3,973.653
	Land outside main stem; Land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water..	2.394	129,438
	Land outside main stem: Beginning at a point in the exterior line for solid filling 130 feet south of the northerly		

line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant northerly 272½ feet to the center line of 7th Street produced, to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7.....	2,836	153,601	
Land outside main stem: Block 182, Plot C.....	.176	13,812	
Land outside main stem: Block 183, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street, and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	
Land outside main stem: Block 218, excess south of main stem (exclusive of land occupied by warehouse).....	.624	40,810	
Land outside main stem: Block 323, excess south of main stem	.413	21,588	
Land outside main stem: Block 360, excess south of Main stem	.413	21,588	
Land outside main stem: Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and			

	the southerly line of main stem, Branch A, Penhorn Creek Railroad	.362	10,426
	Land outside main stem: Block 395, excess south of main stem, Long Dock Co.....	.470	13,536
10	Land outside main stem: Block 421, excess between the northerly the line main stem, Penhorn Creek Railroad, main line and southerly line main stem, Branch A, Penhorn Creek Railroad	.090	2,592
20	Land outside main stem: Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick Avenue, and center line of Division Street.....	1.290	37,152
	Land outside main stem: Block 541, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	17,004
30	Land outside main stem: Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad.....	.250	3,900
	Land outside main stem: Block 547, Plot 2-D, excess north of main stem.....	.310	4,836
	Land outside main stem: Block 961, Plot 1, (including Utica Street)	3.957	28,015
	Land outside main stem: Block 961, Plot 3.....	6.315	45,468
	Land outside main stem: Block 961, Plot 5-B.....	2.180	15,434
40	Land outside main stem: Block 1200, Plot 12.....	14.180	34,032

Land outside main stem: Plot 59-A	32.180	57,925
Land outside main stem: Block 1200, Plot 57-A (exclusive of main stem, Penhorn Creek Railroad)	32.195	57,952
Add Balance of Assessments undisputed		1,794,599
Total		$7,663,581

SCHEDULE B.

Complaint by Long Dock Co.

New York, November 14, 1914.

To the State Board of Assessors of the State of New Jersey:

Gentlemen:

The Long Dock Company considers itself aggrieved by the valuations, determination, assessments and taxation for the year 1914, made and imposed by the State Board of Assessors of the State of New Jersey upon certain of its property shown on the schedule hereto annexed, and hereby makes written complaint against, and specifies its grievance upon such valuations, determination, assessments and taxation for the following reasons:

1. Said State Board of Assessors erred in valuing and assessing the real estate and property of said Company used for railroad purposes other than main stem in Jersey City at $7,644,081, and imposing a tax thereon at such valuation, in that said valuations and assessments are greatly in excess of the true value of the property and were made by improper, illegal and capricious methods, and in that after ascertaining the true value of such property, the Board added a certain percen-

tage thereof arbitrarily, without evidence and without lawful authority.

2. Said State Board of Assessors erred in valuing and assessing the particular parcels and pieces of property set forth in their valuation and assessment of real estate used for railroad purposes other than main stem, for the year 1914, as shown in the schedule hereto annexed under the title "description of property" at the valuations set forth in said schedule under the column entitled "assessed valuation for 1914;" and also erred in imposing a tax on such property based upon said valuations.

3. Said State Board of Assessors erred in including in its assessments and valuations of said property other than main stem used for railroad purposes, property not used for railroad purposes, property which is not subject to valuation and assessment for taxes by said State Board of Assessors and property which is not taxable.

4. Said State Board of Assessors erred in finding, fixing and applying the rate of taxation of $2.113 per one hundred dollars of valuation on property other than main stem used for railroad purposes, located in the taxing district of Jersey City as shown upon schedule hereto annexed.

5. Said State Board of Assessors erred in valuing and assessing the property shown on the schedule hereto annexed and imposing a tax upon said property in the manner set forth in their valuations and assessments of said property, so far as said tax relates to property other than main stem used for railroad purposes.

6. The property shown on the annexed schedule is valued and assessed for said year 1914, at a rate in excess of the rate of assessment levied against property of like character and similarly

situated, and said property is not valued and assessed in the same relative proportion of true value as is other property in the same taxing district; and such property is assessed in excess of and disproportionately to the assessment placed upon the property of other owners in said taxing district, and of owners of the same class of property contributing to the same common burden of taxation.

7. The said valuations, determination, assessments and taxation are unlawful, unconstitutional and void and the laws under which said Board acted in making and imposing said valuations, determination, assessments and taxation, are unconstitutional and void.

8. In addition to the foregoing reasons, the valuations, determination, assessments and taxation of the three parcels described as land outside main stem terminal tract, containing 43.872 acres; land outside main stem land at foot of Pavonia Avenue, containing 2.394 acres, and land outside main stem beginning at a point in the exterior line for solid filling 130 feet south of the north line of Pavonia Avenue, containing 2.836 acres, the full descriptions whereof are set out in the valuation and assessment of real estate other than main stem and are the parcels secondly, thirdly and fourthly described in said valuation and assessment, and in the schedule hereto annexed, are unlawful for the following reasons:

(a) In said parcels and each of them the said Board has included the value of lands under water in front thereof extending to the exterior line for piers as fixed in March, 1913, whereas in fact said lands under water have no actual value.

(b) Title to said lands under water was not in the Long Dock Company at the time of the making of said valuation and assessment.

(c) Said valuations and assessments were made arbitrarily and without reference to the actual value, if any, of said lands under water.

Therefore, the said the Long Dock Company requests your Honorable Board to review said valuations, determination, assessments and taxation for said year 1914 upon its said property, and correct the same.

THE LONG DOCK COMPANY,

By H. M. ANDREWS,
General Land and Tax Agent.

SCHEDULE.

STATE OF NEW JERSEY,
DEPARTMENT STATE BOARD OF ASSESSORS.

LONG DOCK CO.

Taxing District of Jersey City, County of Hudson.

Valuation and Assessment of Real Estate other than Main Stem for year 1914.

Description of Property Main Line	Acres	Assessed Valuation for 1914	True Value
Land outside main stem; tract used for terminal purposes, bounded as follows: Beginning at a point in the southerly line of Pavonia Avenue 108 feet east of Provost Street; thence easterly along the southerly line of Pavonia Avenue to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant 272½ feet from the center line of 7th Street produced to a point 1,225 feet			

Description of Property	Acres	Assessed Valuation for 1914	True Value
Main Line east of the center line of Provost Street; thence southerly parallel with and distant westerly 1,225 feet from the center line of Provost Street to the center line of 7th Street produced; thence westerly along the center line of 7th Street produced to a point 255 feet east of Provost Street; thence northerly to the north line of 8th Street and in the westerly face of cattle pens; thence westerly along the northerly line of 8th Street to a point 125 feet east of Provost Street; thence northerly parallel with Provost Street and distant easterly 125 feet; 100 feet; thence northerly to the place of beginning. Being Block 16, Plot B-6	16.039	$1,098,480	$790,174
Land outside main stem; terminal tract; Beginning at the			

Description of Property	Acres	Assessed Valuation for 1914	True Value
Main Line			
point of intersection between the easterly line of Provost Street and the center line of 12th Street; thence easterly along the center line of 12th Street to the exterior line for solid filling; thence southerly along the exterior line for solid filling to a point in the northerly line of Pavonia Avenue; thence westerly along the northerly line of Pavonia Avenue to the easterly line of Kelso Street; thence northerly along the easterly line of Kelso Street 100 feet; thence westerly parallel and distant northerly 100 feet from the north line of Pavonia Avenue 85 feet; thence southerly 100 feet to the northerly line of Pavonia Avenue thence westerly along the northerly line of Pavonia Avenue to a			

Description of Property	Acres	Assessed Valuation for 1914	True Value
Main Line			
point in the dividing line between lots No. 11 and No. 30, Block 150; thence northerly along the dividing line between said lots to the northerly line of 9th Street; thence westerly along the northerly line of 9th Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost Street 65 feet more or less; thence northwesterly 45 feet more or less to the center line of Provost Street; thence northerly along the center line of Provost Street to a point 45 feet south of the northerly line of 11th Street; thence easterly at right angles to the center line of Provost Street to the easterly line of Provost Street; thence northerly along the easterly line of Provost			

Description of Property	Acres	Assessed Valuation for 1914	True Value
Main Line			
Street to the center of 12th Street, the place of beginning. Being Block 17, Plot A-2 (including value of land under water in front thereof.)	43.872	$3,973,653	$1,778,967
Land outside main stem, land at foot of Pavonia Avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia Avenue southward, including the value of land under water	2.394	129,438	48,000
Land outside main stem, beginning at a point in the exterior line for solid filling 130 feet south of the northerly line of Pavonia Avenue; thence easterly to the exterior line for piers; thence southerly along the exterior line for piers to a point 272½ feet north of the center line of 7th Street produced; thence westerly parallel with and distant			

Description of Property	Acres	Assessed Valuation for 1914	True Value
Main Line northerly 272½ feet to the center line of 7th Street produced to the exterior line for solid filling; thence northerly along the exterior line for solid filling 140 feet more or less to the place of beginning. Being Block 16, Lot B-7	2.836	153,601	56,000
Land outside main stem, Block 182, Plot C	0.176	13,812	4,570
Land outside main stem, Block 183, portion of Plot A, between the southerly line of 11th Street and the northerly line of 10th Street and from the easterly line of Henderson Street to the center line of Provost Street	1.118	87,740	29,220
Land outside main stem, Block 218, excess south of main stem (exclusive of land occupied by warehouse)	0.624	40,810	14,144

Return by State Board of Taxes and Assessment.

Description of Property Main Line	Acres	Assessed Valuation for 1914	True Value
Land outside main stem, Block 323, excess south of main stem	0.413	21,588	9,355
Land outside main stem, Block 360, excess south of main stem	0.413	21,588	7,196
Land outside main stem, Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad and the southerly line of main stem, Branch A, Penhorn Creek Railroad	0.362	10,426	6,308
Land outside main stem, Block 395, excess south of main stem, Long Dock Co.	0.470	13,536	8,190
Land outside main stem, Block 421, excess between the northerly line, main stem, Penhorn Creek Railroad, main line, and southerly line main stem, Branch A, Penhorn Creek Railroad	0.090	2,592	1,255
Land outside main stem, Block 421, excess south of main			

	Description of Property	Acres	Assessed Valuation for 1914	True Value
	Main Line			
	stem, Long Dock Company, between center line of Brunswick Avenue and center line of Division Street	1.290	37,152	17,982
	Land outside main stem, Block 541, Plot 4-A, between center line of Division Street and easterly line of New Jersey Junction Railroad	1.090	$17,004	$6,495
	Land outside main stem, Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad	0.250	3,900	1,490
	Land outside main stem, Block 547, Plot 2-D, excess north of main stem	0.310	4,836	1,848
	Land outside main stem, Block 961, Plot 1 (including Utica Street)	3.957	28,015	7,914
	Land outside main stem, Bl'ck 961, Plot 3	6.315	45,468	12,630
	Land outside main stem, Block 961, Plot 5-B	2.180	15,434	7,760

Return by State Board of Taxes and Assessment.

Description of Property Main Line	Acres	Assessed Valuation for 1914	True Value
Land outside main stem, Block 1200, Plot 12	14.180	34,032	17,725
Land outside main stem, Plot 59-A	32.180	57,925	38,616
Land outside main stem, Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek R. R.)	32.195	57,952	32,195
Terminal Station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform		146,470	65,659

SCHEDULE C.

Testimony.
Printed in Volume II.

SCHEDULE D.

Final Determination by Board.

In re "Long Dock Company."
Asssessment 1914.

OFFICE STATE BOARD OF ASSESSORS,

Trenton, N. J., June 16, 1915.

I hereby certify that a meeting of the State Board of Assessors, held at its office, Trenton, N. J., June 15, 1915, the following resolutions were unanimously adopted:

"Resolved, That the assessment levied against the Long Dock Company for the

year 1914, be corrected and adjusted in the manner following:

"Hudson County, Jersey City.

"Terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platforms, reduced from $146,470 to $123,600; as agreed upon between Mr. W. A. Dawley, representing the Erie Railroad Company, and Mr. Louis Focht, representing the State Board of Assessors:

"FURTHER RESOLVED, That the assessment levied against the Long Dock Company for the year 1914, be, and the same is hereby confirmed in all its parts, with the above noted exceptions."

"Respectfully,

(Signed) IRVINE E. MAGUIRE,
Secretary.

Reduction in valuation,..... $22,870
Reduction in local tax..... 483.24

CORRECTED TAX.

For State uses..... $42,075.40
For local uses.....161,366.13

Total tax.....$203,441.53

Return by State Comptroller.

Filed July 24, 1915.

To the Chief Justice and the Associate Justices of the Supreme Court of the State of New Jersey.

I, EDWARD I. EDWARDS, Comptroller of the State of New Jersey, do hereby certify and send as within I am commanded, in the schedules hereunto annexed, the statement of the valuations, assessments, adjustments and taxes for the year 1914, upon the property of the Long Dock Company situate in the taxing district of Jersey City, and described in the writ of certiorari to which this return is made and the final determination of the State Board of Assessors thereon, as the same remains in my office.

WITNESS, my hand and seal at Trenton, the sixteenth day of July, Nineteen hundred and fifteen.

E. I. EDWARDS (L. S.)

Comptroller of the State of New Jersey.

Return by State Comptroller.

SCHEDULE A.

Certificate by Board on Original and Corrected Assessments.

STATE OF NEW JERSEY,

DEPARTMENT STATE BOARD OF ASSESSORS.

To the Hon. Edward I. Edwards,
Comptroller of the State of New Jersey:

In pursuance of the provisions of an act entitled "An act to revise and amend an act for the taxation of railroad and canal property, approved April tenth, one thousand eight hundred and eighty-four" (which revision and amendment was approved March 27th, 1888), and the acts amendatory and supplementary thereto, we, the State Board of Assessors, hereby certify and report to you the following statement of assessed valuation of the Long Dock Company, pursuant to the provisions of said act, and of the separate valuation of property in each taxing district, as made by us; the amount of tax payable by said company, with respect to its property separately valued in each taxing district, and the aggregate assessed valuation, and the total tax levied upon said company, for the year 1914.

Assessed valuation of the Long Dock Company:

For main stem.....	$1,928,824.00	
For franchise.....	150,000.00	$2,078,824.00
For tangible personal property necessary for and used in State Commerce		" "
Total assessable for State uses...		$2,078,824.00
For real estate used for railroad purposes, other than main stem..		7,640,711.00
		$7,663,581.00

Return by State Comptroller.

Aggregate assessed valuation.....	9,719,535.00	
	~~$9,742,405.00~~	
Tax for State uses, at average tax rate of $2.024 per $100 valuation...	42,075.40	
Tax for uses of taxing districts on real estate used for railroad purposes, other than main stem at local rates.....	161,366.13	10
	~~161,849.37~~	
Total tax	203,441.53	
	~~$203,924.77~~	

CHARLES E. HENDRICKSON, JR.,
President.

GEORGE L. RECORD,
ISAAC BARBER,
FREDERIC A. GENTIEU,
State Board of Assessors.

State Comptroller,
November 2, 1914.
Trenton, N. J.

Appealed.

REVISED RETURN.

State Comptroller,
June 16, 1915.
Trenton, N. J.

STATE OF NEW JERSEY.

DEPARTMENT STATE BOARD OF ASSESSORS.

Schedule showing valuation of property of the Long Dock Company, used for Railroad purposes, other than Main Stem, in the taxing Districts of

the State of New Jersey, together with the tax thereon, for Local uses, for the year 1914.

County	Taxing District.	Value	Local Tax
Hudson	Jersey City	$7,621,211.00	$161,036.19
		$7,644,081.00	$161,519.43
"	Secaucus Borough,	19,500.00	329.94
		$7,640,711.00	$161,366.13
		$7,663,581.00	$161,849.37

SCHEDULE B.

Stipulation Relative to Payment by Long Dock Company.

WHEREAS, the Long Dock Company, a corporation, considering itself aggrieved by the valuation of its property and assessment made against it by the State Board of Assessors of the State of New Jersey, as certified and reported to the Comptroller of the Treasury of said State for the year 1914, has filed its written complaint, specifying its grievance against said valuation and assessment pursuant to the provisions of an act of the Legislature of the State of New Jersey, entitled "An act to revise and amend 'an act for the taxation of railroad and canal property,' approved April tenth, one thousand eight hundred and eighty-four, approved March 27, 1888 and the several supplements thereto and amendments thereof;

And whereas, hearing has been begun on such complaint and review of said valuation and assessment, but for lack of time, has not been and cannot be concluded, and the review of said valuation and assessment cannot be completed by February 1st, 1915, when the taxes under said valuation and assessment are by the provisions of the above men-

tioned act, and the supplements thereto and amendments thereof, due and payable:

And whereas, the current support of the State Government is in part dependent on the revenue expected from the payment of said taxes, and the said Long Dock Company is willing to pay to the State, notwithstanding its aforesaid complaint, a part of the taxes computed by said State Board of Assessors under the valuation and assessment aforesaid, upon valuations as follows:

FOR STATE USES.

Class	Valuation	Rate	Tax
Main Stem	$1,928,824.	.02024	$39,039.40
Sub. Div. IV	150,000.	.02024	3,036.00
	$2,078,824		$42,075.40

FOR USE OF TAXING DISTRICTS.

Taxing Districts	Valuation	Rate	Tax
Jersey City	$4,592,322.	.02113	$97,035.76
Secaucus Borough	19,500.	.01692	329.94
	$4,611,822		$97,365.70

such valuations being those made by said Board of Assessors for said year 1914, except the valuation of $4,592,322. under the heading "For Use of Taxing Districts," which is the value of property included in that item conceded by said Long Dock Company, the valuation and assessment of that item of property by said State Board of Assessors being $7,663,581;

And whereas, the State desires said Long Dock Company to forthwith pay upon a valuation of at least $5,348.736 upon the property included in the item last mentioned;

Now, therefore, it is stipulated between the State, by John W. Wescott, Attorney General, and said

Long Dock Company, by Collins & Corbin, its attorneys, as follows:

1. That the time limits prescribed by the act above mentioned and the supplements thereto and amendments thereof, in the recital referred to as to the completion of the valuation and assessment of the State Board of Assessors and the certification of the same with the tax computed thereon to said Comptroller of the Treasury, and the completion of the review upon said complaint of said Long Dock Company be and the same are waived with like effect to the rights of the parties as if such time limits did not exist.

2. That said Long Dock Company, on or before February 1st, 1915, may pay on account of said taxes computed by said State Board of Assessors for the year 1914, sums of money reckoned upon values as follows:

FOR STATE USES.

Class	Valuation	Rate	Tax
Main Stem	$1,928,824.	.02024	$39,039.40
Sub. Div. IV	150,000.	.02024	3,036.00
	$2,078,824		$42,075.40

FOR USE OF TAXING DISTRICTS

Taxing Districts	Valuation	Rate	Tax
Jersey City	$5,348.736.	.02113	$113,018.79
Secaucus Borough	19,500.	.01692	329.94
	$5,368.236		$113,348.73

without admitting that the value of the property included in the item of $5,348,736 under the heading "For Use of Taxing Districts" is in excess of $4,592,322, and without prejudice to the further prosecution by said Long Dock Company of its said complaint now pending before said State

Board of Assessors, or upon any subsequent review of the said valuation and assessment made by said State Board of Assessors against said Long Dock Company for the year 1914, or any contest against the validity or amount of the taxes levied thereunder by certiorari under the railroad tax law or otherwise.

3. That said Long Dock Company shall forthwith file with said Comptroller of the Treasury a copy of this stipulation which shall be its consent that the amounts paid under this stipulation for State uses shall be credited on the tax against said Long Dock Company for State uses as finally fixed for the year 1914 and that from the amounts paid under this stipulation for the use of taxing districts there may be paid at once to the several taxing districts mentioned the portion thereof to which each taxing district is legally entitled, without recourse or liability for repayment or condition except that the amount paid under this stipulation for the use of taxing districts shall be credited on the tax for the use of taxing districts as finally fixed against said Long Dock Company for the year 1914.

4. That if the valuation and assessment of the property in dispute for the year 1914 is reduced in whole or in part, the Long Dock Company will pay any valid increase of tax upon its franchise for said year resulting from said reduction, nothing herein, however, to prevent said Long Dock Company from having such increase of tax upon its franchise, if made, reviewed by appropriate proceedings before paying same.

Dated January 28, 1914.

(Signed) JOHN W. WESCOTT,
Attorney General.

(Signed) COLLINS & CORBIN,
Attorneys for Long Dock Company..

SCHEDULE C.

PAYMENTS BY LONG DOCK CO. STATEMENT.

Amount of State tax,	$42,075.40
Amount of State tax paid Feb. 1, 1915,	42,075.40
Amount of Local tax,	$161,366.13
Paid on account Feb. 1, 1915,	113,348.73
Balance due,	$48,017.40

Reasons.

Filed July 26, 1915.

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY,. *Prosecutor,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, THE STATE BOARD OF ASSESSORS AND EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, *Defendants.*	*On Certiorari. In re assessments and taxes for the year 1914.* *Reasons.*

THE LONG DOCK COMPANY, prosecutor, presents the following reasons for setting aside the valuations, assessments and taxation brought before this honorable court by the writ of certiorari in the above entitled cause.

1. The principles upon which said valuations, assessments and taxes were made and levied, are erroneous.

2. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

3. Said valuations and assessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess

Reasons.

of said assessment over the true value of said lands representing an alleged value, because of the adjacency of said lands to tide water, while in the value of the adjoining upland throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

4. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

5. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

6. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

7. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

8. Said valuations, assessments and taxes were not made and levied under a uniform rule.

9. Said assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said assessments

Reasons.

are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation.

10. Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

11. Said valuations, assessments and taxes are excessive.

12. Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

13. The State Board of Assessors on the hearing of prosecutor's complaint against said valuations, assessments and taxation admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole or in part, thereon.

14. Said valuations and assessments are contrary to the clear weight of evidence produced before the State Board of Assessors on the complaint of prosecutor.

15. There was no legal evidence before the State Board of Assessors which supports said valuations and assessments.

16. The laws under which said valuations, assessments and taxes were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors, whereas such review is given to the owners of other prop-

Reasons.

erty contributing to the common burden of taxation, and therefore prosecutor is denied the equal protection of the laws contrary to the fourteenth amendment to the Constitution of the United States.

17. Said valuations, assessments and taxes are in other respects, excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they were made and levied are in other respects unconstitutional.

Dated, July 26, 1915.

COLLINS & CORBIN,
Attorneys of Prosecutor.

Opinion.

(Filed June 10, 1916.)

New Jersey Supreme Court.

November Term, 1915.

LONG DOCK COMPANY,
Prosecutor,

vs.

STATE BOARD OF ASSESSORS, *et al.*,
Defendants.

Argued Nov. 4, 1915. Decided June 1916.

On four writs of certiorari to review the reassessment of "second class" railroad property for the year 1911, and the assessment of the same property for the years 1912, 1913 and 1914, respectively.

Argued November Term, 1915, before Justices Parker, Minturn and Kalisch.

For the prosecutors, Robert J. Bain (Gilbert Collins and George S. Hobart, on the brief).

For the defendants, John R. Hardin.

The opinion of the court was delivered by PARKER, *J.*

The assessments for all the years mentioned relate to precisely the same property with the exception of 1914. Generally speaking, the property includes all of the terminal yard and water front at Harsimus in Jersey City, as

used by the Erie Railroad Company, and other property adjoining the main stem in lower Jerser City, also at the west end of the tunnel and cut, and land used for car storage and similar railroad purposes on and adjoining the Hackensack meadows.

The valuation fixed by the State Board for 1911 was brought before the Supreme Court on certiorari and was there affirmed, 85 N. J. L., 536. On review in the Court of Errors and Appeals it was reversed (86 N. J. L., 593), and that court held distinctly that it was the duty of the Supreme Court to examine the evidence and reverse in case of "palpable error" appearing. The reversal in the Court of Errors and Appeals went on the ground that all the evidence appearing in the case showed a lower valuation, and that the State Board were not entitled to use their "personal knowledge" of values as a basis of a finding while refusing to state or be examined and give testimony as to what that knowledge was and how they acquired it.

The case was remitted to the Supreme Court and that court then directed a reassessment with leave to take further testimony on valuations. When the matter was again opened before the Board, prosecutor objected to further testimony, and now makes the point that it was inadmissible. So to hold would be to overrule the express direction of this court, which appears to have been made in obedience to the plain intent of the opinion in the Court of Errors and Appeals and it would have been error if the assessors had excluded it.

This point being settled, counsel have so arranged the evidence by various stipulations that we consider all four years on the same evidence,

except that in 1914 there was an increase in water front valuations because of extension of the pier line by the War Department, which must be dealt with separately.

There are certain legal points that may as well be dealt with first, so as to lay a foundation for consideration of the facts.

It is first asserted that the valuations generally were ascertained and fixed by the application of an arbitrary multiple. This appeared to be a fact when the 1911 case was before the Court of Errors and Appeals. It is explained more or less satisfactorily now. Two of the commissioners, Messrs. Record and Hendrickson, took the stand as witnesses. Both swore and most credibly, to long study and experience in appraising this class of property. They qualified as "experts" in the legal sense, because of this special study. There were three principal questions to be practically treated: (1) What was the value of the various parcels *per se* for average business or other purposes? (2) Did they have any greater value for railroad purposes irrespective of railroad franchise, and if so how much? (3) In connection with (2), was any greater value imparted to them because assembled into a connected whole appropriate to a railroad terminal, and if so, what? Both Messrs. Record and Hendrickson, as their testimony seems to indicate, testified from experience to the increment of value due to assembling and availability for special use. It is now argued that such an element of value cannot be considered, and the United States Supreme Court case of *New York City* v. *Sage*, 36 Sup. Ct. Rep., 25, is relied on. But we agree with counsel for defendants and it is not on

the point, for it is a condemnation case and relates to the value of an outside tract before assemblage, a very different thing from an integral part after assemblage. It is elementary that in combining two or more tracts of land for a purpose requiring both or all together, the value of the whole may well be more than the total of the parts separately. So Chief Justice Beasley in effect said in *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L., 1. If the multiple is in fact arbitrary, of course it is presumably erroneous; but if the evidence indicates that it is based on a reasonable consideration of facts, it is not made arbitrary because it happens to be a mathematical constant. See *Wayne Township* v. *Laflin & Rand Co.,* 76 L. at p. 177.

Next it is insisted that the lands under water should have been joined to the upland for assessment and not segregated into separate tracts. The answer is that if the lands under water are owned by the taxpayer, either method is allowable and some discretion must be accorded to the Board. *Jersey City* v. *Board,* 73 N. J. L., 166; *S. C.,* 75 N. J. L., 571; *Long Dock Co.* v. *Board,* 87 N. J. L., 22. If it is owned land, whether under water or not, it is assessable as such; but if only a right to reclaim not exercised, it may be regarded as an increment of value to the shoreward property, *Ib.* This will appear presently in connection with the extended pier line questions.

The next point is numbered IV, and is a complaint of double increment because both upland and riparian lands were valued as adjacent to tide water. We fail to see why the element of adjacency or proximity or accessibility to tide water may not extend within rea-

sonable limits, more or less indefinitely inland as an element of value. Where questions of convenient storage and transportation are involved, situations with regard to tide water and accessibility thereto become of great importance.

Point V is covered by what has been said under the second point herein discussed.

Point VI is that the valuation is based in whole or in part on the value of other lands not similarly situated. The practical complaint is that lands in the "business" section of Hoboken and Jersey City were considered. We fail to see why, for purpose of comparison, all the land in lower Jersey City and Hoboken, should not be considered. It is impossible to secure identical conditions. What is looked for is substantially similar conditions. There is at least enough similarity along this water front to justify a comparison of values. *Packard* v. *Bergen Neck Railway Co.*, 54 N. J. L., 553; *Manda* v. *Orange*, 82 N. J. L., 688.

VII. Cost of reproduction. That this is properly an element to consider we think needs no argument.

VIII brings up the real point, viz: that the valuation fixed by the Board is inseparably connected with the franchise. The Board says in effect that it is not, and we think the prosecutor has failed to show the contrary. This is a great terminal property opposite New York City, and which, while in fact connected with the Long Dock Railroad, might be connected with any other railroad now operating from the Jersey side, or that might be organized so to operate. If the Erie Railroad Company

should go out of business, it could be used for a terminal connecting with all the railroads terminating between Communipaw and Weehawken. Taken by itself it is a great unified tract with deep water in front and railroad communications behind. We think it is idle to argue, as do prosecutors experts, that it is to be split into two, or three, or four or more zones each to be valued separately. Every part of this main tract depends for its value in some measure on every other part. There are tracts of land elsewhere that are worth more when cut up into building lots, and there are also tracts worth more because assembled and peculiarly adaptable to business. This is one of the latter cases.

Point IX is that the valuations were not made under a uniform rule, as required by the constitution. This is predicated on the testimony of Mr. Record, one of the Board, that as a matter of practice they valued railroad property where railroading was unprofitable, at or below ordinary values of adjacent property, and where railroading is profitable, at more than such ordinary values. We are not at present concerned with the practical fairness of this method, but only with the uniformity of the rule. Manifestly, if applied to all railroad property, it is uniform; and we think it is quite conceivable that property affected by a railroad use is more valuable in some localities than in others. The test is, whether it is valued as railroad property and by uniform rules applicable thereto. If the argument on this point is sound, the valuation of all railroad property in the state should be fixed by ascertaining its value for general purposes, and adding some

fixed increment for railroad use; a proceeding which, on account of its arithmetical character, would undoubtedly result in much false valuation. This is not the uniformity contemplated by the constitution.

The tenth point is that "the assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed and said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of owners of the same class of property contributing to the common burden of taxation." This point, when developed, amounts to this: That the railroads are assessed at what the Board considered "true value" whereas private lands in the neighborhood were assessed at varying percentage less than true value. The argument is that the assessments on railroad land in Jersey City are, to use the language of the brief, "not in the same relative proportion of true value as that by which other property in the same taxing district was assessed." The inference is that if other property was undervalued, railroad property should also have been undervalued to the same extent. We know of no authority for this rule, and counsel cite none. On the contrary, the language of the constitution, of the statutes and of the cases has been uniform in reiterating the true value rule. It is true that local assessors often adopted in practice a sort of undervaluation rule, substantially uniform for a taxing district, and this while illegal would work no practical injustice if uniformly applied throughout the

county and state, but it was not, and advantage was taken of it to evade the just apportionment of county and other taxes affecting more than one district. It was to remedy this that the county tax board legislation was adopted, which among other things provided for equalization of valuations as between individuals and also taxing districts. P. L. 1906, p. 210; C. S., 5115 *et seq.* Valuation at true value was laid down by Sec. 2 as the primary and fundamental duty of the Board. The same rule is laid down in the railroad tax act. C. S. 5264, pl. 447. If the legislature has provided no machinery enabling a railroad whose property is assessed at true value to compel the undervaluation of neighboring property to be raised to its true value, the proposition to lower the railroad value may appeal to a sense of fairness, but is not legally sound. *Central R. R. Co.* v. *Board,* 49 N. J. L., at p. 19.

The eleventh point in the brief raises certain questions of evidence.

(a) The sale price of other lands in the neighborhood not similar as to conditions. This is covered by what has already been said under Point VI.

(b) That the valuation of the Pennsylvania and Lackawanna terminals was admitted as a criterion. The fact that they were valued by the Board was admissible as a basis for the qualifications of Messrs. Hendrickson and Record as witnesses. Assuming the irregularity of the amount of valuation as a criterion, it was something of which the Board necessarily had personal knowledge. Their finding is fully supportable in this court, except as hereafter

noted, without that evidence. We consider the error, if error there was, harmless.

(c) Evidence that Harrison Williams represented the Erie Railroad Company, identified for the purposes of this case with the Long Dock Company, prosecutor, and that he assented to the valuation of 1911. We do not find it necessary to consider this evidence either. Of course, the fact was fully within the knowledge of the Board. We incline to think that when Mr. Williams was more or less formally accredited with the Board as an agent of prosecutor specially interested with the conduct of its real estate and taxation matters, he was at least held out as empowered to deal with those matters in such a way as to bind his principal, and that admissions by him in the course of negotiation and discussion, not made without prejudice, would be competent evidence. We have ourselves not considered them in ascertaining whether there was palpable error in the findings of the Board.

This brings us to the question of the sufficiency of the evidence to support the valuations of the respective parcels of land, which are discussed in detail under Point I of prosecutor's brief. Our duty in this regard is pointed out in Section 13 of the Railroad Tax Act of 1888, as expounded by the Court of Errors and Appeals in *Long Dock Co.* v. *State Board,* 86 N. J. L., at p. 594. It appears to be different from the duty existing under the act of 1884, as viewed by Chief Justice Beasley in the *Central Railroad case,* 48 N. J. L., at pp. 3 and 4. The requirement that "if it shall be made to appear that any assessment is excessive or insufficient, the court shall correct the same and

reduce or increase it as may be just, or refer it back to the board of assessors'' makes it optional with this court as a matter of judicial discretion to send back valuations deemed excessive for revaluation, or itself make such revaluation. The general inadvisability of this court resolving itself into a reviewing board of tax valuation is pointed out by Chief Justice Beasley in the Central Railroad case last cited. But this litigation has been before the courts for several years and ought to be settled so far as an ascertainment of facts can settle it. Accordingly, we have examined the evidence bearing on the several parcels of land assessed, and finding that in some cases they are palpably excessive, have ourselves fixed what we deem a reasonable valuation in view of the principles above enunciated. We subjoin a list of the tracts and our findings on the valuations thereof imposed by the Board. So far as the valuations of the Board are herein held excessive, they will be reversed and revalued in our judgment according to the figures stated; otherwise the assessment will be affirmed.

There was an additional value placed by the Board on the water front tracts for 1914, because of the extension of the pier line in the Hudson River in 1913. This did not confer a title to the land under water between the old and new pier lines, until the land is reclaimed. *Long Dock Co.* v. *Board,* 87 N. J. L., 22. It was further held in that case, that the addition if any to the value of the upland should be taxed with the upland. The Board undertook to add to the upland value what amounted to one dollar per square foot of the area included be-

tween the old and new pier lines. Whether any increase in the upland values is supportable on the evidence, we think is doubtful; but we are in no doubt that an increase approximately equal to 75 per cent. of the additional area valued as upland, for a mere privilege, is out of all reason; and as there is nothing before us as a proper basis for the valuation of the increment, if any, the amount of increase on this account will go back to the Board. This results in a reversal of the 1914 tax on all water front properties affected, irrespective of the general revaluations placed by us on some of them, which form a basis for the 1914 value to which may be added the increment for pier line extension if any.

SCHEDULE.

LIST OF PROPERTIES AND VALUATIONS BY COURT.

17 A. 2. Affirmed, except as indicated for 1914.

16 B. 62. Affirmed, except as indicated for 1914. Foot of Pavonia avenue. Reduced to (1911-12-13) $96,000; 1914, $96,000 basis; Pier line increment referred back.

16 B. 7. Reduced to $108,812 for 1911-12-13, and basis of 1914; Pier line increment referred back.

182c. Affirmed.

183a. Affirmed.

218. Affirmed.

323. Reduced to $13,000.

360. Reduced to $13,000.

395. The $10,426 parcel reduced to $6,000; the other affirmed.

Opinion.

421.	(Wedge) reduced to $1,000; the other reduced to $25,000.	
547, 4a.	Reduced to	$ 6,000.
2b.	"	1,500.
2d.	"	2,000.
961, (1).	"	15,000.
961, (3).	"	23,000.
961, 5b.	"	10,000.
1200—12.	"	25,000.
1200—57d.	"	35,000.
1200—59a.	"	35,000.

Rule for Judgment.

(Entered October 4, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* v. CHARLES E. HENDRICKSON, JR., *et al.*, STATE BOARD OF ASSESSORS, THE STATE BOARD OF TAXES AND ASSESSMENT, EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* *(In re assessments for the year 1914.)* *Rule for Judgment.*

The Court having inspected the valuations, assessments, tax and proceedings, returned with the certiorari in this cause, and considered the reasons filed for setting aside said valuations, assessments and tax, and heard the argument of counsel thereon;

And it appearing that said valuations, assessments and tax are in part lawful and in part unlawful, and excessive;

It is ordered that said valuations, assessments and tax be corrected by the State Board of Taxes and Assessment as follows:

The valuation of the parcel described in the Return as Block 182, Plot C, for assessment for the year 1914, shall be the sum of $13,812, as heretofore finally determined for said year by the State Board of Assessors.

Rule for Judgment.

The valuation of the parcel described in the Return as Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street, from the easterly line of Henderson street to the center line of Provost street, for assessment for the year 1914, shall be the sum of $87,740, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse), for assessment for the year 1914, shall be the sum of $40,810, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 395, excess south of main stem, Long Dock Company, for assessment for the year 1914, shall be the sum of $13,536, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 17, Plot A-2, for assessment for the year 1914, shall be the sum of $3,856,956, as determined by the State Board of Assessors for the year 1914, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as Block 16, Plot B-6, for assessment for the year 1914, shall be the sum of $1,098,480, as determined by the State Board of Assessors for the year 1914, to which may be added the additional value, if any, arising because of the ex-

tension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling, from the northerly side of Pavonia avenue southward, including the value of land under water, for assessment for the year 1914, shall be the sum of $96,000, as determined by this Court for the year 1913, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as Block 16, Plot B-7, for assessment for the year 1914, shall be the sum of $108,812, as determined by this Court for the year 1913, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as Block 323, excess south of main stem, for assessment for the year 1914, shall be reduced from $21,588 to $13,000.

The valuation of the parcel described in the Return as Block 360, excess south of main stem, for assessment for the year 1914, shall be reduced from $21,588 to $13,000.

The valuation of the parcel described in the Return as Block 395, excess between the northerly line of main stem, Penhorn Creek Railroad, and the southerly line of main stem, Branch A, Penhorn Creek Railroad, for assessment for the

year 1914, shall be reduced from $10,426 to $6,000.

The valuation of the parcel described in the Return as Block 421, excess between the northerly line main stem, Penhorn Creek Railroad, main line, and southerly line main stem, Branch A, Penhorn Creek Railroad, for assessment for the year 1914, shall be reduced from $2,592 to $1,000.

The valuation of the parcel described in the Return as Block 421, excess south of main stem, Long Dock Company, between center line of Brunswick avenue and center line of Division street, for assessment for the year 1914, shall be reduced from $37,152 to $25,000.

The valuation of the parcel described in the Return as Block 547, Plot 4-A, between center line of Division street and easterly line of New Jersey Junction Railroad, for assessment for the year 1914, shall be reduced from $17,004 to $6,000.

The valuation of the parcel described in the Return as Block 547, portion of Plot 2-B, excess south of main stem, Penhorn Creek Railroad, for assessment for the year 1914, shall be reduced from $3,900 to $1,500.

The valuation of the parcel described in the Return as Block 547, Plot 2-D, excess north of main stem, for assessment for the year 1914, shall be reduced from $4,836 to $2,000.

The valuation of the parcel described in the Return as Block 961, Plot 1 (including Utica street), for assessment for the year 1914, shall be reduced from $28,015 to $15,000.

The valuation of the parcel described in the Return as Block 961, Plot 3, for assessment for

the year 1914, shall be reduced from $45,468 to $23,000.

The valuation of the parcel described in the Return as Block 961, Plot 5-B, for assessment for the year 1914, shall be reduced from $15,-434 to $10,000.

The valuation of the parcel described in the Return as Block 1200, Plot 12, for assessment for the year 1914, shall be reduced from $34,032 to $25,000.

The valuation of the parcel described in the Return as Block 1200, Plot 57-A (exclusive of main stem Penhorn Creek Railroad), for assessment for the year 1914, shall be reduced from $57,952 to $35,000.

The valuation of the parcel described in the Return as Block 1200, Plot 59-A, for assessment for the year 1914, shall be reduced from $57,925 to $35,000.

And this Court being of the opinion that further testimony may be taken before said State Board of Taxes and Assessment for the purpose of determining the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of the parcels described in the Return as Block 17, Plot A-2, Block 16, Plot B-6, land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling from the northerly side of Pavonia avenue southward, including the value of land under water, and Block 16, Plot B-7;

It is further ordered that the State Board of Taxes and Assessment have leave to take further testimony concerning the additional value if any arising because of said extension of the exterior line for piers in the Hudson River in

front of the parcels last above named, which testimony may be taken before said State Board of Taxes and Assessment either on behalf of the State or of said Long Dock Company, or both, on notice by said State Board of Taxes and Assessment to the Attorney-General and to said Long Dock Company of the time and place when it will meet to hear such testimony.

And it is further ordered that said valuations, assessments and taxes so far as they are in excess of the valuations and assessments reduced as above stated, be and they hereby are reversed, set aside and cancelled.

Entered October 14, 1916,

On motion of

JOHN W. WESCOTT,
Attorney General.

Notice of Appeal.

(Filed November 6, 1916.)

NEW JERSEY SUPREME COURT.

LONG DOCK COMPANY, *Prosecutor,* *v.* CHARLES E. HENDRICKSON, JR., *et al.*, STATE BOARD OF ASSESSORS, THE STATE BOARD OF TAXES AND ASSESSMENT, EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY, AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Certiorari.* *(In re assessments for the year 1914.)* *Notice of Appeal.*

To Hon. John W. Wescott, Attorney General, Attorney of Charles E. Hendrickson, Jr., *et al.*, State Board of Assessors; The State Board of Taxes and Assessment, and Edward I. Edwards, Comptroller of the Treasury, Defendants; and John Bentley, Esq., Attorney of The Mayor and Aldermen of Jersey City, Defendant.

TAKE NOTICE that the prosecutor appeals to the New Jersey Court of Errors and Appeals from so much of the judgment entered in this cause as orders and adjudges as follows:

The valuation of the parcel described in the return as Block 182, Plot C, for assessment for the year 1914, shall be the sum of $13,812 as heretofore finally determined for said year by the State Board of Assessors.

Notice of Appeal.

The valuation of the parcel described in the Return as Block 183, portion of Plot A, between the southerly line of 11th street and the northerly line of 10th street, from the easterly line of Henderson street to the centre line of Provost street, for assessment for the year 1914, shall be the sum of $87,740, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 218, excess south of main stem (exclusive of land occupied by warehouse), for assessment for the year 1914, shall be the sum of $40,810, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 395, excess south of main stem, Long Dock Company, for assessment for the year 1914, shall be the sum of $13,536, as heretofore finally determined for said year by the State Board of Assessors.

The valuation of the parcel described in the Return as Block 17, Plot A-2, for assessment for the year 1914, shall be the sum of $3,856,956, as determined by the State Board of Assessors for the year 1914, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as Block 16, Plot B-6, for assessment for the year 1914, shall be the sum of $1,098,480, as determined by the State Board of Assessors for the year 1914, to which may be added the additional value, if any, arising because of the ex-

tension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling, from the northerly side of Pavonia avenue southward, including the value of land under water, for assessment for the year 1914, shall be the sum of $96,000, as determined by this Court for the year 1913, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The valuation of the parcel described in the Return as Block 16, Plot B-7, for assessment for the year 1914, shall be the sum of $108,812, as determined by this Court for the year 1913, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said property during the year 1913.

The grounds of said appeal are as follows:

1. The Supreme Court ordered and adjudged that the valuations of the lands first, secondly, thirdly and fourthly described above, for assessment for the year 1914, shall be at the valuations thereof as heretofore finally determined for said year by the State Board of Assessors, that the valuations of the lands fifthly and sixthly described above, for assessment for the year 1914, shall be at the valuations thereof as heretofore finally determined for said year by the State Board of Assessors, to which may be added the additional value, if any, arising because

of the extension of the exterior line for piers in the Hudson River in front of said lands during the year 1913, and that the valuations of the lands seventhly and eighthly described above, for assessment for the year 1914, shall be at the valuations thereof as determined by said Court for the year 1913, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers in the Hudson River in front of said lands during the year 1913; whereas, said Court should have set aside or reduced the valuations, assessments and tax upon said lands as returned with the certiorari in said cause for one or some of the following reasons:

(a) The principles upon which said valuations, assessments and taxes were made and levied, are erroneous.

(b) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

(c) Said valuations and assessments were made by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were assessed at more than their true value, the excess of said assessment over the true value of said lands representing an alleged value, because of the adjacency of said lands to tide water, while in the value of the adjoining upland throughout its whole extent, there

was again included the same element of adjacency to tide water, thus constituting a double assessment.

(d) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

(e) Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

(f) Said valuations and assessments were made by and upon an erroneous principle, in that they were based in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

(g) Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

(h) Said valuations, assessments and taxes were not made and levied under a uniform rule.

(i) Said assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated, and were not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing district and of

owners of the same class of property contributing to the common burden of taxation.

(j) Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

(k) Said valuations, assessments and taxes are excessive.

(l) Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

(m) The State Board of Assessors on the hearing of prosecutor's complaint against said valuations, assessments and taxation admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole or in part, thereon.

(n) Said valuations and assessments are contrary to the clear weight of evidence produced before the State Board of Assessors on the complaint of prosecutor.

(o) There was no legal evidence before the State Board of Assessors which supports said valuations and assessments.

(p) The laws under which said valuations, assessments and taxes were made and levied do not give to prosecutor an impartial review of the assessments and taxation of its property before a tribunal separate from the assessors, whereas such review is given to the owners of other property contributing to the common burden of taxation and therefore prosecutor is de-

nied the equal protection of the laws contrary to the fourteenth amendment to the Constitution of the United States.

(q) Said valuations, assessments and taxes are in other respects excessive, erroneous, unjust, unlawful and unconstitutional, and the laws under which they were made and levied are in other respects unconstitutional.

2. The principles upon which the Supreme Court determined the value of said lands for assessment for the year 1914, are erroneous.

3. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle, in that said lands were divided into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

4. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle, in that the lands under water, between the exterior line for solid filling and the exterior line for piers, were valued at more than their true value, the excess of said valuation over the true value of said lands representing an alleged value because of the adjacency of said lands to tide water, while in the value of the adjoining upland, throughout its whole extent, there was again included the same element of adjacency to tide water, thus constituting a double assessment.

5. Said Court determined the value of said lands for assessment for the year 1914, by and

upon an erroneous principle, in that said lands under water, between the exterior line for solid filling and the exterior line for piers, were valued separately from the upland.

6. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle, in that said value was based in whole or in part upon the alleged value of lands not similarly situated or in the vicinity of prosecutor's said lands.

7. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle in that said value was based in whole or in part upon an alleged cost of reproduction of the railroad terminal of prosecutor.

8. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle, in that said Court ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

9. The valuation of said lands for assessment for the year 1914, by the said Court, was not under uniform rules.

10. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle, in that said value is in excess of the rate of assessment upon property of like character and similarly situated, and is not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and said value is in excess of and disproportionate to the as-

sessment placed upon the property of other owners in the same taxing district and owners of the same class of property contributing to the common burden of taxation.

11. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle, in that it increased the value of said lands for assessment beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Court.

12. Said Court determined the value of said lands for assessment for the year 1914, by and upon an erroneous principle in that said value was not according to the true value of said lands and is excessive.

13. There was no evidence before the Supreme Court which supports or justifies the value of said lands for assessment for the year 1914, as determined by said Court.

14. The value of said lands for assessment, as determined by the Supreme Court, for the year 1914, is for the reasons above stated, or one or some of them, and for other reasons erroneous, wrongful, unjust, unlawful and unconstitutional.

15. There was no evidence before the Supreme Court that the lands fifthly, sixthly, seventhly and eighthly described above had any additional value because of the extension of the exterior line for piers in the Hudson River in front of said lands during the year 1913.

16. Any increase of the valuations for assessment for the year 1914 of the lands fifthly,

sixthly, seventhly and eighthly described above, because of the extension of the exterior line for piers in the Hudson River in front of said lands during the year 1913, would be against the clear weight of the evidence.

17. Any increase of the valuations for assessment for the year 1914 of the lands fifthly, sixthly, seventhly and eightly described above, because of the extension of the exterior line for piers in the Hudson River in front of said lands during the year 1913 is not warranted or authorized by law.

18. Prosecutor appeals also to the New Jersey Court of Errors and Appeals from so much of the judgment entered in this cause as orders and adjudges that the State Board of Taxes and Assessment have leave to take further testimony concerning the additional value, if any, arising because of said extension of the exterior line for piers in the Hudson River in front of the lands fifthly, sixthly, seventhly and eighthly described above, on the grounds that the taking of such further testimony is contrary to and in violation of the laws under which the assessments and tax upon said lands for the year 1914 were made and levied, is without warrant or authority of law, and is in other respects wrongful, erroneous, unlawful and unconstitutional.

19. Those parts of said judgment of the Supreme Court above mentioned, and the valuations, assessments and tax ordered thereby, are for the reasons above stated, or one or some of them, and for other reasons erroneous, wrongful, unjust, unlawful and unconstitutional.

COLLINS & CORBIN,
Attorneys of Appellant.

New Jersey Court of Errors and Appeals

LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* THE STATE BOARD OF TAXES AND ASSESSMENT; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Appeal from Supreme Court.* *(In re re-assessment of second class property for the year 1911.)*
LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Appeal from Supreme Court.* *(In re assessments upon second class property for the year 1912.)*
LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Appeal from Supreme Court.* *(In re assessments upon second class property for the year 1913.)*
LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS; STATE BOARD OF TAXES AND ASSESSMENT; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants.*	*On Appeal from Supreme Court.* *(In re assessments upon second class property for the year 1914.)*

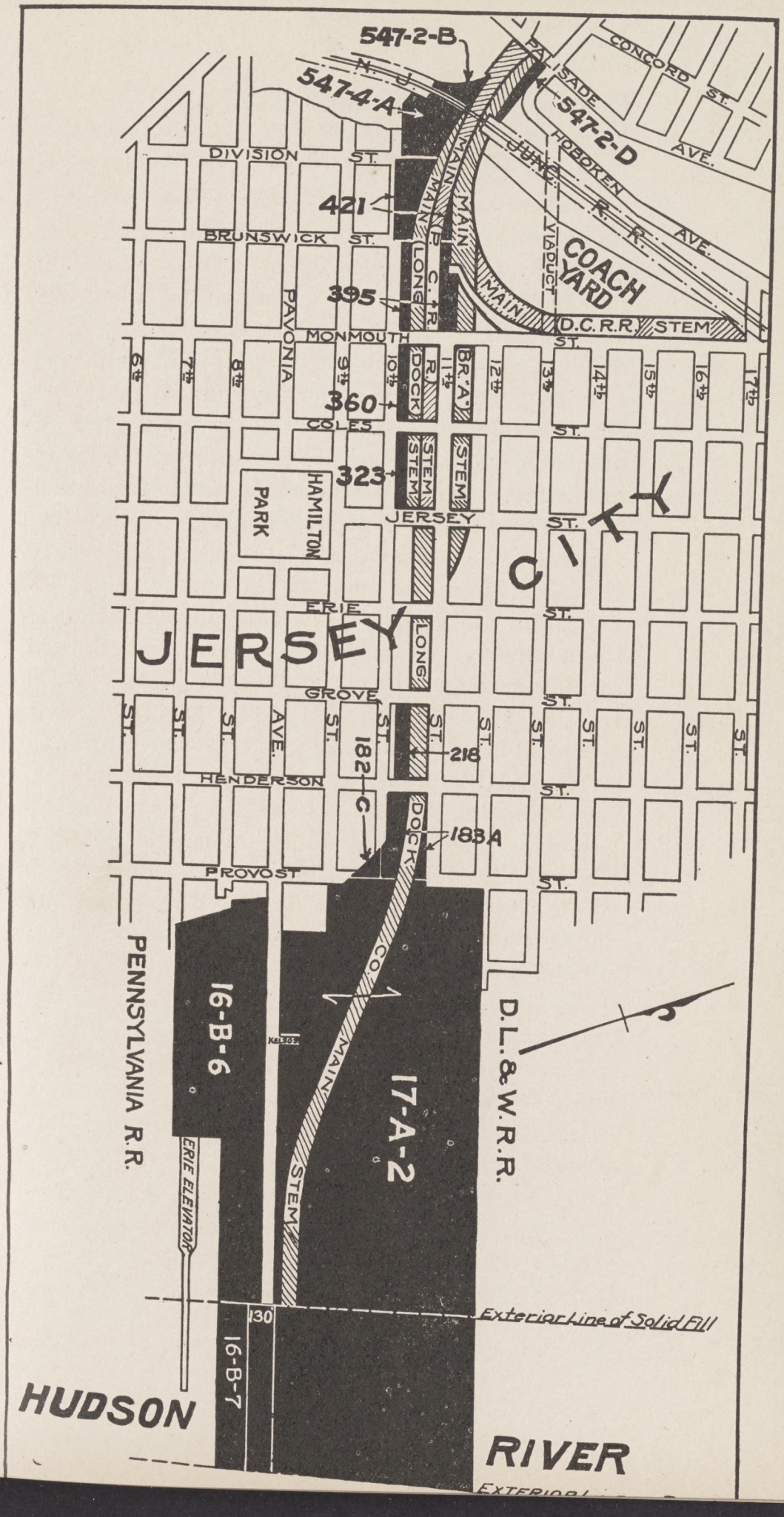
Brief for Appellant.

(1)

Statement of the Case.

The appeal in each of above cases is from a judgment of the Supreme Court, affirming assessments by the State Board of Assessors on certain parcels of appellant's real estate, other than main stem, used for railroad purposes (commonly called second class railroad property), and the taxes levied in accordance therewith. The parcels are located in Jersey City. Four of them front on the Hudson River, three are immediately back of the water-front and one is several blocks back of it. They were described for assessment as Block 17, Plot A-2; Block 16, Plot B-6; Land at foot of Pavonia avenue, 130 feet along the exterior line for solid filling, from the northerly side of Pavonia avenue southward, including the value of land under water; Block 16, Plot B-7; Block 182, Plot C; Block 183, portion of Plot A; Block 218, excess south of main stem; and Block 395, excess south of main stem. The following diagram shows the location of the parcels. The assessments upon the land in Blocks 323, 360, 421, 547, and one parcel in Block 395 were reduced by the Supreme Court and are not now in question.

LANDS EAST OF BERGEN HILL



The assessments in question were made by the State Board of Assessors under an act entitled "An Act to revise and amend 'An act for the taxation of railroad and canal property,' approved April tenth, one thousand eight hundred and eighty-four," which revision and amendment was approved March 27, 1888. (Comp. Stats., p. 5260.) Section 3 of that act requires the State Board of Assessors in valuing and assessing railroad or canal property to ascertain:

I. The length and value of the main stem of each railroad and of the water way of each canal, and the length of such main stem and water way in each taxing district;

II. The value of the other real estate used for railroad or canal purposes in each taxing district in this State, including the roadbed (other than main stem), water ways, reservoirs, tracks, buildings, water tanks, water works, riparian rights, docks, wharves and piers, and all other real estate, except lands not used for railroad or canal purposes;

III. The value of all the tangible personal property of each railroad, and of each canal company;

IV. The value of the remaining property, including the franchise.

The parcels mentioned were separately valued and assessed by the State Board of Assessors under sub-division II of above section. The assessments in question are upon the bare land, exclusive of improvements which are separately assessed.

Appellant complained against the original valuations and assessments of the parcels mentioned for the year 1911, and they were reviewed by the State Board of Assessors and confirmed

as originally made. (1911 Case; Vol. 1; p. 18; Testimony Vol. II; pp. 1-170.) Those valuations and assessments were thereafter reviewed by the Supreme Court on certiorari and affirmed. (*Long Dock Company* v. *Hendrickson, et als.*, 85 N. J. L., p. 536.) Subsequently the judgment of the Supreme Court affirming them was reversed by the Court of Errors and Appeals and the record remitted to the Supreme Court. (*Long Dock Company* v. *State Board of Assessors,* 86 N. J. L., p. 592.) The Supreme Court upon that remittitur set aside and cancelled the original valuations, assessments and taxes and ordered a re-assessment with leave to all parties to take further testimony on the re-assessment (1911 Case; Vol. I; pp. 22-23). Appellant disputed the right of the Board to hear further testimony on the re-assessment, both on the settlement of the judgment of the Supreme Court on the remittitur from the Court of Errors and Appeals and upon the re-assessment, claiming that the re-assessment should be made upon the testimony taken upon review of the original valuations and assessments, but the Board determined to hear further testimony. Meantime appellant had complained against the valuations and assessments upon the same parcels for the year 1914, and testimony had been taken before the State Board of Assessors upon review of those valuations and assessments. To avoid repetition it was agreed that such testimony could be considered by that Board as if repeated upon the re-assessment, provided it should be ultimately determined that additional testimony could properly be taken on the re-assessment. The re-valuations and re-assessments for the year 1911 were then made by the State Board of Assessors and were exactly similar to the original valuations and assessments

(1911 Case; Vol. I, p. 26). Those re-valuations and re-assessments of the parcels mentioned were reviewed by the Supreme Court on certiorari and affirmed on all but two of the parcels mentioned, the re-valuations and re-assessments of those two being slightly reduced. (Opinion, 1911 Case; Vol. I, p. 43.) It is that judgment which is the subject of the present appeal in the case involving the re-assessment for the year 1911.

The valuations and assessments of the parcels mentioned for the years 1912 and 1913 were made while the valuations and assessments for the year 1911 were before the Courts and were similar to those for the year 1911 (1912 Case; Vol. I, p. 12 *et seq.*, 1913 Case; Vol. I, p. 12 *et seq.*). Complaints were made by appellant against the valuations and assessments for the years 1912 and 1913. (1912 Case; Vol. I, p. 17; 1913 Case; Vol. I, p. 17.) Those valuations and assessments were reviewed by the State Board of Assessors. Appellant produced new testimony on the complaint against the valuations and assessments for the year 1912, and used the same testimony on complaint against the valuations and assessments for the year 1913 (Vol. II, pp. 171-239). No testimony was produced by the State or the Board upon review of the valuations and assessments for the years 1912 and 1913, it being understood that if the valuations and assessments for each of those years were confirmed by the Board on the testimony produced by appellant and writs of certiorari were allowed to review them, the State and the Board could produce testimony later and make it part of the returns to the writs. The valuations and assessments of the parcels mentioned for the years 1912 and 1913 were confirmed by the State Board of Assessors

as originally made (1912 Case; Vol. I, p. 28; 1913 Case; Vol. I, p. 28). Writs of certiorari were allowed to review the valuations and assessments for the years 1912 and 1913 and those writs were held in abeyance pending the determination by the Courts upon the original valuations and assessments for the year 1911. After the valuations and assessments for the year 1911 had been set aside by the Court of Errors and Appeals and subsequently by the Supreme Court on remittitur, it became necessary to proceed with the writs to review the valuations and assessments for the years 1912 and 1913. Testimony having been taken by the several parties on complaint by appellant against the valuations and assessments of the same parcels for the year 1914, it was, in order to avoid repetition, agreed that a copy of such testimony should be used and considered as though repeated before the State Board of Assessors upon review of the valuations and assessments for the years 1912 and 1913. The valuations and assessments of the parcels mentioned for the years 1912 and 1913 were reviewed by the Supreme Court on certiorari and affirmed on all but two of the parcels mentioned, the valuations and assessments of those two being slightly reduced. (See opinion heretofore mentioned.) It is those judgments which are the subject of the present appeals in the cases involving assessments for the years 1912 and 1913.

The valuations and assessments of the parcels mentioned for the year 1914 were also made while the valuations and assessments for the year 1911 were before the Courts. The valuations and assessments for the year 1914 upon three of the water front parcels are in excess of those for the years 1911, 1912 and 1913, but upon all of the other parcels are similar to those for the

years 1911, 1912 and 1913. Appellant complained against the valuations and assessments for the year 1914, and they were reviewed by the State Board of Assessors, testimony being produced by appellant, Jersey City, the State and the Board (Vol. II, pp. 171-994). The Board after such review confirmed the valuations and assessments as originally made (1914 Case; Vol. II, p. 27). Those valuations and assessments of the parcels mentioned were reviewed by the Supreme Court on certiorari and the valuations of two of the water front parcels for assessment fixed at the assessed valuations thereof for the year 1913, to which is to be added any additional value those parcels may have because of an extension of the exterior line for piers in front of them; the valuations of the other two water front parcels for assessment slightly reduced, to which reduced value is to be added any additional value those parcels may have because of an extension of the exterior line for piers, in front of them; and the valuations and assessments of the other parcels mentioned affirmed. (See opinion heretofore mentioned.) It is that judgment which is the subject of the appeal in the present case involving assessments for the year 1914.

The entire testimony printed in Volume II is to be considered by the Court in reviewing the re-valuations and re-assessments for the year 1911, so far as it is relevant, material and competent, unless the Court determines that the re-valuations and re-assessments should have been made on the testimony before the Board, upon review of the original valuations and assessments for that year, and that additional testimony was unlawfully taken upon the re-assessment, in which case only the testimony upon review of the original valuations and assessments should be

considered. The entire testimony printed in Volume II, is to be considered by the Court in reviewing the assessments for each of the years 1912, 1913 and 1914, so far as it is relevant, material and competent.

The State Board of Assessors and the Board of Equalization of Taxes were consolidated into the board known as the State Board of Taxes and Assessment, under an act approved April 8, 1915, which provides that all proceedings then pending before either of the consolidated boards, should continue before the board established by that act. (P. L. 1915, p. 438.)

(2)

Grounds of Appeal.

The grounds of appeal, which are common to all four cases, are as follows:

I. Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Board.

The Supreme Court determined the value of said lands by and upon an erroneous principle, in that it increased the value of said lands for assessment beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Court.

II. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

Said Court determined the value of said lands for assessment by and upon an erroneous principle, in that said value was based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

III. Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated to, or in the vicinity of prosecutor's said lands.

Said Court determined the value of said lands for assessment by and upon an erroneous principle, in that said value was based, in whole or in part, upon the alleged value of lands not similarly situated to, or in the vicinity of prosecutor's said lands.

IV. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

Said Court determined the value of said lands for assessment by and upon an erroneous principle, in that said lands were divided into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

V. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water, between the exterior line for solid filling and the exterior line for piers, separately from the upland.

Said Court determined the value of said lands for assessment by and upon an erroneous principle, in that said lands under water, between the exterior line for solid filling and the exterior line for piers, were valued separately from the upland.

VI. Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

Said Court determined the value of said lands for assessment by and upon an erroneous principle, in that said Court ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

VII. There was no evidence before the State Board of Assessors which supports said valuations and assessments.

There was no evidence before the Supreme Court which supports or justifies the value of said lands for assessment as determined by said Court.

VIII. Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

Said valuations, assessments and taxes are excessive.

Said Court determined the value of said lands for assessment by and upon an erroneous principle, in that said value was not according to the true value of said lands and is excessive.

IX. The State Board of Assessors on the hearing of prosecutor's complaints against said

valuations, assessments and tax admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole or in part thereon.

X. The Supreme Court ordered and adjudged that the valuations of said lands for assessment for the years 1911, 1912 and 1913 shall be at the valuations thereof as theretofore finally determined for said years by the State Board of Assessors, except for the reductions mentioned, whereas said Court should have set aside or reduced said valuations, assessments and taxes for said years for one or some of the above reasons which were urged before that Court.

XI. The value of said lands for assessment as determined by the Supreme Court for the years 1911, 1912, 1913 and 1914, is for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

XII. That part of the judgment of the Supreme Court from which appeals were taken, and the valuations, assessments and taxes ordered thereby, are for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

In addition to the above, the following is a ground of appeal from the judgment of the Supreme Court affirming the re-assessment of the parcels mentioned for the year 1911.

XIII. Said re-valuations, re-assessments and re-tax were not made and levied in accordance with the laws providing therefor.

The following are grounds of appeal from the judgment of the Supreme Court on the assessments for the year 1914, in addition to the grounds of appeal above stated, which are common to all of the cases.

XIV. There was no evidence before the Supreme Court that the lands fifthly, sixthly, seventhly and eighthly described (in the petition of appeal) had any additional value because of the extension of the exterior line for piers in the Hudson River, in front of said lands, during the year 1913.

XV. Any increase of the valuations for assessment for the year 1914 of the lands fifthly, sixthly, seventhly and eighthly described (in the petition of appeal) because of the extension of the exterior line for piers in the Hudson River in front of said lands, during the year 1913, would be against the clear weight of the evidence.

XVI. That part of the judgment which orders and adjudges that the State Board of Taxes and Assessment have leave to take further testimony concerning the additional value, if any, arising because of said extension of the exterior line for piers in the Hudson River in front of the lands fifthly, sixthly, seventhly and eighthly described (in the petition of appeal) is erroneous because the taking of such testimony is contrary to and in violation of the laws under which the assessments and tax upon said lands for the year 1914 were made and levied, is without warrant or authority of law, and is in other respects wrongful, erroneous, unlawful and unconstitutional.

New Jersey State Library

(3)

Brief of the Argument.

I.

Said valuations, assessments and taxes were made and levied by and upon an erroneous principle, in that the State Board of Assessors increased the valuations and assessments of said lands beyond the true value thereof, by the application of an arbitrary multiple to values ascertained by said Board.

The Supreme Court determined the value of said lands by and upon an erroneous principle, in that it increased the value of said lands for assessment beyond the true value thereof by the application of an arbitrary multiple to values ascertained by said Court.

The re-valuations and re-assessments for the year 1911, which are now before this Court, are *exactly similar to the original* valuations and assessments for that year, except in two instances. Those original valuations and assessments were set aside by this Court for the reason, among others, that the State Board of Assessors had added twenty per cent. to valuations on which the expert witnesses were in substantial accord and there was no evidence to support that addition. *Long Dock Co.* v. *State Board of Assessors,* 86 N. J. L. p. 592. The Supreme Court, upon the remittitur, set aside the valuations and assessments for that year, ordered a re-assessment and permitted the State Board of Assessors to take further testimony. Thus the State Board was given an opportunity to explain and justify the addition of the twenty per cent., and an attempt was made to do so.

Mr. Hendrickson, one of the members of the State Board, examined Mr. Charles E. Hansel, an expert employed by the State under legislative authority to make an appraisal of all railroad property, as follows (Vol. II; pp. 501-504):

"Q Now after you presented this value "to the Board that you have testified to, "and your appraisement on your theory, the "Board declined to adopt it and told you "that in their opinion they thought the "value of that land was higher than your "estimate; isn't that so? A Yes; that is "true.

"Q That was true not only of this yard, "but of the Lackawanna, to the north of "this yard, the Pennsylvania tract to the "south of this yard? A It was.

"Q And we then fixed a figure and "adopted the higher figure which is the "present assessment, together with you, did "we not? A We adopted that figure by "adding on the twenty per cent., and I think "the assessment on the whole as made was "agreed to in conference with the Erie and "the others all together; I think that is true "absolutely.

"Q Now, before the Board adopted that "increase of twenty per cent., you told the "Board of your experiences in Michigan, and "got large terminal tracts or large tracts "of land gathered together at a plottage "value which in your opinion was twenty "per cent., did you not? A I said that "would add the twenty-five per cent. to the "land there for acquisition cost.

"Q Well, from twenty-five to one hun-"dred per cent.? A Yes.

"Q But in fixing your values on these "large tracts that were available for these "large uses, you added from twenty-five to "one hundred per cent. depending on the "locality and surroundings, in the Michigan

"appraisal? A Yes, that was the cost of "acquisition.

"Q And you mentioned to us the names "of the different cities where you did that, "did you not? A I mentioned what had "been done by others, in St. Paul and Min- "neapolis, and so on, but not that I had "done. In fact I distinctly stated—

"Q (Interrupting) You expressed your "approval to the Board, did you not when "we adopted that increase—that twenty per "cent.? A That twenty per cent.

"Q That it was justified here? A No; "I did not as a taxing problem. I said the "cost of acquisition would be probably a "great many more times higher—several "hundred per cent.

"Q Didn't you tell us, as I remember, "that in your opinion we were justified in "adding twenty per cent. to your figures? "A I did not; I do not recall anything of "that sort."

The matter of the application of the multiple having been opened by Mr. Hendrickson, the following testimony was given by Mr. Hansel, upon examination by counsel for appellant (Vol. II; pp. 512-514):

"Q There has been some discussion, Mr. "Hansel, as to what occurred when you re- "ported your valuation to the State Board "of Assessors in 1911. Were you not asked "by one of the members of the Board to "calculate what percentage would have to "be applied to your valuation in order to "add ten million dollars to value of second "class real estate in Jersey City? A I "believe I was, yes.

"Q What did you say to the Board when "you were requested to increase the valua- "tion of second class railroad property in "Jersey City? A I said that was a matter

"for them to decide, that I had simply been "engaged to get what I considered the value "of the property of the carriers in the State "of New Jersey; I was not engaged to make "the assessment, and any sum of money or "any multiple that they saw fit to put on for "any purpose was not for me to question. I "went on and made my report the same as "if no such conversation had occurred.

"Q That is your report to the State on "values which you have stated here today? "A Yes, sir.

"Q And did you figure the percentage up- "on your valuation necessary to add ten "million dollars to the railroads of Jersey "City for second class property? A I be- "lieve I advised a member of the Board "what portion would have to be added on in "Hudson County to get that amount of "money.

"Q Was that twenty per cent.? A I "think it was, yes, sir.

"*The Chairman.* Now, Mr. Hansel, you "say you think it was, and you say that you "think a member of the Board asked you "that, and you qualify that statement by "using that word 'think.' Now, if such a "conversation took place was it at a Board "meeting when members of the Board were "present—all of that? A No.

"Q Who was it that you think made that "proposition to you? A Mr. Record.

"Q Was that in his office or at lunch, "or with you personally, in the absence of "other members of the board? A As I "remember, it was asked me personally, and "somewhere about the State House. He "asked me that question what it would re- "quire to increase the Hudson County—I "think it was—second class—a certain "amount.

"Q There were no other members of the "Board present? A Not that I know of.

"Q But you are positive now that such "a conversation did take place? A I think "I may say I am.

"Q Well, you say quite definitely that "you were with Mr. Record and in some part "of the State House? A Yes, it occurred "to the best of my recollection.

"Q Now, I show you, in the minutes of "the testimony taken at the last meeting, "March 2nd, under the testimony of Irvine "E. Maguire, a resolution as shown on page "252. I ask you to read that resolution. "(Witness reads book.) A Yes, I read it.

"Q Weren't you present when that reso- "lution was drafted and passed? A I think "I was.

"Q And at the time we adopted that "resolution don't you remember the set of "figures that I had showing my idea of the "value of those two terminals, on which the "one tract was slightly in excess of the value " that was adopted, and on the south tract "slightly beneath the figures that were "adopted? A You had such figures, I re- "member.

"Q And when I voted for the figures "that were figured out on that twenty per "cent. basis they were approximately the "figures that I had previously worked out "as my idea of the value of that land, "weren't they? A I believe they were, yes, "sir."

Mr. Record, one of the members of the State Board, testified on direct examination by counsel for the State, as follows: (Vol. II, pp. 861-863.)

"Q Mr. Record, I call your attention to a "minute of the Board passed on August 8, "1911, which was read into the minutes by

"Mr. Maguire, the Secretary of the Board, "on page 251 of the present record; do you "recall the passage of that resolution? "Kindly read it and let us know? A I have "no distinct recollection, except as I refresh "my recollection from reading that resolu- "tion, of the passage of the resolution it- "self. I do recollect, however, very many "discussions with the different members of "the Board and with Mr. Hansel, over the "theory or plan of appraisement which I "have outlined in my previous testimony, to "wit, that the way to arrive at the value of "railroad property, or property available "for a railroad use, peculiarly shaped and "specially situated, was to fix its value in "excess of the valuations of adjacent prop- "erty for other purposes than railroads, "and in detached and separate parcels. This "principle, or the propriety of applying this "principle, was debated over and over again "between me and the members of the Board "and Mr. Hansel, both in meetings of the "Board and in traveling to and from meet- "ings of the Board. I insisted, as I have "before stated, that the true principle was "the cost of reproduction where there was "a demand, and the cost of reproduction had "been admitted by everybody that had any "part in any part in any case in which I "had taken part to be from two to ten times "the value of the adjacent property, con- "sidered in separate parcels and for other "than railroad purposes; that nowhere had "any expert ever testified to an average of "less than two times such adjacent value. "My recollection is, and my testimony is, "that ultimately it was agreed by the Board "that that position was sound and that that "method of arriving at valuation was sound "and that railroad main stem property was "worth at least twice the value of adjacent

"property considered for farm and city uses
"as detached property. Then we took up
"the discussion of the question as to termi-
"nal property. I, in that discussion, and
"in all of those discussions, claimed that the
"principle applied equally as to terminal
"property as to main stem, but I was un-
"able to arrive at an agreement with the
"rest of the members of the Board on that
"point, and my recollection finally was that
"we agreed that the figures turned in by
"Mr. Hansel for main stem property, as the
"value of adjoining property should be
"doubled, and that as a compromise, we
"finally settled that, on the second class
"terminal property, a twenty per cent. in-
"crement for the plottage increment should
"be added to the figures that Mr. Hansel
"turned in which, both as to main stem and
"as to second class property, I understood
"to be figures which he had gathered show-
"ing the valuation of adjoining property for
"purposes other than railroad purposes and
"in detached parcels. My recollection is
"that this agreement as to how we should
"arrive at a final valuation and assessment
"on this property when it was arrived at,
"was reduced to writing and passed as a
"formal resolution of the Board, and it was
"adopted as a means of instructing Mr.
"Hansel how to arrive at the valuations
"which the Board fixed, the Board having
"fixed the principle, Mr. Hansel was in-
"structed how to apply that principle.

"Q Were you familiar with your col-
"league's, Mr. Hendrickson's figures, as to
"the valuation of the Long Dock terminal?
"A My recollection is that I never carried
"in my mind any particular figures, either
"Mr. Hansel's or Mr. Hendrickson's. My
"concern was to get a proper settlement.

"Q But at the time you had the figures?
"A Well, I presume the figures were all
"shown to me at the time; I have no doubt
"of that; but I concerned myself with the
"principle at which we arrived at a valua-
"tion.

"Q Have you any recollection of any spe-
"cific conversation with Mr. Hansel, in the
"State House or elsewhere, where you re-
"quired of him to figure the percentage upon
"valuations necessary to add ten million
"dollars to the railroads of Jersey City for
"second class property? A I have no
"recollection of any such conversation. I
"had almost innumerable conversations with
"Mr. Hansel going up and down from Tren-
"ton, and at meetings of the Board and at
"intermissions between them, but I have no
"distinct recollection of any specification of
"ten million dollars or any other sum, or
"any such conversation to which he has
"testified. I should think that either Mr.
"Hansel is mistaken in that testimony, or
"that its true version was that we had
"agreed upon a plottage value and some-
"body said something about ten million dol-
"lars; I might have asked that, how that
"fitted in with our plottage value theory,
"something of that kind, but I have no recol-
"lection of any ten million dollars, nor does
"it fit in with any theory which I have ever
"held of the value of this property.

"Q Your recollection of any application
"of twenty per cent. was on the plottage
"theory only? A On the plottage theory
"only, and that was applied to a set of fig-
"ures which Mr. Hansel used on adjoining
"value theory."

The resolution by the State Board of Assessors referred to by Mr. Record was as follows: (Vol. II; p. 404.)

"On motion of Mr. Record, seconded by "Mr. Hendrickson, the following communi- "cation was directed to be sent to Mr. "Charles Hansel, the expert in charge:

" 'We desire you in valuing land in the " 'main stem, to ascertain the market value " 'of the contiguous land, and to fix the " 'value of the adjoining main stem land at " '200 per cent. of the value of such contigu- " 'ous land. In tide water terminals you will " 'make the main stem valuations of land " 'at the same prices per square foot as the " 'adjoining land in the terminals back of " 'the bulkhead. You have reported to us " 'estimate of value of second class lands " 'based upon the value of neighboring " 'lands. We desire you to make these valu- " 'ations 120 per cent. of such neighboring " 'values. We desire to have you turn these " 'valuations over to the office force and in- " 'struct them to use the same in making " 'up the assessments for the year 1911, and " 'also instruct the office force to use the " 'valuations found by you on the remain- " 'der of the physical railroad property.' "

Was the twenty per cent. added by the State Board to Mr. Hansel's appraisal in order to give Jersey City taxes upon ten millions of dollars of increased valuation of second class railroad property, or was it added because of an established increment of value for plottage?

Mr. Hansel testified that he was asked by Mr. Record to calculate the percentage necessary to be added to his appraisal of second class railroad property in order to add ten millions of dollars to the valuation of such property in Hudson County. Mr. Record was asked whether

he recalled making such a request. His answer is not a convincing denial. There is no dispute that Mr. Hansel actually made the calculation. *Why did he make it if he was not requested to do so?* The State Board actually applied a multiple to twenty per cent. to Mr. Hansel's appraisal. *Why did it apply a multiple which would add ten millions of dollars to the valuation of second class railroad property in Jersey City and not some other multiple?* Unless it can be said that Mr. Hansel made the calculation of his own volition or that the State Board arbitrarily applied a multiple of twenty per cent. to his appraisal, then the calculation must have been at the instigation of some one for the purpose of using the result of that calculation. If the latter is true, *what was the motive?* Does the testimony disclose any other motive than to add ten millions of dollars to the valuation of second class railroad property in Jersey City?

Mr. Hansel, on cross examination by counsel for the State, testified as follows: (Vol. II; p. 492, ll. 22-32.)

> "Q You know no way to get at just what "availability for railroad terminal use may "give by way of intrinsic addition to prop- "erty capable of being assembled for such "a purpose? A You are speaking of what "is called the plottage value?
>
> "Q Yes, if you want to call it that; that "is one form of plottage. A All those ele- "ments were included. Whatever element "of value there was included in my theory "of developing the whole tract, on the basis "of what it could be used for for purposes "other than a railroad."

Mr. Hansel had previously testified as follows: (Vol. II; p. 153, l. 39-p. 154, l. 11.)

> "Q But when you say that you couldn't "value it for railroad purposes, why cannot

"you value it for railroad purposes, as well "as for steamship purposes? A Why, be- "cause I have no means of knowing what "income could be produced from that.

"Q That is, what part of the income of "the company to allot to that, that's about "the size of it? A That's it. I would like "to know the man who can.

"Q There is no expert who can come "and tell us that, is there? A I don't "know anybody."

The resolution adopted by the State Board for the addition of twenty per cent. to Mr. Hansel's appraisal contains no reference to value because of plottage or continuity nor is there any evidence in these cases that the parcels under consideration have any definite value because of plottage or continuity in addition to their separate value.

The Supreme Court said in its opinion in the present cases that when the original assessments for the year 1911 were before this Court it appeared that the valuations in question were ascertained and fixed by the application of an arbitrary multiple but that subsequently the multiple was explained more or less satisfactorily. We submit that the multiple has been explained but that its application has not been justified.

In regard to the addition by the State Board of twenty per cent. to Mr. Hansel's appraisal the Supreme Court said that there were three principal questions to be practically treated, viz., (1) What was the value of the various parcels *per se* for average business or other purposes? (2) Did they have any greater value for railroad purposes irrespective of railroad franchise, and if so, how much? (3) In connection with (2), was any greater value imparted to them be-

cause assembled into a connected whole appropriate to a railroad terminal, and if so, what?

What was the value of the various parcels *per se* for average business or other purposes? Mr. Hansel made his appraisal for the State. Mr. Floyd S. Corbin, an expert witness produced by prosecutor, made an appraisal. Those two appraisals were made in different ways and independently of each other, yet they are substantially the same. The values stated by Mr. Ehrehardt and Mr. Dunham, witnesses produced by Jersey City, were apparently disregarded by the State Board and the Supreme Court. Presumably Mr. Hansel and Mr. Corbin correctly stated the value of the parcels for any purposes, including average business or other purposes.

Did they have any greater value for railroad purposes, irrespective of railroad franchise? Neither Mr. Hansel nor Mr. Corbin could say that they had. Mr. Record advanced the idea that they had such greater value. His conclusion to that effect was based upon several matters, viz., that a railroad company pays more for its lands than the value of such lands for average business or other purposes; that the water front of Jersey City is largely devoted to railroad terminal use; that the railroad companies do not dispose of their terminal lands; and that the railroad companies do an apparently profitable business on such lands.

Mr. Record based his conclusion that a railroad company pays more for its lands than the value of such lands for average business or other purposes, to some extent, on his experience in the matter of the purchase by the Pennsylvania Railroad Company of the lands in its Greenville terminal on the shore of New York Bay in Jersey City. His comparison in that instance as spread upon the record was between

the prices said by him to have been paid by the Company and the *assessed value* of the lands. (Vol. II; pp. 855, *et seq.*) It does not appear that the lands were assessed at their full market value nor does it appear what that value was for any purposes. Such a comparison is worthless as evidence. Possibly the company did not have power to condemn and advantage was taken of it. If that was so the instance has no probative effect for the same advantage could not be taken of a company having that power.

Mr. Record referred also to the purchase by the Pennsylvania Railroad Company of the Vanderbeek property at the foot of Morgan Street in Jersey City. He said that property was purchased by a lumber company about the year 1890 for $150,000 and sold to the railroad company in the year 1903 for $375,000. That difference in price can be accounted for in many ways. Ten years or more elapsed between the two sales and time may have caused a change in value. The property may have had some particular value to the lumber company, or it may have been of special value to the railroad company for its particular use under its franchise. It forms a small part of the terminal lands of the railroad company and having acquired the bulk of those lands years ago the railroad company might have felt warranted in paying an excessively high price for it but would not have paid the same high price for every square foot of its terminal lands. A naked comparison between the price paid for that property by the railroad company and the price paid for it ten or more years before has no evidential character.

Mr. Record's statement that witnesses in other cases have testified that a railroad company pays more for its lands than their value for

other than railroad purposes is plainly incompetent as evidence.

The mere fact that in some instances railroad companies have paid for their lands more than the lands were worth for other than railroad purposes, although we submit there is no evidence of that fact, establishes no general rule that lands have a greater value for railroad purposes than for average business or other purposes. Speaking of railway value, which we understand to mean value for railroad purposes, Justice Hughes writing the opinion of the United States Supreme Court in the Minnesota Rate Cases, *Simpson, et al* v. *Shepard,* 230 U. S., p. 352, at p. 455, said:

> "The increase sought for 'railway value' "in these cases is an increment over all "outlays of the carrier and over the values "of similar land in the vicinity. It is an "increment which cannot be referred to any "known criterion, but rests on a mere ex- "pression of judgment which finds no proper "test or standard in the transactions of the "business world. It is an increment which "in the last analysis must rest on an esti- "mate of the value of the railroad use as "compared with other business uses; it in- "volves an appreciation of the returns from "rates (when rates themselves are in dis- "pute) and a sweeping generalization em- "bracing substantially all the activities of "the community. For an allowance of this "character there is no warrant."

That the larger part of the water front of Jersey City is devoted to railroad terminals has no particular significance as to the value of land. The bulk of the lands in those terminals was acquired long ago when land was cheap. The terminals have expanded along lines estab-

lished years ago. If terminals had to be purchased today they might not be in their present location or condition. Economically the land in the terminals may be more valuable for warehouse purposes than for railroad purposes, yet any change would be so difficult as to be practically impossible. The present position of the terminals is the result of their original establishment rather than consideration of present economic conditions.

No conclusion can be drawn from the fact that the railroad companies prefer to keep the lands in their terminals rather than dispose of them. Each railroad terminal has a particular value to its owner for use for its particular purposes. They have been developed along special lines. Thus a coal carrying railroad has developed one kind of terminal, a structural steel carrying railroad another, a flour carrying railroad another, and a cattle carrying railroad another. The bulk of the business of each railroad determines very largely the character of its terminal. Having developed a terminal according to the needs of its business the terminal has a particular value to that business. The business of the railroad companies may warrant them in retaining their terminals, but the value of that business is not inherent in the terminals. It is produced by the entire railroad property including the franchise or right to operate. The retention of the lands in the terminals may indicate that they are necessary adjuncts to each individual railroad but not that they have any particular general market value.

Mr. Record concluded that the railroad companies do an *apparently* profitable business on their terminal lands. How is such a conclusion possible? It was said in the case of *Delaware, Lackawanna and Western Railroad Co.* v. *Clapp.*

152 N. Y., p. 490; 39 L. R. A., p. 237, that the assessment of the real estate of a railroad upon a basis of profits or income of the whole railroad must necessarily attribute to the real estate a value which should be shared with the personal property and franchise. That is obvious. There is no evidence that the terminals are particularly profitable to the railroad companies. They are incidental to the principal business of carrying. They give consignees an opportunity to receive their freight and for a limited time there is no charge for holding or storing it at the terminals. Apparently the terminals are more of a necessity to the railroad business and to the public than a source of any profit to the railroad companies.

The matters mentioned by Mr. Record prove *no general rule* that terminal lands are more valuable for railroad purposes than for average business or other purposes which can be applied to the parcels in question. His testimony on the subject was argumentative and lacked substantial foundation.

Assuming, for the purpose of argument, that the parcels under consideration have a value for railroad purposes greater than their value for average business or other purposes, although we submit there is no evidence that they have, how much greater is their value for railroad purposes than for average business or other purposes?

The value of the parcels for average business or other purposes is known. Using that as a basis, can their value for railroad purposes be determined? Not by reference to comparative profits which can be made from their use for the respective purposes, for while the profit which can be made from their use for average business or other purposes is known, the profit which

can be made from their use for railroad purposes is unknown and cannot be ascertained. Nor can it be done by comparison of the prices paid for such land for average business or other purposes with the prices paid for the same kind of land for railroad purposes. The price that would be paid for the parcels in question for average business or other purposes is presumably no greater than stated by Mr. Hansel and Mr. Corbin. Mr. Hansel's appraisal of the largest parcel was $3,314,130 or at the rate of approximately $51,000 an acre to the pierhead line. The schedule of purchases by the Pennsylvania Railroad Company of the land in its Greenville terminal in Jersey City spread upon the record by Mr. Record indicates that $552,252 was paid for 81.03 acres, or approximately $6,900 an acre. (Vol. II; p. 856.) That was practically all upland, back of the bulkhead line and a modern freight terminal has been constructed upon it. So far as value for railroad purposes is concerned, the lands purchased by the Pennsylvania Railroad Company for its Greenville terminal had no great value for such purposes. In that case a modern freight terminal was created upon cheap lands, which no doubt serves its purpose just as well as if it had been created upon expensive lands.

The comparison made by Mr. Record in the case of the purchase by the Pennsylvania Railroad Company of the lands in its Greenville terminal does not prove that the railroad company paid any particular amount for those lands in excess of their market value for separate purposes. His comparison as spread upon the record was between the prices he said the railroad company paid and the *assessed value* of the parcels. The market value of those lands for separate purposes does not appear.

The purchase by the Pennsylvania Railroad Company of the Vanderbeek property at the foot of Morgan street in Jersey City, as stated by Mr. Record, does not prove that such property was more valuable for railroad purposes than for average business or other purposes. A naked comparison between two prices paid for property one ten years or more before the other, proves nothing as to comparative values.

The facts stated by Mr. Record prove *no general rule* as to how much more valuable terminal lands are for railroad purposes than for average business or other purposes which can be applied to the parcels under consideration.

Assuming, for the purpose of argument, that the parcels in question have a greater value for railroad purposes than for average business or other purposes, and that the former has been ascertained, although we submit there is no evidence of that value or its amount, is any greater value imparted to them because assembled into a connected whole appropriate to a railroad terminal and if so, what?

Two continuous lots of land in an expensive residential section are presumed to have a slightly greater value than either lot separately because a better use can be made of both together. Half a city block or a city block of land in a business or manufacturing section, is presumed to have a slightly greater value than single lots because of the better use that can be made of the large parcel. The excess value is called plottage value or value because of continuity. That is probably what the Supreme Court referred to when it said it is elementary that in combining two or more tracts of land for a purpose requiring both or all together, the

value of the whole may well be more than the total of the parts separately.

In support of that theory the Supreme Court cited the case of *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L., p. 1. Chief Justice Beasley writing the opinion of the Supreme Court in that case said:

> "The first exception in this vein is that "instead of ascertaining the true value of "the lands of these companies, the board, "after ascertaining such value multiplied "the sum thus settled by the numbers two "or three, and adopted the product as the "market or true value of the property. It "is insisted that by this course these officers "have assessed these lands at two or three "times their real value.
>
> "But we have failed to see either the illegality or injustice of this part of the "proceeding. The problem is not what land "for agricultural or building purposes is "worth, but what a narrow strip of land, "with valuable easements annexed to it, "adapted for railroad uses, will bring in the "market. That such strip of land, to be applied in such a manner, cannot be bought "at the price that the adjacent lands sell for "by the acre, is at once obvious. When a "railroad is located so as to pass through "a building plot or a farm, the damage done "to the part of the land not appropriated "is generally many times the value of the "land so taken, estimating its value by the "acre, and consequently the owner of the "required land will not sell it except at a "price that will compensate him as well for "the land he sells as for the damage sustained by the residue of his property, "there is no reason to suppose that the land "thus acquired, if sold in the market, for "railroad purposes, will not bring a sum "equal to the cost of its acquisition."

The lands referred to in that case were apparently those in the main stem for they are described as a narrow strip of land with valuable easements annexed to it. The reason there ascribed for holding that such lands were more valuable than adjoining lands was that when they were acquired more was paid for them than the value of adjoining lands because of the damage to other lands consequent upon their being taken. The soundness of that view is open to question. If one was compelled to buy a piece of machinery constituting part of a large plant, the owner would not sell it unless he was compensated for the disturbance of the plant, caused by the separation of that piece of it, and more would be paid for it than its intrinsic value, yet when the purchaser again sold it in the market he would get no more than its intrinsic value. If a railroad company was compelled to purchase a piece of land upon which a valuable business was conducted and its taking would result in the destruction of that business, the company might have to pay more for the destruction of the business than the value of the land, in which case it practically would purchase the business, yet when it came to sell that land it could not get the value of that business for the business no longer existed. If a railroad company pays more for its main stem lands than the value of adjoining lands because of consequential damage to the latter, it pays for a loss to the adjoining lands, not for any additional intrinsic value in the lands it buys.

The United States Supreme Court in the Minnesota Rate Cases; *Simpson, et al,* v. *Shepard, supra,* at p. 455, disapproved the view that railroad lands can be valued by including consequential damages and conjectural cost of acquisition.

Whether or not the payment of consequential damages adds anything to the value of railroad main stem lands is immaterial to the present inquiry, for we are dealing with lands having an essentially different character and valued and assessed in a different manner.

A railroad main stem is a peculiarly situated strip of land, the value of which for railroad purposes, lies in its continuity. It is recognized by the Act under which the present assessments were made as an entity and valued and assessed as a whole.

There may or may not be continuity of second class lands and their value for railroad purposes lies not so much in their continuity as in their connection with the main stem. The second class lands appear at intervals along the main stem and have no continuity among themselves as a whole. They are valued and assessed separately in each taxing district.

We submit that the case cited by the Supreme Court dealt with value because of payment of consequential damages rather than value because of mere continuity, and furnishes no authority in the present cases.

Plottage value or value because of continuity is created by market demand. Thus if an expensive residential section is broken up, a small lot can be disposed of to better advantage than two lots together because there is a greater demand for single lots. If a business or manufacturing section is destroyed large parcels are of no particular advantage.

In the case of *Turnley* v. *City of Elizabeth,* 76 N. J. L., p. 42, the question was as to the value of improvements under the Revised Tax Act of 1903. The owner had incorporated into the construction of his residence a number of

features and fancies, that while adding greatly to its cost, added little or nothing to its selling price or market value. The Supreme Court found that either the original cost of construction or the estimated cost of reproduction had been regarded rather than the standard set up by the statute, viz., selling value. Justice Garrison writing the opinion in that case, said:

> "We are not disposed, however, to give "much force to the argument that because "there are very few actual buyers for so "costly a residence the valuation to be "placed upon it under the statutory criter- "ion should be correspondingly depreciated. "The criterion established by the statute is "a hypothetical sale, hence the buyers there- "in referred to are hypothetical buyers, not "actual and existing purchasers. If this be "not so, a citizen, by the erection of a resi- "dence so costly that no one could buy it, "would escape all taxation, which is obvious- "ly not the the intent of the legislature or "the proper interpretation of the statute. "Taxation nominally bears some relation to "the degree of protection required by the "tax payer and to his ability to contribute "to such public burden as manifested by the "permanent improvement of his real prop- "erty. Mere costliness, therefore, cannot "rationally be made the basis of exemption "from taxation. The location of property "and the consequent state of the market for "it stand, however, upon a different foot- "ing, and have a proper relation to the "statutory standard."

The opinion in that case indicates that while a hypothetical sale to a hypothetical buyer may be considered in determining market value, yet regard must be had to the *state of the market.* In the present cases there was no market demand for lands assembled for railroad terminal

purposes and consequently such lands had no particular value because of any continuity for such purposes. Continuity for railroad purposes in the present cases was not an element of market value.

Assuming, for the purpose of argument, that the parcels in question had a value for railroad purposes because of their location and continuity, which was greater than their value for average business or other purposes, although we submit that does not appear, can or should the former value be determined by the application of a multiple to the latter?

There is no evidence that the profit which can be made from the use of the parcels for railroad purposes is greater by any percentage than the profit which can be made from them for average business or other purposes, and therefore no application of any multiple can be based upon profitable use. The facts stated by Mr. Record do not prove conclusively that railroad companies have actually paid more for their lands than the value of those lands for average business or other purposes. His testimony that they have is largely hearsay. If in certain instances such companies have paid for their lands from two to ten times their value for average business or other purposes, as Mr. Record said, the reasons for such excess payment must be considered before any conclusion as to value can be reached. In any event *original cost* is not the *criterion* of market value. Whether in those instances the lands purchased were subsequently worth their original cost in the market is unknown. The fact that railroad companies have paid for their lands *various* amounts in excess of their value for average business or other purposes proves that in original acquisition of such lands there is *no general rule* as to their cost.

It cannot prove that as a *general rule* their market value after acquisition is greater by any percentage than their original cost. No concrete rule as to market value of railroad lands can be evolved from their original cost which can be applied to the parcels in question. The market value of the parcels for railroad purposes cannot be determined by the application of a multiple to their value for average business or other purposes based upon any general rule. Such a method of determining market value should not be left to judgment alone.

Judgment not based upon a general rule evolved from facts may easily be swayed by expediency, imagination or bias. Given a problem impossible of solution, the result to be achieved is often more controlling than the means by which it is reached. If a high market value is the primary consideration, expediency might result in the adoption of a rule unjustified by anything except that expediency. If the imagination is strong enough almost anything is justified in the mind of the one having it. If biased the mind is incapable of forming a proper judgment. We do not say that any of those conditions existed in the present cases, but state them to show the evil flowing from the exercise of a judgment not based upon general rule. The market value of land is often difficult to determine and when that determination results in the taking of property, as is the case when market value is determined for taxation, the method by which that value is determined should not be based upon expediency, imagination or bias. There can be no error in a judgment amply supported by facts while a judgment not supported by facts may be erroneous. The dangers of the latter condemn it.

We submit there is not the slightest evidence in these cases that, as a matter of fact, the parcels under consideration have any greater market value for railroad purposes, either singly or collectively, than for average business or other purposes, nor has it been established that, if such greater market value exists, it can be measured by any percentage. The alleged greater market value was a mere conjecture and the percentage applied was an arbitrary one having no general application.

The Supreme Court sustained the application of the multiple of twenty per cent. to Mr. Hansel's appraisal and it follows that the amounts added by that multiple are included in the valuations of the parcels under consideration as determined by the Court. We submit that the application of the multiple by the State Board and its approval by the Supreme Court were erroneous.

II.

Said valuations and assessments were made by and upon an erroneous principle, in that they were based. in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

The Supreme Court determined the value of said lands for assessment by and upon an erroneous principle, in that said value was based, in whole or in part, upon an alleged cost of reproduction of the railroad terminal of prosecutor.

Mr. Record, testifying in narrative form, on direct examination by counsel for the State, said: (Vol. II; p. 841, l. 20-p. 846, l. 14.)

"From my experience in purchasing the "railroad terminal in Greenville, I came to

"the conclusion that whenever any corpora-
"tion is compelled to get together a large
"or unusually shaped tract of land, which
"requires purchasing of many separate
"tracts from individual owners, in order to
"make up the large and peculiarly shaped
"tract needed, such corporation whether
"railroad or private, will be compelled to
"pay a sum very much in excess of the value
"of the separate pieces of property, where
"the value of such pieces of property is
"based upon the availability of each separ-
"ate piece for the ordinary country or city
"use. I came to the conclusion that, when
"a railroad wanted to buy property of this
"kind, the cost to the railroad to assemble
"property suitable for terminal or main stem
"uses, would be very many times the pro-
"portionate cost of buying a single tract of
"land for the ordinary farm or city purpose.
"I was confirmed in the belief by the admis-
"sion of every expert produced by the rail-
"road company. This fact, of this increased
"cost from two to ten times the value of
"adjacent property, so far as I now can
"recollect, has never been disputed by any
"witness for the railroad or by any counsel
"in argument for the railroad company; it
"has never been denied, according to my
"present recollection. * * * From this ex-
"perience and from this testimony, I drew
"the conclusion that the actual cost to the
"railroad company to gather together these
"lands in this state for main stem and ter-
"minal property was at least twice the aver-
"age price for adjoining land in the market
"for other purposes, considered as separate
"parcels. I then considered whether this
"was a fair measure of value. The value of
"property, in my opinion, depends upon two
"elements, the cost of reproduction and the
"demand. The question of a demand is very

"essential in arriving at value, in my opin-
"ion. * * * I therefore form the judgment
"that there is a demand, and that that de-
"mand justifies the prices that they have
"paid for it, and therefore justifies a con-
"clusion the land is worth substantially
"what (it) would cost to acquire a similar
"tract, with such advantages. To acquire
"such a tract, with such advantages, would
"cost many times the valuation which we
"have put upon this property. Some evi-
"dence to determine that cost I will submit
"in a moment. If I am right, that this prop-
"erty must be considered with reference to
"its availability for railroad uses and that
"demand and the cost of reproducing it are
"*the only* two elements to be considered,
"then I come to another point."

Mr. Record was unable to say definitely that there was any demand for another railroad terminal in Jersey City (Vol. II; p. 873, l. 1-l. 30). His testimony as to demand, if it has any evidential character, proves a demand only for the existing terminals in that city. There being no demand for additional terminals, no person or corporation would pay for prosecutor's terminal what it would cost to produce a terminal similar to prosecutor's in order to acquire one. Mr. Record's testimony as to demand for railroad terminals proves no market value of prosecutor's terminal lands. Nor does his testimony as to cost of reproduction prove such market value.

Assuming for the purpose of argument, that Mr. Record had endeavored to estimate the cost of reproducing prosecutor's terminal in the exact location and condition in which it now is, although we submit he endeavored to estimate the cost of the reproduction of a similar terminal in localities of an entirely different character, his

testimony would not have been evidence of the market value of the parcels under consideration.

Mr. Record's estimate of the cost of reproducing prosecutor's terminal was based upon the suppositions that a railroad company pays more for its lands than their value for separate purposes and that there is some additional cost of assembling.

Under Mr. Record's theory, the separate value of the parcels under consideration would first have to be determined, and then whether those parcels had any additional value for railroad terminal purposes would have to be ascertained. Probably the only guide to the separate value of the parcels would be the value of surrounding lands. The value of those lands has largely been created by the existence of prosecutor's terminal and it is impossible to assume that such value would remain if the terminal was not in existence. Therefore the value of surrounding lands would not be evidence of the market value of the parcels separately. No such evidence would be available.

Any estimated cost of assembling would be entirely conjectural. Engineering and carrying charges could not be ascertained with any certainty.

It was said by the United States Supreme Court in the Minnesota Rate Cases, *supra,* at page 450, that:

> "In reviewing the findings, the court be-
> "low reached the conclusion that the Master
> "in effect found that the cost of reproduc-
> "tion and the present value of the lands for
> "the terminals in the three great cities, in-
> "cluding therein all cost of acquisition, con-
> "sequential damages, and value for railroad
> "use which he allowed, was only 30 per cent.
> "more than the normal value of the lands

"in sales between private parties. He found "the value of the lands outside the termi- "nals to be only twice their normal value.

"From our examination of the evidence "we are unable to conclude that the excess "stated may be thus limited. * * *

"It is at once apparent that, so far as the "estimate rests upon a supposed compulsory "feature of the acquisition, it cannot be "sustained. It is said that the company "would be compelled to pay more than what "is the normal market value of property in "transactions between private parties; that "it would lack the freedom they enjoy, and "in view of its needs, it would have to give "a higher price. It is also said that this "price would be in excess of the present "market value of contiguous or similarly "situated property. It might well be asked, "who shall describe the conditions that "would exist, or the exigencies of the hypo- "thetical owners of the property, on the "assumption that the railroad were removed. "But, aside from this, it is impossible to "assume, in making a judicial finding of "what it would cost to acquire the property, "that the company would be compelled to "pay more than its fair market value. "* * *

"It is urged that, in this view, the com- "pany would be bound to pay the railway "value of the property. * * * The owner "would not be entitled to demand payment "of the amount which the property might "be deemed worth to the company, or of an "enhanced value by virtue of the purpose "for which it was taken; or of an increase "over its fair market value, by reason of "any added value supposed to result from "its combination with tracks acquired from "others so as to make it part of a continu- "ous railroad right of way held in one "ownership. * * *

"Moreover, it is manifest that an attempt "to estimate what would be the actual cost of "acquiring the right of way, if the railroad "were not there, is to indulge in mere specu- "lation. The railroad has long been estab- "lished; to it have been linked the activities "of agriculture, industry and trade. Com- "munities have long been dependent upon "its service, and their growth and develop- "ment have been conditioned upon the facil- "ities it has provided. The uses of prop- "erty in the communities which it serves are "to a large degree determined by it. The "values of property along its line largely "depend upon its existence. It is an in- "tegral part of the communal life. The as- "sumption of its non-existence, and at the "same time that the values that rest upon "it remain unchanged, is impossible and "cannot be entertained. The conditions of "ownership of the property and the amounts "which would have to be paid in acquiring "the right of way, supposing the railroad "to be removed, are wholly beyond reach of "any process of rational determination. The "cost-of-reproduction method is of service "in ascertaining the present value of the "plant, when it is reasonably applied and "when the cost of reproducing the property "may be ascertained with a proper degree "of certainty. But it does not justify the "acceptance of results which depend upon "mere conjecture. * * *

"Efforts to express the results in the "terms of a theory of cost of reproduction "fail, as naturally they must, to alter or "obscure the essential character of the work "undertaken and performed. Presented with "an impossible hypothesis, and endeavoring "to conform to it, the appraisers—men of "ability and experience—were manifestly "seeking to give their best judgment as to

"what the railroad right of way was worth.
"* * *

"We therefore hold that it was error to "base the estimates of value of the right-of-"way, yards and terminals upon the so-"called railway value of the property. The "company would certainly have no ground "of complaint if it were allowed a value "for these lands equal to the fair average "market value of similar land in the vicinity, "without additions by the use of multipliers, "or otherwise, to cover hypothetical out-"lays. The allowances made below for con-"jectural cost of acquisition and consequen-"tial damages must be disapproved; and, "in this view, we also think it was error to "add to the amount taken as the present "value of the lands the further sums, cal-"culated on that value, which were em-"braced in the items of 'engineering, super-"intendence, legal expenses, contingencies' "and 'interest during construction.'"

The very theory of valuing railroad terminal lands according to the cost of reproduction of the terminals, advanced by Mr. Record, was considered and disapproved by the United States Supreme Court in that case.

Mr. Record's theory for the valuation of the parcels in question, if it had been based upon an estimated cost of reproduction of prosecutor's terminal in its present location and condition, is unsound and has no legal support.

The cost-of-reproduction method of valuation as applied by Mr. Record is particularly obnoxious.

He testified upon cross examination by counsel for appellant as follows (Vol. II; p. 871, l 24-p.872, l. 34):

"Q Did I understand you to say that "you based the cost of reproduction of a

"terminal similar to the Long Dock terminal "along the Hudson River in Jersey City, "upon the cost of acquiring land south of "Exchange Place, with its northerly boun- "dary line along Montgomery Street and "Exchange Place, and upon the cost of ac- "quiring land in Hoboken, with the souther- "ly boundary line along Hudson Place and "Ferry Street? A Yes, I based the cost "of reproduction upon that basis, those be- "ing the only two places that I know of "where you can get a terminal similarly "situated to the Long Dock.

"Q So far as lower Jersey City is con- "cerned, the most expensive land is along "lower Montgomery Street and Exchange "Place? A Well, I am not sure whether "that is more expensive than that in the "shopping district or not.

"Q By 'shopping district' you mean "along Newark Avenue? A Mr. Ryer con- "firms my idea that the shopping district "on Newark Avenue above the Pennsylvania "Railroad has values as high, if not higher "than those at Exchange Place.

"Q But aside from the shopping district "along Newark Avenue, values in Jersey "City, along lower Montgomery Street and "Exchange Place, are the highest in the "lower section of the City? A I should "think so.

"Q And in Hoboken, the values of land "along Hudson Place and Hudson Street, "running north from Hudson Place and "Newark Street running west from Hudson "Street, and along Ferry Street, are the "highest of Hoboken? A I have so under- "stood it; I have no information as to the "value of the shopping district on Wash- "ington Street there."

Mr. Record had an investigation made of the assessed valuation of a territory in Jersey City running southerly from Exchange place and Montgomery street. That territory has in it the buildings of the Commercial Trust Co., First National Bank, New Jersey Title Guarantee and Trust Co., Hudson County National Bank, Union Trust Company, the new Post Office, and the plant of Colgate & Co. It has a particularly high land value.

He also had an investigation made of the assessed valuation of a territory in Hoboken running northerly from Hudson place and Hudson street. That territory contains practically all of the banks, office buildings and theatres of the city. It also has a particularly high land value.

He based his estimate of the cost of reproducing a railroad terminal similar to prosecutor's, upon what it would cost to acquire the lands in those territories for such a terminal.

That anyone could or would purchase such expensive lands and ruin the financial and business sections of the respective cities for the purpose of producing a railroad terminal is impossible. Nor would anyone pay the price of such land for the parcels under consideration. That price would be prohibitive.

We submit that, while ordinarily the cost of reproduction of property may be evidence of value when the cost of reproduction can be ascertained, it is impossible to determine the value of a railroad terminal by an estimated cost of reproduction, for such cost of reproduction cannot be ascertained with any certainty. That involves a consideration of so many complicated matters that it is impossible. Furthermore the value of a railroad terminal in one place cannot be determined by an alleged cost of reproduction

of a similar terminal in another place subject to entirely different conditions. Nor is cost of reproduction of a railroad terminal alone the criterion of its value, in the absence of a market demand for railroad terminals. See *Turnley* v. *City of Elizabeth, supra.*

The Supreme Court approved a consideration of the cost of reproduction of a railroad terminal similar to prosecutor's for the purpose of determining the value of the parcels under consideration. We submit that such consideration prevented a fair determination of the value of those parcels and was erroneous.

III.

Said valuations and assessments were made by and upon an erroneous principle, in that they were based, in whole or in part, upon the alleged value of lands not similarly situated to, or in the vicinity of prosecutor's said lands.

The Supreme Court determined the value of said lands for assessment by and upon an erroneous principle, in that said value was based, in whole or in part, upon the alleged value of lands not similarly situated to, or in the vicinity of prosecutor's said lands.

The State endeavored to sustain the valuations and assessments in question as made by the addition of twenty per cent. to Mr. Hansel's appraisal on the theory that they were not in excess of Mr. Hendrickson's personal judgment as to the value of the lands valued and assessed, which judgment, it is claimed, was communicated to the other members of the State Board.

Mr. Hendrickson based his judgment upon the theory that all land in Jersey City and Hoboken for a distance of several blocks from the Hudson River had the same value because of its proximity to the river, except that land along Exchange place in Jersey City and along Hudson place in Hoboken has a particularly high adventitious value because of the presence of the Pennsylvania Railroad and Delaware, Lackawanna and Western Railroad respectively. Therefore he valued the parcels under consideration according to the value as shown by purchases and sales of all other land in Jersey City and Hoboken equidistant from the river. He valued the land in the parcels between the bulkhead line and the line of Hudson street, if extended, which is several hundred feet back of the bulkhead line, according to the value of other land equidistant from the river. He valued the land in parcels between the line of Hudson street, if extended, and the line of Washington street, if extended, a distance of about two city blocks, according to the value of other land, equidistant from the river. He valued the land in the parcels west of the line of Washington street, if extended, according to the value of other land equidistant from the river. Hudson street and Washington street are practically parallel to the river (Vol. II, p. 619, l. 26-p. 620, l. 30; p. 627, l. 14-p. 629, l. 35; p. 753, l. 29-p. 764, l. 29).

Starting at the south the first sale mentioned by Mr. Hendrickson of land in Jersey City between the bulkhead line and Hudson street was at the foot of Essex street for somewhat less than $2.00 a square foot. The next sale was at the foot of Morris street, one block north of the first sale, for $3,750.00 a lot, or $1.50 a square foot. The next was at the foot of York street, which is several blocks north of Morris street,

for $15,000 a lot or $6.00 a square foot. The next was at the foot of Exchange place, the next block north of York street, for $21,000.00 a lot, or $15.00 a square foot. The next was at the foot of Morgan street, which is a distance of several city blocks north of Exchange place, for $11,700.00 a lot, or about $4.70 a square foot. Within the same distance of the river and in Hoboken, he mentioned sales at $7,235.00 a lot, or about $3.00 a square foot, at $6,000.00 a lot or about $2.40 a square foot, at $5,800.00 a lot, or about $2.30 a square foot, and at $7,500.00 a lot or $3.00 a square foot. It will be observed that those sales as stated by Mr. Hendrickson showed values varying from $1.50 a square foot to $15.00 a square foot, yet they were all within the territory between the bulkhead line and the line of Hudson street.

In the territory in Jersey City between Hudson street and Washington street, Mr. Hendrickson mentioned sales at from 95 cents to $7.20 a square foot. The sales stated by Mr. Hendrickson indicated no uniformity of value in that territory.

The difference in value as shown by the sales mentioned by Mr. Hendrickson is accounted for by the various locations of the land.

Exchange place, which is a continuation of Montgomery street, forms a part of the financial section of Jersey City. Upon it and within a few blocks of it are located the principal banks and office buildings of the city. The main terminal of the Public Service Railway in the city is upon it. Direct entrance to the Hudson Tunnels leads from it. Land along that street and within a few blocks of it has a value peculiar to it alone because of those things.

Hudson Place in Hoboken forms part of the financial and business section of that city. The principal banks, office buildings and theatres of the city are in its immediate vicinity. The main terminal of the Public Service Railway in that city is upon it. Direct entrance to the Hudson Tunnels leads from it. Land along it and within a few blocks of it has a value peculiar to it alone because of those things.

Pavonia avenue, at the foot of which the parcels under consideration are located, and its immediate vicinity have not the same development or advantages as those other sections. The differences in conditions surrounding the former and the latter prevent any comparison. If the comparison made by Mr. Hendrickson is proper, why not take the value of land on Wall street between Broadway and Nassau street in New York City as the criterion of value of land on Forty-second street between Broadway and Fifth avenue in the same city? The land in each instance is equidistant from Broadway, a main artery of travel. Or why not take the land on Market street in Newark, at its intersection with Broad street as the criterion of value of land on any other intersecting street half a mile north or south of it? The land in each case would be equidistant from Broad street, a main artery of travel.

The rule permitting the value of land to be determined by comparison with the value of other lands is subject to a reasonable limitation.

It was said in the case of *Laing* v. *United New Jersey R. R. & C. Co.*, 54 N. J. L., p. 576, that:

> "Generally in this and other states (Lewis "Em. Dom. Sec. 443) evidence of sales of

"land in the neighborhood is competent on "an inquiry as to the value of land, and "if the purchases or sales were made by "the party against whom the evidence was "offered it might stand as an admission. "Wyman *v.* Lexington, &c., R. R. Co., 13 "Metc. 316. But such testimony is received "only upon the idea that there is substan- "tial similarity between the properties. The "practice does not extend, and the rule "should not be applied, to cases where the "conditions are so dissimilar as not easily "to admit of reasonable comparison; and "much must be left to the discretion of the "trial judge in the determination of the "preliminary question whether the condi- "tions are fairly comparable. Chandler *v.* "Jamaica Pond Aqueduct Co., 122 Mass. "305."

In determining the preliminary question as to conditions, Mr. Hendrickson regarded only proximity to the river and disregarded the location of banks, office buildings, theatres, street railway terminals and tunnel entrances, yet it is the latter rather than the former which create land values. Mr. Hendrickson's method of valuation was entirely theoretical, and based upon an unlawful comparison.

The Supreme Court said there was at least enough similarity along the water front to justify a comparison of values. The only similarity was proximity to the Hudson River. Considering that most of the land in the territories used by Mr. Hendrickson for comparison is cut off from the river by streets, it is apparent that the value of land in those territories was not created by *connection* with the water front. Nor did mere proximity to the river create that value. The relation of the office buildings to the street railway terminals and tunnel entrances,

the relation of the banks to the office buildings, the relation of the office buildings to the Post Office, and the relation of business to traffic had nothing to do with proximity to the river. Original proximity to the river may have started the original development in those territories, but that development has progressed, not because of proximity to the river, but because of local conditions and it is such local conditions which now produce the value of land in them and not proximity to the river.

We submit there was not such a similarity of conditions surrounding the lands used by Mr. Hendrickson for comparison and the parcels under consideration that the value of the former can reasonably be compared with the value of the latter. Both the State Board and the Supreme Court considered such a comparison appropriate. It was erroneous, and the valuations and assessments made by it should not stand.

IV.

Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors divided said lands into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

The Supreme Court determined the value of said lands for assessment by and upon an erroneous principle, in that said lands were divided into arbitrary parcels, some of which were wholly under water and had no value except in connection with and as appurtenant to the others, which others had but small value except in connection with the lands under water.

Mr. Hendrickson's judgment was that the land between the bulkhead line and the pierhead line in the parcels in question, which land is under the waters of the Hudson River, had a value of $1.00 a square foot.

He based that judgment, not on the value of such land as shown by the purchase and sale of similar land, but upon expert testimony he had heard, which he claimed showed by analysis that land having a depth of 800 feet from the bulkhead line to the pierhead line was worth $800.00 a front foot, that land having a depth of 1,200 feet between those lines was worth $1,200.00 a front foot, and that land having a depth of 1,500 feet between those lines was worth $1,500 a front foot. He admitted that none of the experts whose testimony he had heard placed any value on the land under water alone. (Vol. II; p. 690, l. 7-p. 692, l. 40.)

Mr. Hendrickson knew of no purchases and sales of land under water, alone, and therefore could have had no knowledge that such land could or would be sold in the market. His presumption that it had any separate market value is unwarranted. He did not have recourse to purchases and sales of such land to determine its separate market value, for there were none. The expert testimony he had heard was as to the value of such land in conjunction with upland, and not as to its separate value. He admitted that experts insisted on valuing the land under water in conjunction with the upland, and not separately. His theory that land under water had any separate value was not based upon any known facts showing that it has such value, nor had it the support of expert opinion. He alone advanced the theory that land under water had any separate value.

Mr. Hendrickson did not explain how he analyzed expert testimony he had heard as to the value of land under water in conjunction with back land, so that the result was a value of $1.00 a square foot for the land under water alone. We submit the following as a logical conclusion under Mr. Hendrickson's theory. The maximum depth from the bulkhead line to the pierhead line of the parcels in question is 1,001.66 feet. The distance from the bulkhead line to the line of Hudson street is somewhat less than 500 feet. Considering the distance between the pierhead line and the line of Hudson street as 1,500 feet, the experts, according to Mr. Hendrickson, would have valued that land at $1,500 a front foot. The major parcel under consideration has a frontage of 1,037.5 feet on the bulkhead line. That would make an expert valuation of the land in that parcel between those lines of $1,556,250. Mr. Hendrickson's valuation

of the land between the bulkhead line and the line of Hudson street was $928,725. Deducting that value from the total value which would have been stated by experts, according to Mr. Hendrickson, leaves $627,525.00 as the value of the land under water. He said there were 901,930 square feet of land under water in that parcel which would give that land value of about 70 cents a square foot. It is possible that Mr. Hendrickson analyzed the expert testimony by spreading the value stated by the experts uniformly over the land under water and upland, and having arrived at a square foot value of the whole in that way, used that as the value of the land under water, and some other value of the upland. That would manifestly be an incorrect analysis.

Mr. Hendrickson's theory that the land under water in the parcels under consideration has a separate market value is unreasonable. Such land is not bought and sold in that way. Any separate use of it would be restricted because it would have an approach only by water. The Secretary of War under act of Congress has paramount control over it and can so regulate its use that it would be of practically no value without the upland. See *Greenleaf Johnson Lumber Co.* v. *Garrison,* 237 U. S., p. 251. It is impossible, in view of those matters, to believe that any one would pay anything for land under water alone. Mr. Hendrickson's theoretical valuation of the land under water is the result of his zone method of valuation, which divides the parcels under consideration at the bulkhead line in an arbitrary way not justified by the purchase, sale or beneficial use of the parcels. It is untenable, and gives no support to the valuations and assessments in question.

V.

Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors valued and assessed said lands under water between the exterior line for solid filling and the exterior line for piers, separately from the upland.

The Supreme Court determined the value of said lands for assessment by and upon an erroneous principle, in that said lands under water, between the exterior line for solid filling and the exterior line for piers, were valued separately from the upland.

Mr. Hendrickson valued the land under water in the parcels under consideration between the exterior line of solid filling and the exterior line for piers, separately from the upland. The State Board actually assessed two of the parcels in that way.

Appellant occupies that land under water by virtue of its charter (P. L. 1856, p. 67). Although Mr. Hendrickson valued the land under water in front of the major parcel lying north of Pavonia avenue separately from the upland, which was erroneous, the State Board assessed that land under water as an appurtenance of the upland which was a correct method of assessment. The land under water in front of the parcel south of Pavonia avenue was valued and assessed by the State Board in two parcels, separately from the upland. Appellant neither occupies nor uses all of the land under water which has been valued and assessed and upon which it is asked to pay taxes. Some of it is under the navigable waters of the Hudson River. There should be no separate assessment against any of the land under water, but if such assess-

ment is made it can be only upon that portion of the land which is covered by the piers and other structures. In *Long Dock Co.* v. *Board of Equalization of Taxes,* 87 N. J. L., p. 22, which involved the legality of a separate assessment upon the land under water between old and new pier lines it was held that until the land under water is reclaimed it is not assessable for taxes as a separate tract.

VI.

Said valuations and assessments were made by and upon an erroneous principle, in that the State Board of Assessors ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

The Supreme Court determined the value of said lands for assessment by and upon an erroneous principle, in that said court ascribed to said lands an alleged value on account of their connection and use which was far in excess of their true or market value.

The value of the parcels under consideration according to expert opinion based upon known facts was no greater than that stated by Mr. Hansel and Mr. Corbin, men of recognized ability. Mr. Record was of opinion that they had a greater value because of their availability for railroad purposes. He testified, on direct examination, as follows (Vol. II, p. 847, ll. 14-20):

> "My conclusion then is, that when the "property is devoted to, or is available for "railroad use, it has an element of value "by reason of its availability for such uses, "and that that element of value is to be "measured by the profit that can be made

"out of it for such use. We can get this "evidence, that will show by sales, or by "profits, the approximate value of the land "fitted for farming purposes, and of land "fitted for the retail business on the main "street of the city, and of land fitted for "warehouse business. Sales of such prop- "erty are frequent enough to offer a rea- "sonable standard. But when we come to "the railroads, we have no direct informa- "tion from witnesses as to the profitability "of the railroad use, and therefore we have "to estimate the element of the availability "of this property for railroad uses as best "we can. We start with the proposition "that it originally cost many times the value "of adjacent property to assemble it to- "gether in its present shape. * * * The "question then is, is the railroad use a "more profitable use than the warehouse "use? I concluded that it is, by reason "of the fact that the railroad terminals "always occupy much more expensive and "costly land than the warehouses occupy, "and that the railroads do an apparently "profitable business upon lands costing them "this excess price."

Mr. Record's argument was, in effect, that a railroad company pays more for its lands than do private parties, that a railroad company makes a beneficial use of the lands costing it such excess price, and therefore that the railroad company's lands must be worth what they cost.

The initial error in that argument is that it assumes that appellant paid more for the parcels under consideration than the value of adjacent property to assemble them together in their present shape. There is no evidence of the price appellant originally paid for them and

consequently no estimate of their present value can be based upon their original cost. But, assuming that appellant originally paid for the parcels more than the value of adjacent property, and that it now makes a beneficial use of them for railroad purposes, or that another railroad company could make a beneficial use of them for similar purposes, and therefore that they are worth their original cost to appellant for its use, or would be worth their original cost to another railroad company for a similar use, any value based upon that beneficial use is in part at least a franchise value.

No beneficial use for railroad purposes can be made of those parcels *alone,* either by appellant or another railroad company. The only beneficial use for railroad purposes which they now have to appellant, or would have to another railroad company, lies in connection with the other railroad property and the right to operate a railroad. The value of such beneficial use is created, and would be created, by the business of appellant, or of another railroad company. The use of appellant's entire railroad property, or the entire railroad property of another railroad company, would create any benefit that the parcels have for railroad purposes, and the extent of that benefit is and would be, determined by the profitableness of that use. Therefore, no value can be attributed to the parcels based upon beneficial use which does not include the value of the beneficial use of the other railroad property including the franchise.

VII.

There was no evidence before the State Board of Assessors which supports said valuations and assessments.

There was no evidence before the Supreme Court which supports or justifies the value of said lands for assessment as determined by the Supreme Court.

The errors in Mr. Record's method of valuation of the parcels under consideration, according to an estimate of their value for railroad purposes, and according to an estimated cost of the reproduction of appellant's terminal, or of a terminal similar to it, have been pointed out, as have also the errors in Mr. Hendrickson's method of valuation, according to arbitrary zones parallel with the river, the value of that part of each parcel lying in the respective zones being valued by comparison with the value of the other lands not in the neighborhood nor subject to the same conditions as the parcels under consideration. We submit that the Supreme Court has made the same errors in following those methods of valuation, or either of them, as did the State Board. Therefore the valuations and assessments in question as made by the State Board and the Supreme Court are not supported or justified by the testimony of either Mr. Record or Mr. Hendrickson or both of them.

There remains to be considered the testimony by Mr. Ehrehardt and Mr. Dunham, witnesses produced by Jersey City, and by Mr. Lohmann, a witness on behalf of the State.

Mr. Ehrehardt had been employed by Jersey City for some time as an appraiser of railroad lands for the purpose of taxation. He had never purchased, sold or leased any water-front land in Jersey City. At the time he testified, he was

employed by the New York Central Railroad Co. as a consulting engineer, his special work being the appraisal of special franchises, or the value of the right to use the land in public streets.

He valued all of the land in the parcels under consideration at a uniform rate of $1.85 a square foot (Vol. II, p. 529, ll. 3-6). He did not disclose the basis or method of his valuation. It was a naked expression of judgment without substantial basis or consideration, so far as his testimony shows, and is worthless as evidence of value. It is apparent that neither the State Board nor the Supreme Court accepted his judgment, and there is no sufficient reason why this Court should do so.

Mr. Dunham is a civil engineer employed by Jersey City. He had gathered some data bearing upon the value of water-front land in Jersey City. Like Mr. Ehrehardt he valued the parcels under consideration at a uniform rate of $1.85 a square foot. (Vol. II, p. 449, ll. 27-40.) His method of valuation is apparent.

He examined the assessments upon lands in Jersey City, bounded on the north by the Pennsylvania Railroad, on the east by the pierhead line in the Hudson River, on the south by the Morris Canal, and on the west by Warren street, and found that the average *assessed value* of lands in that territory was $1.575 a square foot (Vol. II, p. 451, ll. 8-37.

He examined the assessments upon lands in Hoboken, bounded on the north by Third street, on the east by the pierhead line in the Hudson River, on the south by the Lackawanna Railroad, and on the west by Willow avenue, and found that the average *assessed value* of lands in that territory was $2.122 a square foot (Vol. II, p. 452, ll. 19-29).

The average *assessed value* of the land in both territories was $1.849 or $1.85 a square foot. That was the value he applied to the parcels under consideration.

Mr. Record admitted that the examination of assessed values made by Mr. Dunham was at his request for the purpose of determining the value of the parcels under consideration by comparison with the value of lands in the territories mentioned by Mr. Dunham (Vol. II, p. 853, ll. 12-34).

The error of such a comparison, because of the great differences of conditions which produce land value, has heretofore been pointed out.

Other testimony by Mr. Dunham as to value of land near the parcels in question as shown by sales cannot be depended upon as showing the value of such land for the prices he stated were for land *and buildings* and he did not deduct the value of the buildings (Vol. II, p. 546, ll. 11-41).

Mr. Dunham's testimony has no probative force. His statement of the value of the parcels under consideration was merely the result of a comparison which any man of ordinary intelligence who had studied arithmetic could have made. It was not an expression of expert opinion based upon knowledge and experience. Neither the State Board nor the Supreme Court accepted his valuation.

Mr. Lohmann, president of the Board of Assessors of Hoboken, testified on behalf of the State. He said that land in Hoboken was assessed very close to its true value. He testified that the water-front in Hoboken lying between River street (which is the first street west of the Hudson River) and the pierhead line was valued at $1,600.00 a front foot (Vol. II, p. 465,

ll. 21-31). Mr. Hendrickson valued the land in the major parcel under consideration, lying between Hudson street, if extended (which is the first block west of the Hudson River in Jersey City) and the pierhead line at about $1,900.00 a front foot, excluding the frontage of the main stem, and about $1,800.00 a front foot, including that frontage. Mr. Lohmann's testimony gives no real support to the State Board's valuation of the land in the parcels under consideration along the water front, and no support whatever to its enormous valuation of the land in the parcels back of the water-front.

The testimony by Messrs. Record, Hendrickson, Ehrehardt, Dunham and Lohmann was chiefly as to the value of the water-front parcels under consideration. So far as the value of the parcels back of the water-front is concerned, we submit that there was no testimony before the State Board or the Supreme Court which sustains the valuations and assessments in question. The only facts upon which a valuation of those parcels can be based were those stated by Mr. Gaddis and Mr. Ryer, witnesses produced by appellant. They are experts of skill and ability and their judgment as to value was the only competent expression of opinion.

The assessed valuations and the valuations of the several parcels stated by each of the witnesses are as follows:

BLOCK 17, PLOT A-2.

Assessed valuation for the years 1911, 1912 and 1913, and basic valuation for the year 1914, to which is to be added any additional value because of extension of the exterior line for piers,	$3,856,956.

Value stated by Mr. Hendrickson,	4,041,802.
Value stated by Mr. Dunham,	5,216,895.
Value stated by Mr. Hansel,	3,214,130.
Value stated by Mr. Corbin,	3,185,224.
Combined value of water-front stated by Mr. Corbin and value of land back of water-front stated by Messrs. Gaddis and Ryer,	2,511,930.

Mr. Ehrehardt placed no separate value on the parcel mentioned but at the rate of $1.85 a square foot, which was applied by him, his valuation would be the same as Mr. Dunham's.

None of the other witnesses valued the parcel mentioned.

BLOCK 16, PLOT B-6.

Assessed valuation for the years 1911, 1912 and 1913, and basic valuation for the year 1914, to which is to be added any additional value because of extension of exterior line for piers,	$1,098,480.
Value stated by Mr. Hendrickson,	1,302,456.
Value stated by Mr. Dunham,	1,412,430.
Value stated by Mr. Hansel,	915,400.
Value stated by Mr. Corbin,	914,854.
Combined value of water-front stated by Mr. Corbin and value of land back of water-front stated by Messrs. Gaddis and Ryer,	740,240.

Mr. Erhehardt placed no separate value on the parcel mentioned, but at the rate of $1.85 a square foot, which was applied by him, his valuation would be $1,252,519.

None of the other witnesses valued the parcel mentioned.

LAND AT FOOT OF PAVONIA AVENUE.

Valuation for assessment for the years 1911, 1912 and 1913, and basic valuation for the year 1914, as determined by the Supreme Court, to which is to be added any additional value because of extension of exterior line for piers,	$ 96,000.
Value stated by Mr. Dunham,	113,800.
Value stated by Mr. Hansel,	96,830.
Value stated by Mr. Corbin,	96,502.

Mr. Hendrickson placed no value upon the parcel mentioned, but at the rate of $1.00 a square foot, which he applied to the land under water in the major parcel, his valuation would be $91,040.

None of the other witnesses valued the parcel mentioned.

BLOCK 16, PLOT B-7.

Valuation for assessment for the years 1911, 1912 and 1913, and basic valuation for the year 1914, as determined by the Supreme Court, to which is to be added any additional value because of extension of exterior line for piers,	$108,802.
Value stated by Mr. Dunham,	136,016.
Value stated by Mr. Hansel,	115,732.
Value stated by Mr. Corbin,	115,342.

Mr. Hendrickson placed no value upon the parcel mentioned, but at the rate of $1.00 a square foot, which was applied by him to the land under water in the major parcel, his valuation would be $108,802.

None of the other witnesses valued the parcel mentioned.

BLOCK 182, PLOT C.

Assessed valuation for the years 1911, 1912, 1913 and 1914,	$13.812.
Value stated by Messrs. Gaddis and Ryer,	2,625.

Mr. Hendrickson placed no value on the parcel mentioned but if he had valued it at the rate of $1.00 a square foot, which was the rate he applied to the land in the major parcel immediately adjoining, his valuation would have been $7,667.00.

It is possible, although not clear, that Mr. Dunham placed a value of $1.85 a square foot on the parcel mentioned. (Vol. II, p. 449, ll. 16-26.) If so that would make his valuation of the parcel $14,183.13.

None of the other witnesses valued the parcel mentioned.

BLOCK 183, PORTION OF PLOT A.

Assessed valuation for the years 1911, 1912, 1913 and 1914,	$87,740.
Value stated by Messrs. Gaddis and Ryer,	27,400.

Mr. Hendrickson placed no value on the parcel mentioned, but if he had valued it at the rate of $1.00 a square foot, which was the rate he applied to the land in the major parcel immediately adjoining, his valuation would have been $48,700.

Mr. Dunham valued the parcel mentioned at $1.85 a square foot, or $80,095.

None of the other witnesses valued the parcel mentioned.

BLOCK 218.

Assessed valuation for the years 1911, 1912, 1913 and 1914,	$40,810.
Value stated by Messrs. Gaddis and Ryer,	22,576.

None of the other witnesses valued the parcel mentioned.

BLOCK 395.

Assessed valuation for the years 1911, 1912, 1913 and 1914,	$13,536.
Value stated by Messrs. Gaddis and Ryer,	10,236.

None of the other witnesses valued the parcel mentioned.

We submit the testimony shows that the valuations stated by Mr. Hendrickson and Mr. Dunham were erroneously made. Mr. Record's reasons for his valuation were unsound. The testimony by Mr. Ehrehardt, Mr. Lohmann and Mr. Cronan proved no particular value of any of the parcels mentioned. Therefore there was no testimony before the State Board or the Supreme Court which supports the valuations and assessments in question.

VIII.

Said valuations, assessments and taxes were not made and levied according to the true value of said lands.

Said valuations, assessments and taxes are excessive.

The Supreme Court determined the value of said lands for assessment by and upon an erroneous principle, in that said value was not according to the true value of said lands and is excessive.

We submit that the parcels under consideration were not valued for assessment by the State Board, according to any known value which could be placed upon them. They were valued by unlawful comparisons, conjecture and speculation. The principles by which the valuations and assessments were made, and the testimony produced in support of them, were erroneous. The parcels have no greater value than that stated by appellant's expert witnesses, which is much less than their assessed valuation. If this Court should so determine, then the valuations and assessments in question were not made and levied according to the true value of the lands and are excessive.

The Supreme Court determined the value of the parcels under consideration after having approved the principles by which they were made by the State Board, favorably considered the testimony of Mr. Record, which we submit was largely an argument, and to some extent accepted the judgment of Mr. Record and Mr. Hendrickson. If this Court should determine that there was error in any of those matters, then the value of the parcels as determined by the Supreme Court is excessive. If the assessed valuations are excessive it follows that the taxes in question are excessive.

IX.

The State Board of Assessors on the hearing of prosecutor's complaints against said valuations, assessments and taxes admitted illegal evidence against the objection of prosecutor and based their final determination of said valuations, assessments and taxation, in whole, or in part thereon.

Mr. Record testified as to the assessed value of a territory in Jersey City, bounded on the north by the main passenger terminal of the Pennsylvania Railroad, and also as to the assessed value of a territory in Hoboken bounded on the south by the main passenger terminal of the Delaware, Lackawanna and Western Railroad, on the theory that if appellant's terminal lands were sold they would be used for the same purposes as are the lands in those territories and would have the same value, and also on the theory that if a railroad company desired to produce a terminal in Jersey City it would have to do so upon those territories or pay the price of the land in them for prosecutor's terminal lands. That testimony was objected to by appellant. (Vol. II, p. 852, l. 32-p. 855, l. 9; p. 859.)

The territories mentioned by Mr. Record contain the principal business sections of Jersey City and Hoboken, respectively. In them are office buildings, banks, restaurants, hotels and other business places. He admitted that the lands in them had the highest value in the respective cities (Vol. II, p. 872). The distance between those territories is about a mile and although the water-front between them is almost entirely used by railroad companies, there is much land back of the water-front and within the westerly line of the territories, if extended,

which is not used for railroad purposes. That land has not been used for the purposes for which the land in the territories mentioned by Mr. Record is now used. What possible justification is there for a claim that if the parcels under consideration were sold, office buildings, banks, restaurants and hotels would be erected upon them? Assuming, for the purpose of argument, that such a claim was justified, although we submit it was not, is it reasonable to suppose that anyone would pay the value of land in those long established business sections for the parcels under consideration, which are in a section where no business is established and in which it will take years to establish business? The value of the land in the territories mentioned by Mr. Record is created by the *present* conditions incident to, and surrounding them and it is impossible to value other lands, not subject to the same conditions, by comparison with them upon the supposition that those conditions might be produced in the *future.*

The theory that if a railroad company desired to produce a terminal in Jersey City it would have to do so upon the territories mentioned by Mr. Record has no substantial foundation. The Pennsylvania Railroad Company produced a freight terminal in Greenville. There are hundreds of acres of water-front lands in the vicinity of that terminal not used for railroad purposes at the present time. The Erie Railroad Company produced a large freight terminal at Weehawken a comparatively short time ago. So far as passenger terminals are concerned, the tunnels under the river have supplanted the ferries, and it is doubtful whether a railroad company would require much water-front for ferry purposes.

No one would pay the value of land in the territories mentioned by Mr. Record for the parcels under consideration. The business of the city has largely created that value. Any one would have to pay the value created by that business in order to purchase the land in those territories. Appellant's terminal lands have no such value and no one would pay such value for them.

The theories upon which testimony as to the assessed value of land in the territories mentioned by Mr. Record was produced, are such that the testimony as to that assessed value was inadmissible.

The Supreme Court said in its opinion that there was at least enough similarity along the water-front to justify a comparison of values, citing the cases of *Packard* v. *Bergen Neck Railway Co.*, 54 N. J. L., p. 553, and *Manda* v. *Orange*, 82 N. J. L., p. 688.

It was said in the case of *Packard* v. *Bergen Neck Railway Co.*, that (italics ours):

> "The situation and *uses* of lands in the "vicinity of the lands in question sometimes "aid in fixing the value of the latter. But "as the distance increases the value of such "evidence grows less until it vanishes. It "must rest largely within the discretion "of the trial judge to draw the line at which "such evidence becomes of no practical "value. Unless it appears that the ruling "on matters within the discretion of the "trial judge worked some injury to the "exceptant it will not be disturbed."

Justice Voorhees, writing the opinion of the Court of Errors and Appeals in the case of *Manda* v. *Orange*, said (italics ours):

> "The rule limits the proof to the *present* "*condition* of the land and uses to which

"it is naturally adapted, but excludes specu-
"lative and possible uses if improvements
"and changes were made."

The water-front in the territories mentioned by Mr. Record is used for steamship, warehouse and dry-dock purposes. The land back of that water-front is used for business purposes. Appellant's terminal lands are not used for such purposes. The land back of the water-front in those territories is intersected by paved streets, with water mains, electric conduits and sewer pipes laid in them. Appellant's terminal lands are irregularly shaped parcels not intersected by city streets and having none of the improvements contained in such streets. The differences in use and in present condition between the land in the territories mentioned by Mr. Record and appellant's terminal lands prevented any comparison between them.

The testimony as to the assessed value of land in the territories mentioned by Mr. Record was injurious to appellant because his judgment of the value of the parcels under consideration was based upon it and the minds of the other members of the State Board were affected by it.

Part of Mr. Record's testimony was as follows (Vol. II, p. 852, ll. 24-33):

"On the north is the Lackawanna tract,
"devoted to the same purpose, which has
"never been sold in the market. I go fur-
"ther south and find the Lehigh Valley and
"the Central Railroad tracts, which have
"never been sold in the market. I find that
"the assessments upon these properties are
"the same as those upon the Long Dock
"terminal, and that these assessments have
"not been contested, and I take that into
"account."

Counsel for defendants offered in evidence the assessments by the State Board upon the terminal lands of the Delaware, Lackawanna and Western Railroad Company and the United New Jersey Railroad and Canal Company, lying respectively north and south of the parcels under consideration. Those assessments were admitted in evidence against appellant's objection (Vol. II, pp. 804-806; Exhibits S. 5 and S. 6, pp. 988, 989).

The acceptance by the Delaware, Lackawanna and Western Railroad Company and United New Jersey Railroad and Canal Company of the assessments upon their terminal lands was apparently regarded by the State Board as an indication that their valuation of the parcels under consideration was correct. We submit it was not.

The Supreme Court said in its opinion that the fact that the terminal lands of those other railroad companies were valued by the State Board was admissible as a basis for the qualifications of Messrs. Hendrickson and Record as witnesses. We submit that the fact of such valuation could have been proved without the assessments being put in evidence and that the assessments were not offered and admitted for the purpose of qualifying Messrs. Hendrickson and Record as experts. The Supreme Court said further that the finding of the State Board was fully supportable in that court, except as thereafter noted, without that evidence. The Court considered the error caused by the admission of that evidence, if error there was, harmless.

We regard the affirmance by the Supreme Court of the assessments of the parcels under consideration as an affirmance of the judgment

of the State Board, and therefore submit that any error in that judgment was harmful.

There was some testimony as to an alleged agreement by Mr. Harrison Williams, appellant's general land and tax agent, upon the value of the parcels under consideration for assessment. Appellant contended that no such agreement was made. The Supreme Court did not consider such testimony in ascertaining whether there was palpable error in the findings of the State Board (1911 Case, Vol. I, p. 51, ll. 20-25). We regard that testimony as having been eliminated so far as its effect upon the assessments in question is concerned.

X.

The Supreme Court ordered and adjudged that the valuations of said lands for assessment for the years 1911, 1912 and 1913 shall be at the valuations thereof as theretofore finally determined for said year by the State Board of Assessors, except for the reductions mentioned, whereas said Court should have set aside or reduced said valuations, assessments and taxes for said years for one or some of the above reasons which were urged before that Court.

XI.

The value of said lands for assessment as determined by the Supreme Court for the years 1911, 1912, 1913 and 1914, is for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

XII.

That part of the judgment of the Supreme Court from which appeals were taken, and the valuations, assessments and taxes ordered thereby, are for the reasons above stated, or one or some of them, and for other reasons, erroneous, wrongful, unjust, unlawful and unconstitutional.

XIII.

Said re-valuations, re-assessments and re-tax (for the year 1911) were not made and levied in accordance with the laws providing therefor.

Section 13 of the act under which the assessments in question were made provides as follows (Comp. Stats., p. 5270, pl. 457):

> "That if any company or person assessed, "or if the attorney-general on behalf of the "state, or if the authorities of any taxing "district, shall desire to contest the validity "or amount of any tax levied upon prop- "erty under the provisions of this act, such "contest shall be made by certiorari, which "may be granted on notice to the attorney- "general or to the company or person as- "sessed, on a proper case made, on such "terms as the justice or court granting the "writ may impose; upon such writ, relief "may be had as well in cases where it is "claimed that the amount of tax is exces- "sive or insufficient, as in cases where it is "claimed that the principle upon which the "assessment is made is erroneous; provided "that no writ of certiorari shall be granted "unless the applicant has applied to said "Board of Assessors to review the assess- "ment, as provided for in this act, nor

"shall any writ of certiorari be granted
"after the expiration of three months from
"the final determination of said board; if
"such writ shall be allowed, and if it shall
"be made to appear that any assessment
"is unlawful, excessive or insufficient, the
"court shall correct the same by whomsoever
"such writ shall be prosecuted, and reduce
"or increase it, as may be just, or refer it
"back to the Board of Assessors, who shall
"correct or re-assess the same, in accord-
"ance with the instructions of the court."

After this Court had determined that the original assessments for the year 1911 were erroneous, the Supreme Court set them aside and ordered a re-assessment with leave to the State Board to take further testimony. (1911 Case, Vol. I, pp. 22-23.) Thereupon further testimony was considered by the Board and the re-assessment made upon it. Much of that testimony was not before the State Board when the original assessments were made and had nothing to do with the principal cause of error in the original assessments, which was the addition of twenty per cent. to Mr. Hansel's appraisal. In view of the fact that appellant had complained that it had not been allowed to examine the assessors, perhaps further testimony by the assessors was permissible, but that did not justify the introduction of a mass of testimony by other witnesses, nor the making of the re-assessment upon such testimony. The act under which the assessments in question was made, provided for only one review of the assessments, and that if after such review the Supreme Court found the assessments unlawful, excessive or insufficient it should correct them, or refer them back for re-assessment with proper instructions for the making of the re-assessment. If the testimony

before the Supreme Court was not sufficient to enable it to give such instructions, that court had power to secure further testimony by depositions. We submit that the act did not permit the Supreme Court to throw open the entire matter for unlimited further testimony, and that having been done, and unlimited further testimony having been considered by the Board and the re-assessment made upon it, the re-assessment is erroneous so far as it was affected by testimony or facts not before the Board when the original assessments were made. Possibly the re-assessment should not have been set aside because of that error, but it was sufficient to prevent the Supreme Court from considering such testimony in determining the value of the several parcels for re-assessment. We submit that the Supreme Court did consider such testimony and so far as such testimony is reflected in the judgment of the Supreme Court, the re-assessment as made by the Board and affirmed by the Supreme Court was not in accordance with the laws providing therefor.

XIV.

There was no evidence before the Supreme Court that the lands fifthly, sixthly, seventhly and eighthly described (in petition of appeal) had any additional value because of the extension of the exterior line for piers in the Hudson River, in front of said lands, during the year 1913.

The lands fifthly, sixthly, seventhly and eighthly described in the petition of appeal are Block 17, Plot A-2; Block 16, Plot B-6; land at foot of Pavonia avenue, etc.; and Block 16, Plot B-7, respectively. They comprise all of appellant's

water-front lands, the assessments upon which are in question. The exterior line for piers in the Hudson River in front of those parcels was extended by the Secretary of War during the year 1913. The State Board applied a rate of $1.00 a square foot to the land between the former and present exterior line for piers in front of each parcel, and added the resulting amounts to their assessed valuations for former years for the purpose of valuing the lands for assessment for the year 1914, except that the valuation of Block 16, Plot B-6 was not increased in that way.

The Supreme Court said in its opinion that whether any increase in the upland values was supportable on the evidence, they thought was doubtful, but they were in no doubt that an increase approximately equal to 75 per cent. of the additional area valued as upland, for a mere privilege, was out of all reason; and as there was nothing before them as a proper basis for the valuation of the increment, if any, the amount of increase on that account would go back to the Board. (1914 Case, Vol. I, pp. 50-51.)

The judgment of the Supreme Court was that the valuation of the parcels described as Block 17, Plot A-2, and Block 16, Plot B-6, for assessment for the year 1914, should be at the valuations of those parcels as finally determined by the State Board for the year 1913, to which may be added the additional value, if any, arising because of the extension of the exterior line for piers, and that the valuation of the parcels described as "Land at foot of Pavonia avenue, etc.," and Block 16, Plot B-7 for assessment for the year 1914 should be at the valuations of those parcels as determined by the Supreme Court for the year 1913 (which were slightly less than the

valuations for that year by the State Board) to which may be added the additional value, if any, arising because of the extension of the exterior line for piers. (1914 Case, Vol. I, pp. 54-55.)

Appellant contends that the basic valuations of the parcels mentioned as determined by the Supreme Court for assessment for the year 1914 was erroneous for the reasons heretofore stated. There was no evidence that the parcels had any additional value because of the extension of the exterior line for piers. Mr. Corbin, the expert witness produced by appellant, said there was no such additional value. (Vol. II, p. 264, l. 30-p. 247, l. 2.) Mr. Hansel, an expert formerly employed by the State, could not say that there was such additional value at present. (Vol. II, p. 483, l. 24-p. 484, l. 32.) The Supreme Court was in doubt whether the evidence supported such additional value. There being no evidence that the extension of the exterior line for piers gave the parcels mentioned any additional value, and the Supreme Court being in doubt as to whether any such additional value was supported by the evidence, the addition of any value because of that extension is unwarranted and should not have been permitted by the Supreme Court.

XV.

Any increase of the valuations for assessment for the year 1914, of the lands fifthly, sixthly, seventhly and eighthly described (in the petition of appeal) because of the extension of the exterior line for piers in the Hudson River in front of said lands, during the year 1913, would be against the clear weight of the evidence. as determined by the Supreme Court.

The Supreme Court said in its opinion that: (1914 Case, Vol. II, pp. 50-51):

> "The board undertook to add to the up-
> "land value what amounted to one dollar
> "per square foot of the area included be-
> "tween the old and new pier lines. Whether
> "any increase in the upland values is sup-
> "portable on the evidence, we think is doubt-
> "ful; but we are in no doubt that an in-
> "crease approximately equal to 75 per cent.
> "of the additional area valued as upland,
> "for a mere privilege, is out of all reason;
> "and as there is nothing before us as a
> "proper basis for the valuation of the incre-
> "ment, if any, the amount of increase on
> "this account will go back to the board."

The evidence before the Supreme Court did not establish that the extension of the exterior line for piers gave any additional value to the parcels mentioned. Appellant was entitled by law to have the assessments of the parcels for the year 1914 made according to such finding by the Supreme Court. Therefore any increase of the valuations of the parcels for assessment for that year because of such extension of the exterior line for piers will be against that finding, and erroneous.

XVI.

That part of the judgment (on assessments for the year 1914) which orders and adjudges that the State Board of Taxes and Assessment have leave to take further testimony concerning the additional value, if any, arising because of said extension of the exterior line for piers in the Hudson River in front of the lands fifthly, sixthly, seventhly and eighthly described (in the petition of appeal) is erroneous because the taking of such testimony is contrary to and in violation of the laws under which the assessments and tax upon said lands for the year 1914 were made and levied, is without warrant or authority of law, and is in other respects wrongful, erroneous, unlawful and unconstitutional.

The testimony for appellant before the State Board on review of the assessments for the year 1914 was that the extension of the exterior line for piers in the Hudson River gave no additional value to appellant's water-front lands. The testimony given in support of the assessments was evidently not sufficient to prove such additional value, for the Supreme Court found it doubtful whether any increase was supportable on the evidence. The Attorney-General upon the settlement of the judgment of the Supreme Court insisted that the State Board of Taxes and Assessment should have leave to take further testimony concerning the additional value, if any, arising because of the extension of the exterior line for piers and the judgment gives such leave.

All parties interested in supporting the assessments had ample opportunity to meet the testimony on behalf of appellant that the exten-

sion of the exterior line for piers gave no additional value to the parcels under consideration. Having failed to do so they desired and have been given a second opportunity. We submit that the assessments having once been reviewed by the State Board, the testimony before that Board was finally closed. All parties having submitted the matter to the Supreme Court on the testimony before the State Board, the testimony before the Supreme Court was finally closed. If the question as to additional value because of extension of the exterior line for piers had been first raised before the Supreme Court, and there had been no evidence before it on that question, the Supreme Court would have been justified in inquiring into the matter by depositions, but that question having been raised before the State Board and evidence upon it having been submitted to the Supreme Court, there was no need of further inquiry.

The result of the taking of further testimony after assessments of this character have been reviewed by the State Board, and the Supreme Court is to prolong litigation over them and delay payment of that part of the taxes which is in question, with consequent loss to all parties. After such testimony is taken one or more of the parties may be dissatisfied and again ask the Supreme Court to review the assessments. A debatable question would be presented and the Court would probably grant a writ of certiorari. Six months or more would elapse before the matter would finally be determined by the courts. Such delay is not contemplated by the act under which the assessments were made. That act provides for one review of the assessments by the State Board and a subsequent review of them by the Supreme Court. Of course, if after a review by the Supreme Court the State

Board fails to carry out the Court's instructions as to a re-assessment, or fraudulently endeavors to avoid the judgment of the Court or makes a re-assessment at variance with the evidence upon which the assessments were reviewed by the Court, and according to which a re-assessment was ordered, any injured party would have the right to ask the Court to again review the assessments and determine whether or not the action of the State Board was proper. Such a review would be based upon the error of the Board in not following the judgment of the Court and not upon an erroneous determination after hearing further evidence. The Court's inherent right of review by certiorari would include such a case.

We submit that testimony in the matter of additional value because of extension of the exterior line for piers having been heard by the State Board and reviewed by the Supreme Court, the testimony on that subject was finally closed and leave to the State Board to hear further testimony upon it was erroneous.

Conclusions.

We respectfully submit that the part of the judgment of the Supreme Court in each of the above cases from which appeal was taken is erroneous upon one or more of the grounds above stated and should be reversed and set aside.

GILBERT COLLINS,
GEORGE S. HOBART,
ROBERT J. BAIN,
Of Counsel with Appellant.

COLLINS & CORBIN,
Attorneys for Appellant.

Arthur W. Cross, Law Printer, 243 Market Street, Newark, N. J.

New Jersey Court of Errors and Appeals

LONG DOCK COMPANY,
Prosecutor-Appellant,

vs.

THE STATE BOARD OF TAXES AND ASSESSMENT; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY,
Defendants-Respondents.

On Appeal from Supreme Court.

(In re re-assessment of second class property for the year 1911.)

LONG DOCK COMPANY,
Prosecutor-Appellant,

vs.

CHARLES E. HENDRICKSON, JR., *et. als.*, STATE BOARD OF ASSESSORS; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY,
Defendants-Respondents.

On Appeal from Supreme Court.

(In re assessments upon second class property for the year 1912).

LONG DOCK COMPANY,
Prosecutor-Appellant,

vs.

CHARLES E. HENDRICKSON, JR., *et. als.*, STATE BOARD OF ASSESSORS; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY,
Defendants-Respondents.

On Appeal from Supreme Court.

(In re assessments upon second class property for the year 1913).

LONG DOCK COMPANY,
Prosecutor-Appellant,

vs.

CHARLES E. HENDRICKSON, JR., *et. als.*, STATE BOARD OF ASSESSORS; STATE BOARD OF TAXES AND ASSESSMENT; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY,
Defendants-Respondents.

On Appeal from Supreme Court.

(In re assessments upon second class property for the year 1914).

Brief for Appellant in Reply.

I.

The Judgment of the Supreme Court was not based upon findings of fact, but upon conclusions of law and is Reviewable in This Court.

Counsel for defendants argues that the Supreme Court has found as facts that there was no arbitrary application of a multiple for the purpose of fixing and determining the value of the parcels under consideration for assessment, that there were no erroneous valuation and assessment of the parcels lying under water separately from the upland, that the valuations of the parcels for assessment was not based upon the value of other lands not similarly situated to them, that an estimated cost of reproducing a terminal similar to appellant's was properly considered in fixing and determining the value of the parcels for assessment, that the value of appellant's franchise in no way entered into the valuations and assessments in question and lastly the value of the parcels for assessment. That argument is unsound.

He calls attention to no evidence that the parcels under consideration had a market value greater by any *particular* percentage than the value to which the multiple of twenty per cent. was applied. If there had been such evidence he would have called attention to it. *There was no such evidence.*

The application of the multiple was the result of a compromise among the State Board of Assessors. Its extent was determined by the will of that board and not by facts showing any particular market value or by any general rule as to market value.

Under such circumstances the multiple was arbitrary in application and extent as a matter of law.

The case of *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L., p. 1, is relied upon by counsel for defendants as authority for the principle of valuing land by the application of a multiple. That case has no applicability to the present cases for the reasons stated in our main brief, and in any event is not controlling authority in this Court. It was decided over twenty-five years ago. The contrary decision by the United States Supreme Court in the *Minnesota Rate Cases,* cited in our main brief, is disregarded by counsel for defendants, yet that was a comparatively recent decision and logically sound. The principle of determining the market value of the parcels under consideration by the application of a multiple is unsound as a matter of law.

Mr. Hendrickson valued all of the land under water in the parcels under consideration separately from the upland. His valuation is now relied upon in support of the valuations and assessments in question. Two of the parcels consisting entirely of land under water between the bulkhead line and the pierhead line have been actually assessed separately from the upland. Counsel for defendants cites the case of *Long Dock Co.* v. *Board of Equalization of Taxes,* 87 N. J. L., p. 22, as authority for that method of valuation. In that case it was held that until the land under water is reclaimed by appellant it is not assessable for taxes as a separate tract. Under the authority of that case only that part of the parcels under consideration which has been reclaimed can be assessed as a separate tract or tracts. The valua-

tions and assessments in question are of *all* the land under water between the bulkhead and pierhead lines in the several parcels whether reclaimed or not. They are erroneous as a matter of law.

There is no dispute that the principal banks and office buildings in Jersey City are in the immediate vicinity of lower Montgomery street and Exchange Place, and that the main terminal of the Public Service Railway in that city is on Exchange Place, and that direct entrance to the Hudson Tunnels is had from that street. There is no dispute that the principal banks and office buildings in Hoboken are in the immediate vicinity of Hudson Place and Hudson street, and that the main terminal of the Public Service Railway in that city is in that immediate vicinity, and that entrance to the Hudson Tunnels is there. There is no dispute that there are none of those things in the vicinity of the parcels under consideration, except possibly entrance to the Hudson Tunnels. Therefore the dissimilarity of conditions surrounding the land in the vicinity of lower Montgomery street and Exchange Place in Jersey City and Hudson Place and Hudson street in Hoboken and those surrounding the parcels under consideration were such that the value of land in the two sections first mentioned furnishes no basis for the valuation of the parcels under consideration. Mr. Hendrickson based his valuation of the parcels, in part at least, on the value of land in those other sections and his valuation is relied upon as support for the valuations and assessments in question. Such comparison of values was erroneous in point of law.

Counsel for defendants apparently concedes that whether an estimated cost of reproducing appellant's railroad terminal was properly con-

sidered in the present cases was a question of law. He overlooks the facts that there was no substantial estimate of the cost of reproducing appellant's terminal in its present location, that the estimated cost of reproduction was based upon the value of lands in localities different in condition from that in which the parcels under consideration are located and that the cost of reproduction and demand were considered as the criterion of value according to Mr. Record's theory of valuation. The alleged cost of reproducing a railroad terminal similar to appellant's as stated in these cases was not evidence of the market value of the parcels under consideration as a matter of law.

The case of *Central Railroad Co.* v. *State Board of Assessors, supra,* is relied upon by counsel for defendants as authority for the principle of ascertaining the market value of lands by considering their cost of reproduction. The rule that the cost of reproducing property may be considered in determining its value was not extended by that case so as to include consideration of the cost of reproducing land for a similar use in an entirely different locality. Nor is that case authority for any rule that cost of reproduction and demand can be considered as the *criterion* of value. Again counsel for defendants disregards the decision by the United States Supreme Court in the Minnesota Rate Cases, that the value of railroad terminal lands cannot be gauged by an estimated cost of reproducing such lands. The general rule that the cost of reproducing property can be considered in determining its value cannot, as a matter of law, be applied in the case of railroad terminal lands, it being impossible to determine that cost of reproduction with any certainty.

The valuations in question are supposed to represent the particular value of the parcels under consideration because of their alleged availability for railroad purposes. That value was based in part, at least, upon an alleged beneficial use of the parcels for railroad purposes. The value of such beneficial use is not inherent in the parcels but is created by the entire railroad property, including the franchise. The mere statement by members of the State Board of Assessors that the value of appellant's franchise did not enter into the valuations in question has no force when it appears that *they did consider the value of the beneficial use of the parcels for railroad purposes.* Franchise and beneficial use are inseparably connected. The finding of the Supreme Court in that regard was contrary to the facts.

It is for this Court to determine whether there were *any facts* before the Supreme Court which furnish a basis for the valuations as determined by that Court whether facts were unlawfully considered and whether the conclusions of law upon those facts were erroneous.

Hulley v. *Moosbrugger,* 88 N. J. L., p. 161; 95 Atl. p. 1007.

We do not ask this Court to dismiss unheard Mr. Record because he was too argumentative, Mr. Hendrickson because he was too theoretical, Mr. Ehrehardt because he was a consulting engineer of the New York Central Railroad Co., Mr. Dunham because only a man of ordinary intelligence, Mr. Cronan because of lack of particularity and Mr. Lohmann because he came from Hoboken, as counsel for defendant suggests.

Argument of that character does not overcome the evidence showing that Mr. Record's

argument was founded upon conjecture and speculation, and not upon facts and legal conclusions: That Mr. Hendrickson arbitrarily divided the parcels under consideration into city blocks, then valued them as city blocks, having the value given by street improvements, by comparison with the value of land in entirely different localities, and finally added to that an additional value because they were not divided into city blocks, upon a theory which at the same time attributed value both because of the presence and absence of city streets, and attributed value to the land under water alone when there is no such value: That Mr. Ehrehardt stated no basis for his valuation and it is exactly similar to that of Mr. Dunham's: That Mr. Dunham, although posing as an expert, stated as his "judgment," figures which were merely the result of a comparison dictated by Mr. Record: That Mr. Cronan stated no value of any of the parcels in question, ~~but~~ that it may be inferred that the square foot value of $1.40 stated by him referred to the Vanderbeek property adjoining the lands of the Pennsylvania Railroad Co. and not to the parcels under consideration, and that in any event Mr. Cronan was not prepared to place any value on the parcels under consideration: And that the values stated by Mr. Lohmann do not support the valuations in question.

II.

The Assessed Valuation of the Property of Appellant for the years 1911, 1912, 1913 and 1914 as established by the Judgment of the Supreme Court should not be confirmed on the Record now before This Court.

Instead of meeting and overcoming the argument on behalf of appellant upon the conclusions

of law by the Supreme Court, which we submit were erroneous, counsel for defendants proceeds to discuss the weight of the evidence. There is no question as to the weight of the evidence before this Court.

The parties interested in supporting the assessments apparently relied upon four different methods of valuation, and certain matters and facts were stated in support of each method.

Mr. Record's first method of valuation was by the application of a multiple. In support of that method he made what was in effect an argument from the witness stand. We have pointed out that his argument had no substantial foundation in fact and was erroneous in point of law. His next method of valuation was by an estimated cost of reproducing a railroad terminal similar to appellant's. In support of that method he stated the assessed value of lands in certain territories in Jersey City and in Hoboken. We have pointed out the errors in that method of valuation.

Mr. Hendrickson's method of valuation was by dividing the parcels under consideration into arbitrary zones parallel with the Hudson River and estimating the value of the land in each zone by comparison with the value of other land in Jersey City and Hoboken equidistant from the river irrespective of all other considerations. In support of that method he stated the value of land in *all* parts of Jersey City and Hoboken lying within the same parallel zones. We have pointed out the errors in that method of valuation.

Mr. Dunham's method of valuation was by basing the value of the parcels under consideration upon the average assessed valuation of land in a territory in Jersey City and in Hoboken ex-

tending back from the water front and of approximately equal area to that of appellant's terminal lands. In support of that method he stated the assessed value of land in those territories. We have pointed out the errors in that method.

Appellant relied upon three different methods of valuation and certain facts were stated in support of each method. Mr. Floyd S. Corbin, a real estate broker dealing exclusively in water front lands, made an estimate of the value of the parcels for sale in the market, each water front parcel being valued as a whole. That estimate rested upon Mr. Corbin's knowledge of the value of water front lands as shown by purchase and sale and upon his experience as a broker. That was one method of valuation. Mr. Corbin also made an estimate of the value of that part of each water front parcel having special water front value which extends from the pierhead line to a point seven hundred feet back of the bulkhead line. That estimate rested on his knowledge and experience. Messrs. Gaddis and Ryer, local real estate men, estimated the value of that part of each water front parcel lying back of the portion having special water front value. In support of their value they stated the value as shown by purchase and sale and by assessment of adjoining land in the rear. The combined value of the water front parcels stated by Messrs. Corbin, Gaddis and Ryer is somewhat lower than the value of each parcel as stated by Mr. Corbin, due to the fact that he placed a higher value on the backland than did Messrs. Gaddis and Ryer. That was another method of valuation. The Supreme Court objected to a division of the parcels in that way for valuation, yet in a measure, sus-

tained a much more arbitrary division by Mr. Hendrickson. Mr. Hansel valued the parcels by ascertaining the income they would produce, and calculating the amount which could be paid for them in view of that income. That was a third method of valuation.

Caustic references to particular testimony cannot obscure the fundamental differences in the methods of valuation above mentioned. Those advanced by parties who would support the valuations and assessments were based in obscurity and upon unlawful conclusions while those advanced on behalf of appellant were direct and upon lawful conclusions. Counsel for defendants, in effect, makes the novel argument that in some particulars the witnesses for appellant were wrong and that therefore the valuations and assessments in question must be right. Assuming, for the purpose of argument, that he has successfully picked flaws in the testimony of appellant's witnesses, which we do not concede, the methods of valuation adopted by the parties who would support the assessments are unquestionably wrong. Two wrongs do not make a right.

The length to which defendants were compelled to go in order to find something in support of the valuations and assessments in question is indicated by counsel's reference to Mr. Corbin's testimony that he had an entire block of inland, just above the parcels in question for sale at $1.25 a square foot and another piece of land at $1.50 a square foot. *He had not been able to sell them for those prices.* That testimony is not evidence of any value.

It should not be inferred from the argument of counsel for defendants that the valuations and assessments now before this Court are

similar to the valuations and assessments for the years 1906, 1907, 1908 and 1909, which were affirmed. The present valuation and assessment of the major parcel under consideration is almost *one million dollars* more than that of the same parcel for the former years.

The question before this Court is not one of the weight of evidence, but the questions are whether there is *any evidence* which supports the valuations and assessments in question, whether those valuations and assessments were determined by an *unlawful consideration* of facts and whether they were determined by *erroneous conclusions of law.*

Counsel for defendants endeavors to avoid those questions as far as possible by creating an impression that the whole issue was one of fact, or of blended law and fact. The value of the parcels under consideration as determined by the Supreme Court was a conclusion. Whether there were any facts which support that conclusion, whether facts were erroneously considered in reaching that conclusion and whether that conclusion resulted from an erroneous application of the law, are questions for this Court.

We submit that the record shows that there were no facts before the Supreme Court which support the conclusion by that Court as to value, that facts were unlawfully considered by that Court and that the conclusion by that Court as to value resulted from an erroneous application of the law. Therefore the valuations and assessments in question should not be sustained on the present record.

III.

The re-assessment for the year 1911 was not made in accordance with the laws providing therefor.

Counsel for defendants is wrong in assuming that appellant did not desire to examine the assessors on the re-assessment for the year 1911. The re-assessment for that year was not taken up by the State Board of Assessors until after the review by that board of the assessments for the year 1914 had been started. Counsel representing the Attorney-General on that review called two of the assessors as witnesses. It was evident that such testimony was being developed for use on the re-assessment, although at ~~at the~~ that time the re-assessment had not been taken up. The testimony of the assessors on review of the assessments for the year 1914 being a full disclosure of their knowledge there was no necessity for appellant to examine them on the re-assessment. The present objection is not that the testimony of Mr. Record and Mr. Hendrickson was considered in making the re-assessment, although we submit that such testimony should have been heard before the Supreme Court or one of its commissioners or examiners, and not by the State Board of Assessors. Our contention is that the act for the taxation of railroad and canal property contemplates but one review of assessments by the State Board of Assessors. When assessments under that act are set aside by the Supreme Court, and a re-assessment ordered, the re-assessment should be ordered with proper instructions. If further testimony is needed in order to give such instructions, that testimony should be taken by the Supreme Court. We do not now urge that the present re-assessment for the year 1911 be set aside

merely because a review *de novo* of the original assessments was permitted but would like a deliverance by this Court as to whether such review was erroneous.

IV.

The valuation for the year 1911 was not accepted by Appellant.

Counsel for defendants refers to an alleged agreement between Mr. Harrison Williams, General Land and Tax Agent of appellant, and the State Board of Assessors upon the valuations for the year 1911. The Supreme Court disregarded that alleged agreement and it cannot be urged in support of the determination by the Supreme Court. Nothing was said about such an agreement when the assessments for the year 1911 were before the Courts, although the State and the board had ample opportunity to present it. No reliance was placed upon it. It is now alleged that Mr. Williams agreed to those assessments. Mr. Williams did not agree to the assessments as representing the value of the lands, but undertook to recommend them to his superior officers for the purpose of terminating litigation over the assessments upon these particular parcels which had been going on for years. He recommended them, but they were not accepted, because they were excessive.

The assessments for the year 1911 on all appellant's railroad property were the first after the general revelation by Mr. Hansel of all railroad property in the State. Complaints against those assessments were made by appellant and they were reviewed by the board. From time to time, as the review proceeded, it was found that Mr. Hansel had included some railroad property in his valuation that could not be as-

sessed by the board and had overvalued other property. Assessments were eliminated and reduced. Finally, and in the summer of 1912 the board evidently came to a conclusion as to the total reduction in the whole assessments which it would allow. Mr. Hendrickson said the board determined to reduce the entire assessments upon all of appellant's railroad property for the year 1911, so that they would be $3,514,400 *more* than the assessments for the year 1910, and that he wrote those figures upon a piece of paper (Vol. II, p. 644; Exhibit S-1, May 13, 1915, Vol. II, p. 987). He said further that on September 17, 1912, with Mr. Record and Mr. Hansel, he met Mr. Williams in Jersey City and handed him the piece of paper telling him that those were the figures his company *would have to take and accept* (Vol. II, p. 646). Mr. Hendrickson's own words left nothing for Mr. Williams to agree to or upon. He was given an ultimatum. Mr. Hendrickson said that then Mr. Williams agreed to the figures and the piece of paper was handed to Mr. Hansel, who sealed it up in an envelope (Vol. II, p. 648, Exhibit S-2, May 13, 1915, p. 988). The assessments were finally made on October 2, 1912.

So far as the *ultimatum* is concerned there is no doubt that the board did deliver one to Mr. Williams to the effect that the Erie Railroad Company would have to take and accept an increase in the assessments for the year 1911 of some amount. The date when that ultimatum was delivered was July 2, 1912, and not September 17, 1912, as stated by Mr. Hendrickson, and Mr. Williams did not agree to the figures but undertook to recommend them to his superior officers for acceptance. Mr. Williams, who is not now connected with appellant or with the

Erie Railroad Company, was called as a witness to state what happened in regard to the alleged settlement of the assessments for the year 1911. He said that he met Mr. Hendrickson, Mr. Record and Mr. Hansel at Jersey City on July 2, 1912. He fixes the date by personal recollection and by his correspondence (Vol. II, p. 926). The State called for and offered in evidence a letter written by Mr. Williams to Mr. George F. Brownell, Vice-President and General Solicitor of the Erie Railroad Company, on July 8, 1912, in which Mr. Williams stated that as a result of a conference with Mr. Record, Mr. Hendrickson and Mr. Hansel he agreed to recommend a settlement of the assessments for the year 1911 at certain figures. The figures in Mr. Williams's letter show that the assessments he undertook to recommend for the year 1911 were $3,513,672 more than the assessments for the year 1910. The board apparently after that time made it an even $3,514,400. The letter shows that there was a conference between Mr. Williams and the members of the board, the date of the conference and that certain definite figures were given by the board to Mr. Williams. Mr. Williams said that he went to that conference to try to convince the board that the assessments were too high. He told the board that while he believed his company would be guided by his recommendation, he could not finally commit it, as the matter would have to be placed before the directors of his company (Vol. II, pp. 927-928). The board gave him its final figures at that conference and he recommended them to the Vice-President of his company (Vol. II, p. 929). On July 8, 1912, Mr. Williams recommended the proposed adjustment (which provided for no reduction in the assessments upon these terminal parcels) to his Vice-

President. At that time he had done all that he could do. Mr. Brownell, the Vice-President, went to Europe shortly after and the matter was held in abeyance (Vol. II, p. 931). There was no occasion for a meeting between Mr. Williams and the board after that time unless his superior officers agreed to his recommendation. Mr. Williams asked the board to delay the matter. On September 20, 1912, Mr. Hendrickson wrote Mr. Williams that there would be a meeting of the board on October 2, 1912. Mr. Williams replied, thanking him for the extension (Vol. II, p. 932). Mr. Hendrickson says those letters refer to a franchise assessment for the year 1910, but Mr. Williams was in no dilemna about that. The only question on that franchise assessment was whether the board was willing to reduce it. Notwithstanding this pleading by Mr. Williams for delay it seems that the board decided to confirm the assessments without waiting for a further answer as to whether or not they were acceptable to the company. The board of directors of the company would not agree because the assessments on these terminal parcels were excessive. There never was any agreement between appellant or Mr. Williams and the board upon the assessments. There was no consideration given by the board for an agreement. What reductions and eliminations it made, were because they were admitted to be just and lawful. Neither Mr. Williams nor appellant ever recognized that the values of these terminal parcels were as great as the assessments, and the recommendation by Mr. Williams proves nothing on that point. His recommendation was made, not because the assessments were considered by him to be just, but to stop litigation. The testimony as to the alleged

agreement by Mr. Williams has no bearing upon the value of these terminal lands. It must have been introduced to explain the board's failure to produce evidence on the review by the courts of the original assessments. The explanation came rather late. If the board had made known to the Supreme Court on that review that it relied upon the alleged agreement by Mr. Williams and therefore produced no evidence on review of the assessments by the board, that Court would undoubtedly have given the board an opportunity to take the testimony it desired and appellant would not have objected.

The testimony as to the alleged agreement by Mr. Williams proves no acceptance by appellant of any value of the parcels under consideration. It has not the effect which counsel for defendants seeks to give it. His reference to it is unjustified.

Conclusion.

We respectfully submit that the assessed valuation of the parcels described as Block 17, Plot A-2, and Block 16, Plot B-6, are at least twenty per cent. in excess of their market value and should be reduced accordingly; that the separate assessments upon the parcels described as "Land at foot of Pavonia avenue" and Block 16, Plot B-7 should be set aside or the assessed valuations of those parcels reduced in the proportion that the land in them covered by structures bears to the entire area; and that the market value of the other parcels described as Block 182, Plot C; Block 183, portion of Plot A; Block 218 and Block 395 is no greater than that stated by appellant's witnesses, and, in the absence of other evidence as to their value, their assessed valuation should be reduced accord-

ingly, or that their assessed valuation is at least twenty per cent. in excess of their market value and should be reduced accordingly. Also that no further testimony before the State Board of Taxes and Assessment on the assessments for the year 1914 should be permitted.

GILBERT COLLINS,
GEORGE S. HOBART,
ROBERT J. BAIN,
Of Counsel with Appellant.

New Jersey Court of Errors and Appeals

LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* THE STATE BOARD OF TAXES AND ASSESSMENT; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants-Respondents.*	*On Certiorari.* *(In re re-assessment of second class property for the year 1911.)*
LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants-Respondents.*	*On Certiorari.* *(In re assessment of second class property for the year 1912.)*
LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants-Respondents.*	*On Certiorari.* *(In re assessment of second class property for the year 1913.)*
LONG DOCK COMPANY, *Prosecutor-Appellant,* *vs.* CHARLES E. HENDRICKSON, JR., *et als.*, STATE BOARD OF ASSESSORS; STATE BOARD OF TAXES AND ASSESSMENT; EDWARD I. EDWARDS, COMPTROLLER OF THE TREASURY; AND THE MAYOR AND ALDERMEN OF JERSEY CITY, *Defendants-Respondents.*	*On Certiorari.* *(In re assessment of second class property for the year 1914.)*

Brief of John R. Hardin for Defendants-Respondents.

The Cases.

The four cases entitled as at the head of this brief, to be argued at the present term, involve the taxes on the second class railroad property of the Long Dock Company in the taxing district of Jersey City for the years 1911, 1912, 1913 and 1914 respectively.

The lands chiefly involved comprise the Pavonia terminal of the Erie system in the City of Jersey City. So far as not actually included in the terminal the parcels under criticism immediately adjoin the main stem at the eastern and western ends of the Bergen Hill tunnel.

All of the parcels under discussion in the present cases have been involved in litigation over the taxation of the same lands for the years 1906, 1907, 1908, 1909 and 1910. In the years 1906 and 1907 the assessment first made by the State Board of Assessors was referred back to that Board by this court and on re-assessment was again brought here and the assessment sustained by this court and later by the Court of Errors. The same judgment affirmed the taxes for the years 1908 and '09.

Long Dock Co. v. *State Board of Assessors,* 78 N. J. Law, 44;

Long Dock Co. v. *State Board of Assessors,* 79 N. J. Law, 604;

Long Dock Co. v. *State Board of Assessors,* 82 N. J. Law, 21;

Long Dock Co. v. *Strong,* 84 N. J. Law, 762.

The taxes for the year 1910, on the same lands, were affirmed on certiorari by this court.

The taxes for the years 1906 and '07 were originally set aside because on the record, as then before the court, the court found as a matter of

fact that the lands had been valued in excess of their market value and that the excess was based upon and represented the value imparted to such lands by their actual use for railroad purposes under the franchises of the respective corporations so using them. (78 N. J. L., 44.) After the affirmance of the judgment of the Supreme Court (79 N. J. L. 604) the State Board of Assessors took up the work of re-assessment, pursuant to the direction of the court, and in announcing the result of the re-assessment the State Board of Assessors made a statement of the principles that guided the Board in the arrival at the assessment, in which statement it was expressly declared that the element of franchise in no way entered into the valuation placed by the Board upon the terminals made the subject of the re-assessment. The re-assessment was confirmed on certiorari (82 N. J. L. 21), and later by the Court of Errors (84 N. J. L. 762). There is in the present case no debate over the inclusion of the element of franchise in the valuations criticised, and the prosecutors advance no reason based on any allegation of such inclusion.

The records in the 1912, 1913 and 1914 cases are substantially identical.

The 1911 case differs from the other three in that the assessment brought before the court by the writ in that case is a re-assessment made by the State Board of Assessors after the original assessment for that year had been set aside by the courts. The assessment as originally made was confirmed by the Supreme Court (*Long Dock Co.* v. *Hendrickson,* 85 N. J. L. 536), but the judgment of the Supreme Court was subsequently reversed by the Court of Errors on an opinion by Mr. Justice Swayze, reported

in *Long Dock Co.* v. *State Board of Assessors,* 86 N. J. L. 592.

The Supreme Court subsequently ordered a re-assessment by the State Board of Assessors, *with leave to take further testimony before the Board on said re-assessment.* Under a stipulation, printed in Volume I of the record of the 1911 case on pages 24 and 25, to avoid repetition of the testimony taken and the exhibits offered before the Board, it was agreed that a copy of the testimony and exhibits should be used and considered by the Board as though taken and offered by the Board on said re-assessment without prejudice, however, to the right of the Long Dock Company to renew and assert, in any future proceeding to review said re-assessment, its claim that said re-assessment should be made upon the testimony taken and the exhibits offered before the said Board on review by said Board of original assessment for the year 1911. The Supreme Court had already held by its order for leave to take further testimony on re-assessment that the taking of further testimony on behalf of the company and of the State in the re-assessment proceedings was legal and proper, and the 1911 record, therefore, is substantially the same as in the cases for the three later years.

Inasmuch as there is common agreement that the valuations have not changed for the years 1911, 1912, 1913 and 1914 the cases can appropriately be argued on one brief.

The reasons filed in all the cases are the same, except that in the 1911 case there is an additional reason, number 17, that the re-valuations, re-assessment and re-taxation for that year were not made and levied in accordance with the laws providing therefor.

The records are made up for this court by printing the writ, returns and reasons in each case separately as Volume I of the state of the case. Volume II, containing the testimony and exhibits, is common to all the cases.

The Supreme Court sustained the assessments for all of the years in question in general, with certain modifications by way of reduction of particular parcels which were set forth in a schedule attached to the opinion. Mr. Justice Parker wrote the opinion and it is found printed, beginning on page 43, in Volume I of the Record of the 1911 case, and is also printed in the other cases.

The rule for judgment in the 1911 case is found in Volume I, page 55, of the Record in that case; in the 1912 case in Volume I, page 53, of the Record in that case; in the 1913 case in Volume I, page 51, of the Record in that case; and in the 1914 case in Volume I, page 53, of the Record in that case.

The rules for judgment in the 1912 and 1913 cases (Record, 1912 case, p. 57; 1913 case, p. 55) provide for the reduction of the valuation of the property for those years, described in the return as "Terminal Station," etc., from $146,470 to $123,600, as agreed between the prosecutor and the State Board of Assessors. This brings that item in harmony with the original assessment of 1914 and the re-assessment of 1911.

Because of the extension of the pier line in the Hudson River in 1913 there was an additional area of land under water, in front of the parcels described in the return as Block 17, Plot A-2, Block 16, Plot B-6, land at the foot of Pavonia Avenue a hundred and thirty feet along the exterior line for solid filling, from the north-

erly line of Pavonia Avenue southward, including the value of land under water, and Block 16, Plot B-7. This additional area was brought under assessment for the first time in the year 1914, and the Board, in making the assessment for that year, added to the assessment of the plots to which the additional area was adjacent an additional amount equal to $1.00 per square foot of the additional area. This matter is referred to in the concluding paragraph of Mr. Justice Parker's opinion (1914 Record, p. 50, beginning at line 29), and such additional valuation was reversed and referred back to the State Board of Assessors. The rule for judgment, therefore, in the 1914 case (Record of that case, p. 57, beginning at line 22) recites the opinion in that particular and orders that the State Board of Taxes and Assessment have leave to take further testimony concerning the additional value, if any, arising from said extension of the exterior line for piers in the Hudson River in front of the affected parcels; such testimony to be taken before the State Board of Taxes and Assessment, either on behalf of the State, or the Long Dock Company, or both, on notice.

Under the practice established in the earlier Long Dock litigation followed in this case the judgment entered on the certiorari proceedings, addressed to the assessment for 1914, is taken as final, so that any question as to the valuation of the additional area, by reason of the extension of the pier line, in 1914, is not properly the subject of discussion on the present argument.

It will be noted in the examination of the opinion of the Supreme Court that that court itself examined the evidence as to the several parcels appearing in the assessment as certified to have been the subject of the assessment, and applied

a value to each one in accordance with that court's application of the evidence to the respective parcels, the court saying that under the statute it was optional with the court, as a matter of judicial discretion, to send back assessments deemed excessive for re-valuation, or itself make such re-valuation. Mr. Justice Parker further remarked:

> "The general inadvisability of this court resolving itself into a reviewing board of tax valuation is pointed out by Chief Justice Beasley in the Central Railroad case last cited. But this litigation has been before the courts for several years and ought to be settled so far as an ascertainment of facts can settle it. Accordingly, we have examined the evidence bearing on the several parcels of land assessed, and finding that in some cases they are palpably excessive, have ourselves fixed what we deem a reasonable valuation in view of the principles above enunciated. We subjoin a list of the tracts and our findings on the valuations thereof imposed by the Board. So far as the valuations of the Board are herein held excessive, they will be reversed and revalued in our judgment according to the figures stated; otherwise the assessment will be affirmed."

Reference is also made in the opinion to the reassessment for the year 1911 ordered by the Supreme Court after the assessment in that year was set aside by the Court of Error, as follows:

> "The valuation fixed by the State Board for 1911 was brought before the Supreme Court on certiorari and was there affirmed. 85 N. J. L. 536. On review in the Court of Errors and Appeals it was reversed (86 N. J. L. 593) and that court held distinctly that

it was the duty of the Supreme Court to examine the evidence and reverse in case of 'palpable error' appearing. The reversal in the Court of Errors and Appeals went on the ground that all the evidence appearing in the case showed a lower valuation, and that the State Board were not entitled to use their 'personal knowledge' of values as a basis of, a finding while refusing to state or be examined and give testimony as to what that knowledge was and how they acquired it.

"The case was remitted to the Supreme Court and that court then directed a re-assessment with leave to take further testimony on valuations. When the matter was again opened before the Board, prosecutor objected to further testimony, and now makes the point that it was inadmissible. So to hold would be to overrule the express direction of this court which appears to have been made in obedience to the plain intent of the opinion in the Court of Errors and Appeals and it would have been error if the assessors had excluded it."

It will be assumed for the general discussion of all of the cases that this holding of the Supreme Court was sound, and specific discussion of the objection of the appellant, made in the Supreme Court and renewed here, will be found in Point III of this brief.

The grounds of appeal are in general the same. In the 1911 case the objection is renewed that the re-valuations, re-assessments and re-tax were not made and levied in accordance with the laws provided therefor (P. 65, 1911 Record, (q)), the appellant meaning thereby to renew the question as to the right of the Supreme Court to order further testimony on the re-assessment after the original assessment was returned to

that court under the opinion reported in 86 N. J. L. 593, and referred to in the opinion of Mr. Justice Parker hereinabove cited.

The 1914 case contains additional grounds of appeal not present in the other cases (1914 Record, pp. 67, 68, grounds 15, 16, 17 and 18, relating to the exterior line for piers in the Hudson River, not, however, bearing on the question of their re-valuation, but claiming that the judgment of the Supreme Court in the 1914 case was erroneous in recognizing any addition to the valuation of the parcels to which such additional area was adjacent.

The reason and ground of appeal based on the alleged denial to prosecutor and appellant of the equal protection of the laws contrary to the Fourteenth Amendment to the Constitution of the United States, found in all four records, have been abandoned by appellant, not being mentioned in the brief of appellant served upon respondents.

The additional points addressed to the possibility of additional valuation because of the additional area under water, by reason of the extension of the pier line, will be separately discussed as to 1914 in Point V of this brief.

Legal principles applicable generally in these cases to valuation for taxation of the lands involved.

Questions involving the taxation of this property, all of which is in railroad use as second class real estate, by the State Board of Assessors have been so frequently before this court and the Supreme Court that it is idle to go into any detail as to the taxing machinery. The peculiar character of the powers conferred upon

the State Board of Assessors in the taxing of railroad property has frequently been emphasized by the Supreme Court and by the Court of Errors, particularly that feature of the law which declares that the members of this Board, in making their assessments, "shall be entitled to use their personal knowledge and judgment as to the value of the property."

It has been repeatedly declared by the courts that the assessments made by the Board will not be lightly disturbed by the courts.

Chief Justice Beasley, in *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L. 1-9, said:

> "We do not consider that we have the right to alter or annul any of the proceedings of this body of officers, except for palpable error, for it is not to be overlooked that the statute in question expressly declares that these assessors 'shall be entitled to use their personal knowledge and judgment as to the value of the property,' a capacity with which this court is not endowed by the legislature."

Mr. Justice Swayze, in *West Shore Railroad Co.* v. *State Board of Assessors,* 82 N. J. L. 37-40, said:

> "The statute authorizes the Board of Assessors to use their personal knowledge and judgment, and, as we have said in Central Railroad *v.* State Board of Assessors, already cited, we ought not to set aside their judgment unless for palpable error."

The last mentioned case was affirmed by the Court of Errors on the opinion below in *West Shore Railroad Co.* v. *State Board of Assessors,* 84 N. J. L. 768.

In *Long Dock Company* v. *State Board of Assessors,* 82 N. J. L. 12, a case involving these very lands, Mr. Justice Garrison said:

> "The valuation on which the present assessments were made is supported by the return of the State Board to which the legislature has given express authority 'to use their personal knowledge and judgment as to the value of property.' It is also supported by some of the testimony taken under these writs while opposed by other testimony so taken. We are unable to say that the latter testimony so preponderates as to overcome the judgment of the Board and the testimony that supports it as to make it our clear duty to substitute our judgment for that of the State Board upon a question of value. If it were a question of law, our opinion might be of more worth than that of an administrative board, but upon a question of value the presumption is rather the other way."

This last mentioned case was affirmed by the Court of Errors, on the opinion below, in 84 N. J. L. 762.

The force of these judicial references is not weakened by the opinion of the Court of Errors in *Long Dock Company* v. *State Board of Assessors,* 86 N. J. L. 592. Mr. Justice Swayze in that opinion in no way derogated from the authority of these earlier expressions, but on the contrary expressly approved them. On the record in the case before the court in which Justice Swayze spoke, he held that there was no evidence to sustain the valuation adopted by the Board and that if the Board was possessed of knowledge justifying the valuation as adopted that knowledge was not brought to the attention

of the Supreme Court and did not appear on the record. He expressly said, page 597;

> "Where there is conflicting evidence, the court may properly refuse to interfere with the decision of the State Board who may have decided upon the weight and value of the evidence before them in the light of their own knowledge, whatever it may have been, as jurors may and as the statute permits."

On the record then before the court it appeared that the prosecutor had called a member of the State Board as a witness and that such member of the State Board, under advice of counsel for the State, in accordance with what was believed to be the governing precedents, had declined to testify, the position being taken by counsel for the State that the proper way for the prosecutor to inquire as to the knowledge of the members of the State Board was by calling upon the Board to certify to such knowledge. The Court of Errors held that a certificate by the Board was not the proper way to ascertain the individual knowledge of a member and that, while the Board might certify its official findings, it could not certify the individual knowledge of each member; that individual knowledge differs in no essential respect from the knowledge of expert witnesses; that it may prove more or less valuable when subjected to the same tests; that the knowledge of both alike was a fact to be considered by the Board in making up its judgment.

In the 1911 case, involving the re-assessment of the taxes set aside by the judgment of the Court of Errors just quoted from, the prosecutor in the present case protested in the Supreme Court against leave being given by that court, on the reference to the State Board for re-assessment, for the taking of additional testi-

mony, the prosecutor insisting that it was the right of the prosecutor to have the tax finally disposed of by the Supreme Court on the original record made before the State Board of Assessors. This protest seemed very extraordinary in view of the fact that the chief reason on which the prosecutor succeeded in the court of last resort in setting aside the assessment was found in the refusal of the members of the State Board of Assessors to testify at the request of the prosecutor. The court of last resort held that the prosecutor was entitled to this evidence, but it was quite apparent, when the case came back to the Supreme Court for re-assessment, that the prosecutor in reality did not want the evidence, the absence of which was made the basis of the avoidance of the tax, as the prosecutor failed to call any member of the State Board as a witness in the re-assessment proceeding.

The State, however, called two members of the Board, Mr. Charles E. Hendrickson and Mr. George L. Record, as witnesses, both qualifying as experts and disclosing their personal knowledge of the value of the lands under discussion, *thus bringing the present record expressly outside the criticism of the Court of Errors in the original 1911 case.*

Before proceeding to any discussion of the evidence in detail, it is appropriate to refer to a few of the authorities bearing on what is or is not competent evidence on an issue of value. These authorities are applicable to valuations for taxation, and some of them are under this very railroad tax act.

The Supreme Court has held, speaking by the late Chief Justice Beasley, in *Central R. R. Co.* v. *State Board of Assessors,* 49 N. J. L. 1, that the Board may consider cost of acquisition and

cost of reproduction as important particulars in determining market value.

In *Williams* v. *Bettle,* 51 N. J. L. 512-517, Mr. Justice Dixon, speaking for the Court of Errors and Appeals, in holding against the constitutionality of the original fourth section of the Railroad Tax Act of 1884 which required the State Board of Assessors to reduce their valuation to the valuation found by local assessors, if the latter valuation should be relatively lower than the valuation made by the State Board, said that it would have been competent for the legislature to direct the local assessors to determine the true value of the property used for railroad purposes in their several districts and the State Board to fix the tax upon the value so ascertained. The learned Justice held that no such enactment existed and that the local assessors were given no authority to determine the true value of property used for railroad purposes, nor was such a power conferred upon any persons except the State Board of Assessors and the Supreme Court *on certiorari.* He further said that the legislature might lawfully require the State Board and the Supreme Court, in exercising this function, to consider the estimate which the local assessors put upon other than railroad property, but that the legislature could not require the acceptance of that estimate as the correct standard of the value of the railroad property, as in such case the property so taxed would be assessed not according to its own true value but according to the true value of some other property, and that such a tax the legislature could not sanction. It necessarily follows, if the legislature could lawfully require the State Board and the Supreme Court, in determining value, to consider the estimate which the

local assessors put upon other than railroad property, that the State Board of Assessors can, in the absence of such statutory requirement, receive in evidence the estimates which the local assessors put upon other than railroad property. Such evidence, when under the oath of the local assessors that the valuations made by them are the true values, differs in no way from other expert testimony and is helpful to the same extent.

In *Long Dock Company* v. *State Board of Assessors,* 78 N. J. L. 44, Mr. Justice Garrison said that it was not intended to suggest that the availability of land for railroad purposes generally might not be shown and taken into account in the ascertainment of its market value, and the case was affirmed by the Court of Errors on the opinion below. Mr. Justice Garrison, in the opinion, referred to *Currie* v. *Waverly & New York Bay Railroad Co.,* 52 N. J. L. 381, in which it was held that the situation and surroundings of land sought for railroad purposes might impart to it a special value for such purposes generally, saying that the reasoning in the Currie opinion, although there applied to the condemnation of land, was equally pertinent to the question of its market value for the purposes of taxation.

The same principle, or a similar principle, has long been actually applied to the valuation of lands for taxation in this State.

In *State* v. *Flavell,* 24 N. J. L. 370, it was held that in assessments of taxes upon lands of the Society for Establishing Useful Manufactures near their water power, and not exempt from taxation by their charter, it was correct, in estimating their value, to take into consideration the

increased value of such lands by reason of their proximity to the water power.

In *Trask* v. *Carragan,* 37 N. J. L. 264, adjacency to tidal waters on a navigable stream, so far as location gives an increased market value to lands, was recognized as an element that may be taken into consideration in valuation for the purposes of taxation, and in the same case the right to dock out in front of a property was recognized as increasing value.

In *Hurd* v. *Cook,* 60 N. J. L. 70, it was held that while the income of property is of itself no criterion in making the valuation for the purpose of taxation, yet that the productive power of the property might be taken into consideration as an element in the ascertainment of true value where the property is so situated that the income reflects upon true value.

The case of *New York, Lake Erie and Western Railroad Company* v. *Yard,* 43 N. J. L. 632, involved the taxation of the Erie terminal at Weehawken, and, while the assessment was set aside for technical reasons, Mr. Justice Depue in the Court of Errors, for the guidance of the Commission on re-assessment, laid down the following rule:

> "In making an estimate of the value of the lands of the prosecutor, adjacency to the tide waters is a circumstance which should enter into their taxable valuation; and, in so far as the market value of the land is enhanced by reason of its frontage on the water, and of the privileges arising from its location, it should be estimated at such enhanced valuation for the purposes of taxation."

quoting approvingly *Trask* v. *Carragan, supra.*

In *New York Railroad Company* v. *Hughes*, 46 N. J. L. 67, the privilege of securing riparian rights was regarded as enhancing the value of the land, to the ownership of which the privilege attaches, for the purposes of taxation.

Under the general taxing laws, it has been held that the duty of assessors is to value land at its full and fair value, on the date prescribed by law, whatever may be its character, in the actual condition in which the owner holds it—not to value this part or that part of an entire tract as separated from the rest, but the entire tract as a whole.

State, Colwell, Pros., v. *Abbott*, 42 N. J. L. 111-115.

The problem of the State Board of Assessors, under the Railroad Tax Act, has been declared by Chief Justice Beasley to be, as to main stem or first class property, not what land for agricultural or building purposes is worth, but what a narrow strip of land, with valuable easements annexed to it, *adapted to railroad uses*, will bring in the market. The learned Chief Justice said that it was obvious that such a strip of land could not be bought at the price of adjacent lands; that there was no reason to suppose that the land thus acquired, if sold in the market for railroad purposes, would not bring a sum equal to the cost of its acquisition; and that the State Board could not reasonably estimate the lands by the measure of the value of the adjacent lands. The language is equally applicable to railroad terminal property.

C. R. R. Co. v. *State Board of Assessors*, 49 N. J. L. 1-5.

In *Long Dock Co.* v. *State Board of Assessors*, 82 N. J. L. 21 (affirmed 84 N. J. L. 762 on opin-

ion below), Mr. Justice Garrison repeated the holding in *Long Dock Co.* v. *State Board of Assessors,* 78 N. J. L. 44, that the market value of terminal property, due to its availability for railroad purposes generally, was a legitimate basis for its assessment for taxation. This case involved the identical terminal property of the prosecutor in the cases now before this court.

That the testimony shows a wide range in the valuation placed by experts, either on the acreage plan or in bulk, affords no reason for disputing the valuation as finally fixed by the taxing authorities. A determination of an issue of value, where there is competent evidence to sustain it, will not be overthrown because not in agreement with the estimates made by any particular witness. In this line of cases the presumption is in favor of the correctness of the estimations made by the assessor. *Estell* v. *Hawkins,* 50 N. J. L. 122.

In *Jersey City* v. *State Board of Assessors,* 73 N. J. L. 164, the Supreme Court held that whether the lands under tide water, beyond the exterior line for solid filling established by riparian commissioners, are assessable as land by a description which includes them depends upon the right which has been acquired therein; that if a title has been acquired beyond the exterior line for solid filling, those lands should be included with the land back of that line by a single description or separately assessed by a distinct description; that if only a right has been acquired in the lands under water beyond the exterior line for solid filling as appurtenant to the land back of that line, the value of the right is properly included in the assessment upon the land back of the line. This authority is exactly applicable to the parcel in the present case

known as Block 17, Plot A-2, which is assessed at 43,872 acres (including value of land under water in front thereof), the total acreage, including the land under water in front thereof, being not 43,872 acres but 64,772 acres (Case, Vol. II, page 627).

I.

The judgment of the Supreme Court is based upon findings of fact made by that court, which are not reviewable in this court.

The opinion of Mr. Justice Parker in the Supreme Court may be said on its face to be divided into two parts, one apparently dealing with legal points and the other with facts, but examination will disclose that in the discussion of the so-called legal points, questions of fact are adjudicated and that the results coming out of the whole opinion are findings of fact, or at most of blended law and fact.

Taking the opinion as found in the 1911 book, beginning on page 43, the learned Justice says (at the top of page 45): "There are certain legal points that may as well be dealt with first, so as to lay a foundation for consideration of the facts."

Beginning at line 11, page 45, and continuing to line 20, page 46, the court first deals with the objection by the prosecutor that the valuations generally were ascertained and fixed by the application of an arbitrary multiple.

The court shows that while this appeared to be so when the 1911 case was before the Court of Errors and Appeals (the case reported in 86 N. J. L. 593) it is not so on the present record.

That deduction was made by this court, when the 1911 case was last here, because there was no evidence then in the record to the contrary. The prosecutor in that record complained of the refusal of the members of the State Board to be sworn, and, having upon that record, under the law as declared by this court, obtained a legal holding *that the Board had proceeded arbitrarily,* was so well satified with the result that it not only declined to call the members of the State Board of Assessors on the re-assessment ordered by the Supreme Court, as a result of the holding of this court, but protested most vigorously (continuing the protest at this time in this court) against the State calling the assessors as witnesses *to meet the charge that there had been an arbitrary application of the multiple.* This court refused, as expressly appears by the opinion of Mr. Justice Swayze when the case was last here, to assume that the members of the Board had violated their duty by such arbitrary application, and dealt with the case as devoid of evidence to sustain the valuation adopted by the Board, holding that the valuation could not be supported on the assumption of personal knowledge and judgment as to the value of the property possessed by the members and not brought to the attention of the Supreme Court.

It is to be noted that in that record also there appeared no evidence as to value by witnesses called for the State, and this court held that there was no room for the application of the rule, *applicable in cases of conflicting evidence,* that the court may properly refuse to interfere with the decision of the State Board who may have decided upon the weight and value of the evidence before them in the light of their own knowledge, whatever it may have been.

In the present record not only is there the evidence of other competent witnesses called by the State on the question of valuation, but two of the members of the Board, Messrs. Hendrickson and Record, were sworn and testify as experts in a legal sense as to the valuations of the lands in question, and affirmatively establish that there was no application, in making the assessment, of an arbitrary multiple.

There is nothing new or startling in the multiple principle. It is nothing more than the recognition of additional value, often popularly referred to as due to plottage, put very strongly by Mr. Justice Parker in his opinion in this record, "It is elementary that in combining two or more tracts of land for a purpose requiring both or all together, the value of the whole may well be more than the total of the parts separately." This principle was recognized by Chief Justice Beasley in the very first case in which the application of the railroad tax law was before the courts, in *Central R. R. Co. v. State Board of Assessors,* 49 N. J. L. 1.

The objection of the prosecutor does not go so far as to deny the propriety of the use of the multiple or plottage principle in ascertaining the value of real estate. Indeed, its own witnesses recognized the application of the principle. The objection is that the application in the present case was arbitrary and, therefore, erroneous.

The Supreme Court has found as a fact, by its opinion in this case, that there was no arbitrary application of a multiple and that finding of fact is conclusive here and the objection therefore fails.

Mr. Justice Parker (beginning at line 20 on page 46 of the 1911 Record) next deals with the objection that the lands under water should have been joined with the upland for assessment and not segregated into separate tracts. This objection raises questions which, both as to form and substance, have been heretofore disposed of by the courts in decisions binding upon the Board and followed in making the present assessment. The parcels and their descriptions are the same parcels and descriptions as in the 1906, 1907, 1908 and 1909 assessments.

Jersey City v. *Board of Assessors,* 73 N. J. L. 164; aff'm 75 N. J. L. 571.

Long Dock Co. v. *Board of Equalization of Taxes,* 87 N. J. L. 22.

There is, therefore, no open question of law for determination in this case, and the descriptions of the parcels in the terminal, as inclusive or exclusive of lands under water, adjacent to the upland, serving their purpose of identifying the real areas to be subjected to assessment, are merely component parts of the structure of facts involved in the final result.

The Supreme Court opinion next deals (p. 46 of the 1911 Record, beginning at line 36) with the objection that there has necessarily been a double assessment because of the adjacency of said lands to tidewater.

Here again there is no open question of law, as the courts of this State have repeatedly held that, in the valuation of lands for taxation it was proper to take into consideration the increased value due to adjacency to tidewaters.

Trask v. *Carragan,* 37 N. J. L. 264.

New York, Lake Erie & Western Railroad Company v. *Yard,* 43 N. J. L. 632.

In *New York Railroad Company* v. *Hughes*, 46 N. J. L. 67, the privilege of securing riparian rights was held to enhance the value of land, for the purposes of taxation, to the ownership of which the privilege attaches.

And in *State v. Flavell*, 24 N. J. L. 370, it was held that in assessing for taxes upon lands of the Society for Establishing Useful Manufactures near their water power, it was correct to take into consideration the increased value of such lands by reason of their proximity to the water power.

The appraisal of the lands, taking into consideration these elements of value approved by the courts, is an ascertainment of fact, *and the fact has been determined in the Supreme Court and is not reviewable here.*

The Supreme Court (p. 47 of the 1911 Record, beginning at line 12) next deals with the objection that the valuation is based in whole or in part on the value of other lands not similarly situated.

The record shows with abundant detail all the localities taken into consideration by the witnesses and by the Board in determining the valuation of the terminal lands of the prosecutor. To ignore locality in valuation of real estate is an impossibility, and the values of adjacent or nearby areas are more or less helpful in accordance with their likeness in location or use or availability. The appellant's complaint is not against the consideration of valuations of adjacent or nearby areas, but against the selection of any other adjacent or nearby areas than those selected by the appellant. The judgment of experts may differ as to comparable areas, but criticisms of such areas selected by

experts as the basis of opinion in a given case address themselves to the weight and not to the admissibility of the evidence.

Packard v. Bergen Neck Railroad Co., 54 N. J. L. 553, 555.

Brown v. *New Jersey Short Line R. R. Co.*, 76 N. J. L. 795.

Manda v. Orange, 82 N. J. L. 686.

In the present case the Supreme Court in dealing next (Record in 1911 case, p. 47, line 26) with the presence in the record of evidence of cost of reproduction, says that this is so properly an element to consider that no argument is needed in its support.

Here again there is no open question of law as this principle has been in undisturbed use in the assessment of railroad property ever since the original case under the act hereinbefore referred to of *Central Railroad Co.* v. *State Board of Assessors*, 49 N. J. L. 1, in which Chief Justice Beasley expressly held that the Board might consider the cost of reproduction as an important particular in determining market value. This objection, therefore, under established law, affords no basis for interference with the determination of facts made by the Supreme Court.

The Supreme Court in its opinion (Record 1911 case, p. 47, line 30) next deals with the objection that the valuation fixed by the Board is inseparably connected with the franchise.

This objection is addressed wholly to a question of fact which the Supreme Court has determined by saying that the prosecutor has failed to show that the valuation fixed by the Board is inseparably connected with the franchise. Such conclusion of the Supreme Court cannot be re-opened here.

The Supreme Court in its opinion next deals (Record 1911 case, p. 48, beginning at line 20) with the objection that the valuations are not made under a uniform rule.

This objection is attempted to be supported on the brief of the prosecutor only by a quotation from the testimony of one of the members of the Board, Mr. Record. The testimony quoted relates to the valuation of main-stem lands in comparison with adjoining lands and does not deal at all with the assessment now before the court, which is of second class property. The prosecutor has paid its main stem taxes without complaint of any absence of uniform rule in their assessment. The only proper application of the testimony quoted is to show there was no arbitrary use by the State Board, in the valuation of railroad property, of a multiple, and relates wholly to a question of fact determined by the Supreme Court.

The Supreme Court next discusses (Record 1911 case, p. 49, line 9) the objection that the assessments were made at a rate in excess of the rate of assessment upon property of like character and similarly situated and not in the same relative proportion of true value as that by which other property in the same taxing district was assessed, and that said assessments are in excess of and disproportionate to the assessments placed upon the property of other owners in said taxing districts and of owners of the same class of property contributing to the common burden of taxation. As properly suggested by the Supreme Court, this point amounts to nothing more than that the railroads are assessed at what the State Board considered "true value," whereas private lands in the neighborhood were assessed at varying percentages less than true value.

The courts of this State have, since the adoption of the constitutional requirement, recognized no other criterion as the basis of assessment except true value, and that requirement is emphasized in the Railroad Tax Act by special mention declaring it to be the duty of the Board of Assessors, among other things, to "proceed to ascertain the true value of all property used for railroad or canal purposes of each railroad and of each canal company in this State." This constitutional requirement led this court in *Williams* v. *Bettle,* 51 N. J. L. 512, to hold unconstitutional the original 4th Section of the Railroad Tax Act of 1884 which required the State Board of Assessors to reduce their valuation to the valuation found by local assessors if the latter valuation should be relatively lower than the valuation made by the State Board. The prosecutor's present contention is in support of exactly what was declared by that case to be unconstitutional, and in the original case under the Railroad Tax Act, *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L. 1, already frequently referred to, Chief Justice Beasley (p. 19) repudiated the suggestion that the legislature had created as a standard of assessment under the Railroad Tax Act true value *minus* some percentage based on the custom of local assessors.

There certainly was at the time this case was first before the State Board of Assessors no open question of law as to the duty of the State Board to assess at true value, and the Supreme Court has in the present record determined the fact of true value.

The opinion of the Supreme Court next refers (Record 1911 case, p. 50, line 23; p. 51, line 25) to objections made by the prosecutor to evi-

dence as to the valuation of adjacent terminals of the Pennsylvania and Lackawanna Railroads, and evidence as to the assent in behalf of the prosecutor by Harrison Williams to the valuation of 1911, stating that neither had been considered by the court in reaching its findings.

The court then (Record 1911 case, p. 51, line 20 to p. 52, line 27) *explicitly sustained the valuation of certain of the parcels and itself assessed, in accordance with the schedule annexed to the opinion, those parcels in which the court found the figures of the Board excessive.*

It is evident from this analysis of the opinion that there were no open questions of law making debatable the admission of evidence by the State Board or denying consideration by the State Board to the evidence before it, and that the Supreme Court, in affirming the assessment of certain of the parcels and itself assessing others, by its final judgment lays before this court a case which is within the rulings of this court upon the subject of the function of the writ of error in reviewing judgments of the Supreme Court based on findings of fact.

In *Voorhees* v. *Terhune,* 50 N. J. L. 147, on review of an order made by the Supreme Court setting aside an execution sale, Mr. Justice Knapp, speaking for this court, said at page 159:

> "This is a writ of error, and its sole office is to present legal questions for decision. Under it the court will not decide questions of fact, and will look into the evidence only to discover whether it affords, on any permissible interpretation of it, a rational support for such finding. If it be found to be of this degree of strength the determination of fact must be accepted as conclusive. Harrison *v.* Allen, 11 Vroom,

556; Johnson *v.* Arnwine, 13 Vroom, 451, and cases cited."

The same rule applies in criminal cases. *Roesel* v. *The State,* 62 N. J. L. 216.

The case of *D. L. & W. R. R. Co.* v. *Newark,* 63 N. J. L. 310, arose under another section of the Railroad Tax Act, and involved a determination of the character of the tribunal consisting of three justices of the Supreme Court assigned by the Chief Justice to determine whether railroad property had been lawfully assessed by the local authorities. This court held that a tribunal so constituted was *pro hac vice the* Supreme Court. Mr. Justice Garrison, speaking for this court, said:

> "Regarded in this light the judgment of the Supreme Court must be affirmed. The controversy in that court was essentially one of fact, viz., whether a certain part of the property was used for railroad purposes. Upon the evidence before it the court below drew the latter inference. There was before the Supreme Court testimony competent to sustain this verdict, hence the finding of that court upon this question of fact is a finality."

Under the same section and to the same effect was the opinion of Mr. Justice Garrison. *In the matter of the taxation of the Erie Railroad property,* 65 N. J. L. 608-616.

In the *D. L. & W. R. R. Co. case, supra,* the justice cited *Moran* v. *Jersey City,* 29 Vroom, 653, and added:

> "Apart from the reasoning of the cases cited, which is germane, although upon a different statute, the language of the act under review leads to the same result. The remedy given by this statute and now in-

voked is by writ of error, 'whose sole ability always has been and is to bring before the higher court for review, in matters of law, the judgments of inferior tribunals.' It is no part of the function of this writ to remove by way of appeal decisions founded upon blended law and fact. Falkner *v.* Dorland, 25 Vroom, 409."

In the case of *Falkner* v. *Dorland,* 54 N. J. L. 409, last cited, the Supreme Court held that a supplement to the act relating to writs of error, passed in the year 1890, authorizing the removal of decisions on motions for new trials by writs of error was unconstitutional, as its title did not express its object. Chief Justice Beasley, speaking for the court, said:

"Upon examination of the subject my conclusion is that the legislation in question is void from the fact that its title does not express its object. It purports to be a supplement to an act entitled, 'An Act Respecting Writs of Error.' The infirmity of this description is that it cannot, with the least show of reason, be so construed as to comprehend the process which it attempts to authorize. The act does indeed designate such a process a writ of error; but that does not make it such. Besides, in view of the Constitutional prescription, such new-fangled process thus sought to be instituted must have been, before and at the time of the passage of the law, of the nature of a writ of error, or the title was grossly illusive. The process contrived by this law has for its function the removal of decisions founded on blended law and fact, a function that in no sense appertains to writs of error, whose sole ability always has been and is to bring before the higher court, for review in matters of law, the judgments of inferior jurisdictions."

While this language was used in the Supreme Court, it has the approval of this court by virtue of its quotation in *D. L. & W. R. R. Co.* v. *Newark, supra.*

In *Morris & Cummings Dredge Co.* v. *Jersey City,* 64 N. J. L. 587, Mr. Justice Dixon said:

> "Whether the alterations intended would really have an injurious effect upon the value of the company's lands was a question of fact presented to the Supreme Court in allowing and rendering final judgment upon the writ of *certiorari,* and the decision of that court upon that question is not subject to review here. (Quoting authorities.)"

The case last cited was quoted approvingly by this court in *Beecher* v. *Newark,* 65 N. J. L. 307, this court saying, p. 309, "There being at least competent evidence to sustain the finding of the Supreme Court on this subject its findings cannot be reviewed on writ of error to this court."

There is nothing in the character of the exercise of jurisdiction by *certiorari,* so far as that jurisdiction involves the determination of questions of fact by the Supreme Court, to differentiate the findings of fact by the court from those passed on by the verdict of a jury. The legislature has not undertaken, in the Railroad Tax Act or by any other act, to confer any additional jurisdiction on this court in the matter of reviewing judgments in *certiorari* cases affirming assessments made by the State Board of Assessors.

The brief of appellant disagrees with the Supreme Court, but it offers no reason for overthrowing the judgment of that court. It is indeed argued that the record contains *no evidence* to support the judgment of the Supreme Court, but to reach this result counsel would have this

court dismiss unheard, Record because too argumentative, Hendrickson because too theoretical, Ehrehardt because a consulting engineer of the New York Central, Dunham because only a man of ordinary intelligence, Cronan because of lack of particularity, and Lohmann because from Hoboken. On the other hand counsel would have this court accept above the *judgment* of Justices Parker, Kalisch and Minturn, sitting as a jury, the *opinion* of Messrs. Hansel, Corbin, Gaddis & Ryer, because now employed by the Erie Railroad Company, with a bit of apology for Hansel because he was once employed by the State.

No official of the Erie Railroad Company has been heard to say these lands were overvalued. It is not conceivable that no man in that organization has knowledge—expert knowledge at that—of the terminal properties of the company. Counsel for appellant might not have need to complain that the case contained no evidence of the cost of this terminal if he had called the right witness from the office of his own client. And quite likely too counsel could not then appeal to the silence of the record as evidence of no demand for terminal property. If he overlooked, on examination in chief, definite questions relating to cost, original or of reproduction, recent purchases of adjoining lands, need for extension, etc., very likely cross examination would have covered the omission.

The brief is addressed to the discussion of evidence—its weight and sufficiency—and not to questions of law which should disturb the verdict of the Supreme Court. It was for that court to pass upon the weight of the evidence, and in the absence of "palpable error" its findings on issues of fact or of blended law and fact are conclusive in this court.

II.

The assessed valuation of the property of the Appellant (Prosecutor below) for the years 1911, '12, '13 and '14 as established by the judgment of the Supreme Court should be confirmed on the record now before this Court,

The appellant originally in the 1911 case, and in the other cases of 1912, 1913 and 1914, the records in which are also now part of the 1911 case, presents three real estate experts, Messrs. Gaddis, Ryer and Corbin, Messrs. Ryer and Gaddis being experts *on land exclusive of river front,* and Mr. Corbin being an authority on *river front valuation.*

Messrs. Gaddis and Ryer both disclaim any intention to value water front property.

Mr. Ryer (Record, Vol. II, page 53, line 31), said that he had put no valuation on the terminal land east of Hudson Street, which street is a full block inside the exterior line for solid filling; on page 54, line 36, he said that he did not want to testify as to water front property, and that neither he nor Mr. Gaddis had appraised the land to the east of Hudson Street. He declined to express any opinion by way of comparing the value of water front in railroad use with water front in warehouse use. In Vol. II, at the top of page 920, Mr. Ryer said, in response to the question whether he had placed his value upon such parts of the terminal as he felt competent to value, exclusive of the water front, replied, "As I was asked to value," and added that he had never been asked to value the water front. At the top of page 924 Mr. Ryer affirms his competence to value any part of this terminal property up to the bulkhead and possibly beyond, but throughout his examination

and cross examination counsel for the prosecutor carefully kept him 700 feet back from the bulkhead line, the imaginary boundary of water front property established by Mr. Corbin, the prosecutor's water front expert. So careful was counsel for the prosecutor that at the top of page 919, when Mr. Ryer was asked whether he had any doubt that the area comprised within the Long Dock terminal would be entirely unavailable for railroad use if it were interlaced with streets, counsel objected to the question as pertaining in part to the use of water front land, as to which the witness was not qualified as an expert. Neither upon examination nor cross-examination was Mr. Ryer, although engaged in the appraisal of property for city and government and individuals and in the real estate and insurance business in Jersey City for many years and familiar with values in the neighborhood of the Erie Railroad tracts, permitted to say a word as to a foot of this terminal within the sacred domain of expert Corbin.

The record suggests that Mr. Ryer was at times a little bit restive under this restraint, but he was kept within the limit of the appraisal territory fixed by the prosecutor.

Mr. Gaddis declined to express an opinion (Vol. II, foot of page 44), on property within what he called the water front territory; on page 36, line 37, he declined to put an estimate on water front property; at the foot of page 7 counsel for the prosecutor confines his question to upland, saying that he was asking the witness not at all to estimate the value of land under water or the water front; and on page 26, line 8, he states that he confines his comparisons to property to the west line of Hudson Street, because that is what he believes to be the limit

of the upland and east of that would be a water front property—a different proposition. On page 312, beginning at line 30, Mr. Gaddis' attention was directed to the fact that his appraisal was limited to a line 700 feet west of the exterior line for solid filling. He said that he had made no effort to value the property at all in front of that line and that he stopped there, not because of any want of capacity to testify as a person skilled in real estate, but because the Erie had set Mr. Corbin at that and that he, Gaddis, was to make a valuation up to that line. Being asked (top of page 312) whether he agreed with Mr. Corbin that the water front stopped exactly at 700 feet from the exterior line for solid filling, he replied that he was not asked to take up that point. The question being repeated, counsel for the prosecutor immediately objected on the ground that Mr. Gaddis had not qualified to testify on water front property, and his answer discloses the fact that his appraisals did not include his own judgment about the water front property as part of the entire parcel, but that his appraisal was bounded by an arbitrary line 700 feet back from the exterior line for solid filling.

Both Gaddis and Ryer and counsel for the prosecutor were careful to exclude the water front from their knowledge and figures, and the exhibits prepared by them, tabulating their values, permit no confusion as to any inclusion by them of water front figures. The Exhibit P-2 (Record, Vol. II, page 958) carefully defined by specific mention the Corbin appraisal to the east of the 700 foot line and the Gaddis and Ryer appraisals to the west thereof.

The arbitrary method of regarding *as upland or city development* land west of Hudson Street

extended, being about a block inside of the exterior line for solid filling (but not far enough from such line to provide for proper pier facilities either under the actual development of the Long Dock terminal or to meet modern requirements for another use), and *as water front* only that part of the whole tract to the east of Hudson Street, is not a method which appeals to reason and common sense.

Mr. Corbin, the only and exclusive water front expert, makes his dividing line between upland or city development and water front property 700 feet back from the exterior line for solid filling, doing this (Record, page 91, line 22) because of the fact that the blocks of the Bush terminal are 700 feet in length and concluding from this that is a sufficient depth for pier purposes. Mr. Corbin knows nothing about the back land and confines himself to the water front, although in the 1911 case, in making his figures as a water front expert he estimates the whole terminal property, dividing it into arbitrary zones into which he reflects such advantage from the water front as his judgment calls for. His appeal to the Bush terminal is repeated in the record on page 97 and again on page 176, where he states that he does not know exactly the financial result of the operation of the Bush terminal, but that he will say that the Bush terminal is conceded to be the highest type of development of water front in New York Harbor, or possibly in the whole country. This eulogy of the Bush terminal, and the reference to its existence as a model for the reason of the location of the 700 foot line, seems remarkable in the light of his criticism (Record, Vol. II, page 255), where he states that the Bush terminal is handicapped by having too much pier line and

that it is very expensive handling merchandise there because the merchandise has to be carted along the entire length of the pier and across the marginal way, and that the Bush terminal is laboring under excessive charge in handling heavy cargo and stuff on account of the distance it had to be carried on the pier. He makes the saving reference that his criticism does not apply if the freight is handled from lighters on to the vessel or off the vessel. It seems extraordinary that the witness should appeal to the Bush terminal as his model and then when the comparison with the model justifies long piers, that the witness should condemn the model.

To the average mind this Long Dock terminal tract, with its great frontage on the Hudson and its splendid depth, uncrossed by streets, seems to be in its entirety water front property rather than part water front and part upland.

Messrs. Gaddis and Ryer make their test of value of upland on the factory and dwelling use (Record, Vol. II, top of page 266), and their zones of comparison, shown on map Exhibit P-1, are to the rear of the most remote part of the Long Dock terminal. They reject for purposes of comparison lands to the north and south of the terminal, whether in railroad or private ownership, equidistant from the river front and in like use or actually developed in warehouse and factory use.

Mr. Ryer (Vol. II, page 323), absolutely refused to discuss the valuation of lands south of the Long Dock terminal and within like limits from the Hudson River water front, although the lands, to which his attention was directed, were nearer to the south side of the Long Dock terminal than the comparative areas selected, by the witnesses Gaddis and Ryer on either side of Pa-

vonia Avenue, to the west of the Long Dock terminal, were to the rear of that terminal. These distances are developed on pages 330 to 332. Some of the lands were within 1,400 feet of the south side of the Long Dock terminal, and lands to the north, in Hoboken, above the D., L. & W. terminal, within 2,100 feet, but were not considered comparative. The comparative areas selected by Messrs. Gaddis and Ryer, shown on Exhibit P-3 and Exhibit P-1, include lands in the north section 3,600 feet from the rear of the Long Dock terminal, and in the south section 4,200 feet (Vol. II, page 333). These Gaddis and Ryer comparative north and south sections include practically all the land from the rear line of the terminal yard to Bergen Hill, but include nothing, even to the rear, north and south of the north and south limits of the Long Dock terminal. (Vol. II, page 334.) The schedules prepared by the witnesses Gaddis and Ryer do not include any figures outside of the territory in the sections used for comparison, and, while Ryer (Vol. II, page 335), admitted knowledge of sales to the north and south nearer to the Hudson River, he said that they did not enter into the question of value because they were not in the comparative sections. Being asked, "What influence did the figures outside of your comparative area have on your judgment," he replied, "Practically none." *He followed this up by stating that he regarded the area of influence as exhibited in the sections on his map, and that figures outside of the section should be practically ignored.* Being asked, "Then the prices of actual sales to the east of Provost Street, to the north and south, whatever they may have been, you think they are not to be considered in determining the value of Block 17, A-2, within the limits that you were called upon to make fig-

ures upon?" he replied, "I do not, absolutely; no more than I consider that the figures back of the Erie terminal are applicable to the Pennsylvania terminal." He was consistent in declaring that he would value all the terminals by taking a strip just as wide as the terminals right back to the Hill. It appears (Vol. II, page 336), that the figures of Messrs. Gaddis and Ryer are identical, because they were worked out together, and that they represent the joint judgment of the two. It further appeared, on the same page, *that Mr. Ryer thought that the land within the terminal tract would be just as available for use as a railroad terminal if it were covered with a network of streets,* like the comparative sections selected to the west, as shown on Exhibit P-3. On page 340, Mr. Ryer stated that their figures were not based on sales, although they had studied the sales, but were based on their idea of the value of each separate street, and that from their ideas of value they had reached for the 48 acres in the south section an average price of $24,288 an acre, while on sales the figures would be $24,000 an acre (Vol. II, page 340), and in the north section their judgment of value was $20,743 per acre, while from the sales the value of $19,195 per acre would be indicated (Vol. II, page 355).

Turning to page 340, beginning at line 30, we find that Messrs. Gaddis and Ryer arrived at a valuation of $20,000 an acre for the back land in the terminal, and that the figures in the comparative areas were gotten up to support that valuation. It further appeared (Vol. II, page 342), that in the sales considered by Messrs. Gaddis and Ryer thirty-four sales to the Erie Railroad, within their comparative areas, had been included and that the railroad prices, as a rule, were much larger than other prices. Mr.

Ryer conceded (line 32), that the indication from the price would be that the land immediately adjoining the railroad was more valuable than lands farther away, but he thought the fact was that the higher price was forced upon the railroad because the land the railroad wanted immediately adjoined other railroad property. He conceded the fact that the land purchased immediately adjoined other property of the railroad, thereby making its location more available for railroad use than land farther away.

Mr. Ryer (Vol. II, page 356), said that he had taken into consideration in his valuations the location of the land in the rear of the terminal as abutting on a tract of strict water front property bounded by a line 700 feet from the line of solid filling, *but that the fact of like ownership of the strict water front and the rear property was immaterial.* In the discussion on pages 357, *et seq.,* Mr. Ryer concedes the principle of plottage, but denies that it has any application to the combination of ownership and use in the Long Dock terminal of the water front property from the pier line to 700 feet back from the line of solid filling with the part of the terminal from the 700 foot line to the extreme rear. He freely conceded (page 361) the necessity for large areas in terminal properties and that such large areas, with the absence of streets, with access to the water front, etc., were available for railroad use generally. He agreed with all the other witnesses that it would be next to impossible to buy a terminal like the Long Dock terminal at any price, to the north or south, because of the lack of available land.

It appeared (Vol. II, page 389), that there were four railroad terminals in Jersey City, and three others on the Hudson to the north of Jersey City, three of such terminals belonging to

the Pennsylvania system and two to the Erie. No terminal has been abandoned and a new one, at Greenville, has been established within the last ten or fifteen years. All of these terminals, including the Long Dock terminal, have been increased in area within recent years.

Mr. Gaddis was in accord with Mr. Ryer in all things in theory, and equally positive in excluding from any consideration, for purposes of ascertaining values, sales of land along the river front to the north and south of the Long Dock terminal, and equally positive in his declarations that the only place to find any standard from which to judge of values of the Long Dock terminal, to the rear of the 700 foot line, was in an area to the west of the terminal from the rear thereof to the Hill.

Mr. Corbin, the prosecutor's water front expert, in the 1911 case, for Block 17, A-2, has three zones (Vol. II, page 90). The first he himself calls water front property with a fringe of land 700 feet west of the exterior line for solid filling; the second is a solid block of ground adjacent to water front property, with a frontage on Pavonia Avenue; and the third, or inside zone, if of smaller area. The outside zone he values by front footage on the Hudson River at $1,867,500; the center zone by the acre, $708,261; the inside zone by the acre or square foot, $419,914; making a total for the parcel secondly mentioned in the writ of certiorari of $3,185,224. This parcel, described as Block 17, Plot A-2, consists of an acreage of 43,872 acres inside the line of exterior solid filling, but in the valuation is included land outside that line of 20.9 acres, making a total acreage of 64,772. The description of the tract as 43,872 acres, including the value of land under water in front thereof, is in accordance

with the opinion of this court in *Jersey City* v. *Board of Assessors,* 73 N. J. L. 164. Spreading Mr. Corbin's figures by the acre over the entire area of 64,772 acres, his valuation is at the rate of $49,175 per acre as against the Board's acreage of the same parcel of $59,392.

The acreage in Mr. Corbin's outside zone is 37,572 acres, which makes his valuation for that zone at the rate of $49,462 per acre; the middle zone at 16,489 acres he values at the rate of $43,560 per acre; the inside zone of 10,711 acres he figures at $39,204 per acre.

Expert Corbin's figures on the next largest parcel objected to, Block 17, Plot B-6, being the first parcel mentioned in the writ of certiorari, on a like zone analysis, is $914,584 (Record, Vol. II, page 92), as against the assessment of $1,098,480. He values the third item mentioned in the writ, 2.09 acres, at $96,502 (Record, page 92), as against the assessment of $116,196.

Block 16, B-7, is valued by Mr. Corbin at $115,342 (Record, page 120), as against the assessment of $138,878.

From these figures it is apparent that the chief difference between Mr. Corbin and the assessment is in the parcel Block 17, Plot A-2, the main terminal parcel to the north of Pavonia Avenue, inclusive of the land under water in front thereof.

It will also be noted that Mr. Corbin puts his highest average rate of approximately $50,000 on the outside or water front zone, getting down for the inside zone, the one most inland, to $39,204 per acre. Yet Mr. Corbin himself (Record, Vol. II, page 112), said that he had an entire block of property inland, just above the Long Dock terminal, for sale at $1.25 a square foot, which necessarily represented the land price, as the

witness stated the improvements were merely nominal. This would represent an acreage price of $54,650. On the same page Mr. Corbin stated that he had another piece of land, about half a block, adjoining the Erie terminal on the north and also the Lackawanna terminal, which he was offering at $1.50 a square foot, or $65,340 an acre.

These instances properly reflect more accurately inland values in this neighborhood than the arbitrary zone distribution of values theoretically imposed on this extensive terminal property. Mr. Corbin apparently regards the water front as more valuable than the inland, yet offers a figure for the water front even less than actual selling prices of inland property immediately adjacent to the terminal.

While Mr. Corbin conceded the principle of plottage and claimed to have applied it, he was asked (Vol. II, page 96):

> "Q In making your valuations of this property do we understand you to say that this water front is as valuable with only 700 feet of fast land back of it, as it would be with the whole of this terminal as it lies? A Well, I have considered that you have got to have a line of demarcation somewhere for the reflected values from a water front. You couldn't in my opinion, add any great value to that property even if you extended it a mile further west."
>
> (Question repeated by stenographer.)
>
> "A Perhaps not; I think if there were just 700 feet of land it would not be worth $1,800 a front foot. * * *
>
> "Q How much more is it worth taken by the front foot with the terminals? A I don't think my figures would be changed at all. I have assumed the entire block is under one ownership."

He further defended his zone theory on the ground that he had to have some basis to compute values, and that his figures were based on a use for railroad terminal, which he thought was the highest use to which the property could be put, although he had justified the extent of his water front zone on the Bush terminal, which was a warehouse use, and, to quote his own words, "the highest type of development of water front in New York Harbor and possibly in the whole country," and the limit of his appraisal was 700 feet back from the line for solid filling, thus restricting himself to an area absolutely unavailable for a railroad terminal use.

Of course, the availability of the property for a railroad terminal is greatly increased by its large area and great depth from the water front, its freedom from street intersection and its situation on the Hudson River at a point where an equal area is incapable of duplication now at any price. This was recognized by Mr. Justice Garrison in his opinion as to the assessment of this very tract for the years 1906, '07, '08 and '09, in the case reported as *Long Dock Company* v. *State Board of Assessors,* 82 N. J. L. 21, and the Court of Errors affirmed the assessment on the opinion below. Yet expert Corbin could not be brought to acknowledging what was obvious to everyone else, although he had testified the day before (Record, page 104) that the West Shore terminal, farther up the river, was less valuable than otherwise because it lacked depth.

The zone theory, if properly used, may be useful in determining the total value of this terminal property. The difficulty with the zone theory as developed by Mr. Corbin in the 1911 case is that it ignores the fact that the entire ter-

minal is accessible to the water front and available for use as water front property in one complete parcel. Its value cannot properly be restricted by supposed limitations of the real proximity of all of it to New York Harbor, or by imaginary building lots on Pavonia Avenue, or by the elimination of its extent as an entirety. If valued by zones there must be recognition, either in the original figures or by way of application to the totals of the plottage principle. While Mr. Corbin and his colleagues, Messrs. Gaddis and Ryer, do not deny the existence of the plottage principle, their methods practically reject its application.

Messrs. Gaddis and Ryer do not testify as to the valuation of the first four parcels mentioned in the writ, except so far as they value the land in those parcels back of the exterior line for solid filling, as shown on their schedule printed in the record, Volume II, on pages 958, as Exhibit P-2.

This table, Exhibit P-2, is absolutely misleading when considered in the 1911 case, and does not correctly disclose the results of the testimony of Corbin, Gaddis and Ryer as to any tracts where the testimony of all three is to be considered.

By reference to this table it will be noted that that part of Block 16, B-6, comprising the Pavonia Avenue frontage and interior, is valued by Gaddis and Ryer at $495,240, making, with Corbin's water front addition, a total of $740,240. This is in complete contradiction of Corbin's own valuation (Record, Vol. II, page 93), hereinabove referred to, in which he values Plot B-6, Block 16, 16.039 acres, at $914,584.

The combined figures of Corbin, Gaddis and Ryer are, therefore, made by the compiler of this

table to come to a total result of $175,000 less than Corbin's own estimate.

Gaddis and Ryer were, of course, forbidden to express any opinion as to the value of lands nearer to the line for exterior solid filling than 700 feet, but Corbin, as a water front expert, was not, in 1911, forbidden to appraise the whole tract as water front property. Apparently, he does not agree with his inland colleagues.

The disagreement is even more pronounced when you come to Block 17, Plot A-2, which Mr. Corbin told us (Record, page 92) was worth $3,185,224, excluding the area occupied by the main stem, while in the table, Exhibit P-2, the combined figures of Corbin, Gaddis and Ryer amount to only $2,511,930. The Gaddis and Ryer Exhibits 1 and 2, the tabulations being part of the original 1911 record, are mentioned in the present record, Volume II, page 168, but are not printed, the statement being made that they are included in Long Dock Company's Exhibit No. 2 in the present Volume II, page 958. These tables as printed in the 1911 case did not include Corbin's water front parcels, and the addition of Corbin's figures made the apparent valuation by Corbin, Gaddis and Ryer combined, on Plot B-6, Block 16, in excess of the Board's valuation, and as to Block 17, Plot A-2, an amount, while not up to the Board's valuation, yet a sum not equal to the valuation put by expert Corbin on the whole tract.

The variety of results reached by expert Corbin figuring these terminals on his own hook and by Corbin, Gaddis and Ryer combining their efforts, apparently led counsel for the prosecutor, in offering testimony in the 1912 case, which testimony is by stipulation applicable to the 1913 and 1914 and also to the 1911 cases, *to confine*

Mr. Corbin to the territory east of the 700-foot line which had been set up in the 1911 case and was continued in the other cases as an unpassable barrier against Messrs. Gaddis and Ryer, the inland experts. Volume II, at the top of page 176, with Mr. Corbin again on the stand, counsel starts out by calling the witness Corbin's attention to the line on the map (then Long Dock Exhibit No. 1); in the present record Exhibit P-1, (Vol. II, page 242, line 20) marked "Line 700 feet west of solid fill." Having extracted from the witness his opinion that 700 feet would be the limit of the use of water front property to the best advantage from the bulkhead line or line of solid filling, and the witness having again referred to the Bush terminal as "The highest type of commercial development in the port of New York, and perhaps in this country," he was asked whether he had prepared an estimate of the land value of the various parcels under review in this proceeding *"so far as the same are to the east of the line 700 feet west of the solid fill?"* He replied that he had, and in Plot 17, A-2, after deducting the main stem, there was a valuation by the witness, east of the 700 foot line, of $1,787,630. (He made it $1,867,500 in 1911, Vol. II, foot of page 91.) The ferry plot area, 2.09 acres, the witness valued at the old figure of $96,502. It is interesting to note at the top of page 179 that this ferry plot, being all land under water east of the line of solid fill, was appraised by the witness at $1.06 per square foot, a higher price than the $1.00 per square foot used by the Board in its assessment of the land under water.

Block 16, B-7, 2.498 acres, was appraised at the old figure of $115,342, again being land under water east of the line of solid fill and being valued at the rate of $1.06 per square foot.

In Block 16, Plot B-6, the witness was not permitted to appraise the entire tract, he was carefully limited by counsel, at the foot of page 179, to a valuation east of the 700-foot line, which valuation he proceeded to make by running the 700 feet back from the exterior line for solid fill along the canal so-called, or waterway, between the Erie terminal and the grain elevator, and valuing by running foot on the canal, reaching the figure of $245,000. *Counsel is again careful, at the middle of page 180, to make sure that Mr. Corbin's area, on which his estimates are based, includes only land to the east of the 700 foot line.*

Is it not apparent that the prosecutor has proceeded upon an erroneous theory in arbitrarily dividing this terminal tract into land to the east of the 700 foot line and land to the west of the 700 foot line? Such theory is in express conflict with the law as laid down by this court. *State, Colwell Pros.* v. *Abbott,* 42 N. J. L., 111-115; *C. R. R.* v. *State Board of Assessors,* 49 N. J. L., 1-5.

If on the zone theory in making the appraisal the respective witnesses had been permitted to appraise the whole tract, it would have been possible to have intelligently tested, by cross-examination, the figures of each; but when you are informed by Messrs. Gaddis and Ryer, that they were not asked to make any valuation of property to the east of the 700 foot line, that they have given no consideration to the study of values to the east of that line, and that they not only express no opinion thereon, but decline to consider the so-called water front property east of the line, how can recognition be given to their claim that they have included, in the valuation of all the land to the west of the 700 foot line, some reflected worth because of adjacency to the

water front tract between it and the river as a part of the same parcel? And this, too, when the justification for their inland figures is found by a comparison with sales and values of lots on city blocks still further inland, which values, deduced from sales, are as large for small tracts, in different ownership and use, as the valuations put by Gaddis and Ryer upon the terminal tract west of the 700 foot line, entirely exclusive of any element of plottage based on the assemblage of the land into one area, free from streets and other obstacles, and available for use as a combined whole. When you are told by Corbin that his valuations apply only to land to the east of the 700 foot line, how can you recognize his claim that in making that valuation he has taken into consideration, in valuing the tract to the east, the adjacency of the tract to the west of the 700 foot line as a part of the same parcel, when the basis for the valuation he gives you of the tract to the east is on a development of storehouse and docks for steamship or warehouse use, comparable to properties like the Bush terminal or the Hamburg-American docks, entirely disassociated from any such inland areas. So far as the land within the terminal tract to the west of the 700 foot line, appraised by Gaddis and Ryer, is concerned, it is frankly conceded by them that there have been excluded, as non-comparable areas, all lands to the south or north within like distances from the river. They expressly limit their standard of comparison to lands in the rear of the terminal, within like lateral limits, to the foot of the hill. It is apparent that if they had been permitted to consider lands to the south particularly, if not to the north, exactly similarly situated with reference to the water front as the terminal tract they were appraising, their figures must have been different.

It certainly cannot be a legal proposition applicable to valuation of this terminal tract for assessment that, accepting to its fullest extent prosecutor's theory that the land is to be valued in accordance with the value of like lands in the neighborhood, such like lands are to be found only at the back of the terminal in a district rapidly declining in value as it becomes more distant from the highway of the Hudson River.

If the standards assumed by the prosecutor's experts are demonstrated to be unsound or incomplete their evidence is successfully impeached.

The only other witness of value offered by the prosecutor is Mr. Charles Hansel, whose testimony appears in the 1911 case, beginning Volume II, page 116, and in that and in the other cases also on page 476. As the testimony on page 476 is common to all the cases and substantially repeats what appears in the part of the book peculiar to the 1911 record, we may confine our reference to the later appearance.

Mr. Hansel was the expert employed by the State in the re-valuation of railroad properties under the legislative act directing re-appraisement to be made. The first year to which the re-appraisal applied was 1911, his work for the State under the review of the assessments for that year not having been concluded until October of 1912 (Vol. II, page 478).

Mr. Hansel was originally appointed by the Governor to work to some extent in co-operation with the State Assessors, but in no way relieved them of the necessity for making the assessment. He was examined only as to Block 16, Plot B-6, Block 17, Plot A-2, and the ferry plot at the foot of Pavonia Avenue, Block 16,

B-7, and Plot C, Block 182. He describes (beginning on page 479, line 30) his method:

> "I assumed that we had an area that was available for any reasonable purpose other than railroad use. I made no attempt to make the valuation for the purposes of the railroad, but for any other reasonable use; I assumed that the use could be described as being the construction of piers and the operation of same, the building of warehouses adjacent to the piers and the operation of same, and the construction of high class factories and shops—the whole plant something on the line of the Bush terminal. After having assumed the construction of these I assumed the cost, the cost of operation, income, and capitalized the income, and so decided that on a six per cent. basis for money they could afford to pay so much for the land and water. I am speaking now of the whole area, because it needs water for the piers as well as the land for the buildings. In other words, I assumed that I had a client asking me how much he could afford to pay for that area as it stood, in order to pay him that six per cent. on his investment, and on the kind of investment he would have to make in order to earn that six per cent; in other words, I did not consider any outside property at all, except only that area that was before me."

He valued, taking the plots in the order named in the writ of assessment, Block 16, Plot B-6, at $915,400; Block 17, Plot A-2, $3,214,130; the ferry plot at the foot of Pavonia Avenue, $96,830; Block 16, Plot B-7, $115,732; Plot C, Block 182, $11,510. These were the figures originally reported by him to the State Board in 1911 (Vol. II, top of page 479).

He did not consider each of the parcels as assessed by the State Board of Assessors, but divided them up into zones in order to apply to each zone what he found to be the value under his theory of appraisal for each particular class of occupation (Record, Vol. II, page 480, line 20).

As to Block 17, A-2, he took the whole area of 64,772 acres, thus including, it will be observed, the acreage of the land outside the exterior line for solid filling described in the assessment as land under water in front. He assigned 25 acres for piers at $46,330 an acre, a total of $1,158,250. He then for warehouse assigned 13.75 acres at $60,000 an acre, that being the upland immediately west of the bulkhead line, a total for that of $825,000. He then took 19 acres at $50,000 an acre, or $950,000, and the balance of 7.022 acres at $40,000 an acre, or $280,000. The grand total was $3,214,130. (There are some errors in the figures in the printed book.)

He also sub-divided Block 16, B-6, and his methods of valuing that and the other parcels are described on pages 481 and 482 of the record. In his layout of the tract for valuations, according to his method, he allowed for piers of 1,200 feet (page 482, line 32). It would seem that he applied a somewhat different method to the land north and south of Pavonia Avenue. As to the land north, Block 17, A-2, he was asked by prosecutor's counsel:

> "Q Then I understand, Mr. Hansel, your method of valuation was to lay out these plots according to their best use, excepting railroad use and ascertain the income from the property if laid out for its best use, capitalize that income to ascertain what a man could afford to pay for it? A That was the plan, yes.

"Q And that is the plan that you applied to the other block mentioned by you? A No, I divided that into lots, on Pavonia Avenue.

"Q The block south of Pavonia Avenue you divided into lots? A Yes, divided that into lots.

"Q Is that an approved method of valuation, do you know? A I don't know; it has been approved, I believe. I believe I qualified as a witness before the first Board of Acquisition on that theory. I didn't claim to be an expert in real estate under the generally accepted definition of that term, and I believe they qualified me as competent to act after having heard the theory of the valuation." (Vol. II, page 482, line 39, to page 483, line 23.)

On cross-examination, top of page 488:

"Q You told Mr. Bain that what you did was to assume a use, to estimate the income that could be derived from the use and capitalize that income by figuring what your customer, to use your own terms, could afford to pay. Did I understand rightly that was your theory? A Yes.

"Q Well, now, assuming that this property in combination—we may assume, I suppose, from the fact that this was a railroad terminal that this property was valuable for a railroad terminal use? A Yes.

"Q Applying that theory to the tract as as whole, it gets down to what the railroad company could afford to pay for its terminal property, then, if you are considering its availability for railroad terminal use, taking the tract as a whole? A Well, as I stated, I have no means of knowing what a railroad could afford to pay. It generally has to pay what it has to pay without regard to what it can afford to pay.

"Q Well, land associated together in sufficient area, and eligibly located on a water front for terminal use, has some added value by reason of its availability for that use, has it not? A Oh, yes.

"Q And your method of valuation does not undertake to determine that element of value at all? A No, sir.

"Q It would appear, then, assuming the availability of this land for railroad use, that, combined as a tract, as a whole, it would be your judgment that it has some added value by reason of its availability for railroad use as a railroad terminal? A Added value—it would.

"Q But your figures for the zones, for some other use, considered separately— A (Interrupting) I haven't offered any opinion; I do not feel competent to offer any opinion as to its value for the railroad use. I so stated, in making the appraisal for the State.

"Q I am not asking you to express any opinion as to its value for railroad use. I am asking you to estimate what I understood you to say gave it an element of value—its availability for railroad terminal use. I understand you to say that suggests value, and do I understand that it has an element of value that you are unable to put in dollars and cents? A It has; it may be more or less. The value to the railroad is not a value in the sense of value for another purpose, because the other purpose is a local one, whereas the railroad is, in a sense, not only states-wide, but several states-wide."

Mr. Hansel, page 491, laid stress on the necessity for railroad terminals, and expressed a doubt as to whether the terminal expense incident to the construction of a railroad was entirely justified, and declared that nobody had

any means of knowing whether their value corresponded with the expense incident to their assembling and construction.

He recognized (Vol. II, top of page 493) that there was always a value in assembled property greater than the sum of the individual parcel prices. He expressly stated that he had made no effort, either in his appraisal in 1911 or in his consideration or expression of opinion as to values, to consider in any way the sale values of land adjacent or in the neighborhood; that he had made no actual investigation, when making his appraisal for the State, on that line because he did not consider it the proper basis.

At the foot of page 496 he said that if he knew what the income of a railroad terminal was he would use that as a basis of computation of value.

It is clear that Mr. Hansel was not valuing the Long Dock terminal as he found it, but an imaginary tract, improved in an imaginary way, at an imaginary cost and drawing an imaginary income.

Mr. Hansel's attention was directed by the Chairman of the Board to the development, identified on the maps in evidence, of the streets around Butler Bros., the Great Atlantic & Pacific Tea Company and the Hudson & Manhattan Power House (Vol. II, pages 506, *et seq.*), and being asked whether that development was not comparable with his idea of the development of the rear part of the Long Dock terminal, answered that it was, *and that if he were going to make a valuation involving consideration of outside lands he would not go to the lands within the section assumed by Messrs. Gaddis and Ryer, to get an idea of what river front property, such as the Long Dock terminal, was worth.*

Mr. Hansel also stated (Vol. II, page 511, beginning at line 19) that it was his experience, which he had recognized in actual practice in his work, that the actual cost of obtaining railroad land, both main stem lands and exterior and terminal property, very much exceeded the selling value of adjoining property; that the excess had been as high as ten times, within his own knowledge.

Messrs. Corbin and Hansel, in their method of appraising these terminal properties, applied by Mr. Corbin only to that part of the terminal east of the 700 foot line and by Mr. Hansel to the whole terminal, both referred to the Bush terminal as indicative of highest use. Neither one is able to say that such use is the highest use to which the property could be put. Both Corbin and Hansel, as well as Gaddis and Ryer, frequently admitted the impossibility of duplication of the terminal.

There is a suggestion thrown out by some of the witnesses for the prosecutor that the terminal yards are less valuable because of the establishment of distributing yards on the meadows to the west of Bergen Hill. (See Drinker, 411; Ryer, 398, line 30, *et seq.*) This suggestion is answered by the evidence already referred to, procured from the prosecutor's own witnesses, that the Long Dock terminal and all other railroad terminals on the Hudson River were constantly being increased in size by the purchase of adjoining lands, but the testimony of Mr. Hansel, when called for the State (Vol. II, page 901) should not be overlooked:

> "Q Mr. Hansel, in your view, are the values of the tidewater terminals of the railroads coming to tidewater at the Hudson River, decreased by the fact that the roads

are establishing yards on the meadows to the west of Jersey City? A No, sir.

"Q Is the contrary the case? A I would say so; you get a higher use of the tidewater terminals, by classifying their cars outside.

"Q So rather than depreciating the value by the establishment of these yards out on the meadows to the west, it gives added worth to the terminal properties on the river? A Yes, sir."

We have now discussed in considerable detail the valuations put upon the terminal properties by the witnesses offered by the prosecutor.

Let us now consider in like manner the evidence offered by the State, remembering that there is no *prima facie* case against the assessment made by the State Board because of the decision of the Court of Errors setting aside the original assessment of 1911, as there was in the record in that case no evidence offered in behalf of the State.

John H. Ehrehardt, whose testimony for the State begins on page 514, is certainly qualified by experience and occupation and familiarity with the neighborhood to testify concerning the value of Jersey City terminal property. Mr. Ehrehardt's present occupation is consulting engineer and appraiser of corporation property, and he has devoted his time especially to that work since 1897, in New York and other states, and in Jersey City. He is at the present time consulting engineer of the New York Central Railroad and has charge of the assessment of all water front property of that company in the State of New York. He is also retained by that company on the appraisals of their water front property in the City of Buffalo, which is under condemnation by the State of New York for the

Barge Canal. He is also under retainer by the Boston & Maine Railroad Company for their water front property in the City of Troy, which is also under condemnation for the Barge Canal. He is also retained at the present time by the New York, New Haven & Hartford road for the appraisal of properties in Dutchess County, New York, not on the water front; and also by the Consolidated Gas Company in the appraisal of its property in New York City for State equalization purposes. In 1891 he took charge of the terminal property of the West Shore Railroad, including all their land from New York to Buffalo, and had charge of the terminal of that company on the Jersey shore of the Hudson River, about three miles north of the Jersey City line, from 1891 to 1895. In 1905 he entered the employ of the Hoboken Land & Improvement Company as manager of their shore front railroad, building a shore front railroad connecting the railroad lines with the steamship docks. In 1897 to 1900 he appraised over 1,000 miles of the line of the New York Central Company for tax purposes in New York State; and from 1900 to 1906 was appraising Public Service Corporation property in New York for the purpose of taxation. In 1904 he was retained by Jersey City on the valuation of water front property and appeared before the Equal Taxation Committee of which Mr. Chandler W. Riker was a member, and has been retained by the City of Jersey City on water front valuation matters practically ever since. He was familiar with the values of lands along the water front on the Jersey side from Fort Lee to the southerly side of Bayonne. A prolonged cross-examination by counsel for the prosecutor emphasized his knowledge of sales and conditions on the Jersey side of the Hudson River.

Mr. Ehrehardt valued the Long Dock terminal as shown on the prosecutor's Exhibit P-1, containing a total area of 3,718,000 square feet or about 85.354 acres, at $6,879,000. His square foot rate was $1.85, which he applied to the whole terminal tract north and south of Pavonia Avenue and from the pier line back, exclusive of the main stem tract and exclusive of Pavonia Avenue (Vol. II, page 528, line 33, to page 529, line 33).

Frederick Dunham, sworn in behalf of the State, qualified as an expert witness, beginning on page 432. He is a civil engineer who has been practicing his profession in Jersey City for thirty odd years, and has been in association during most of the time with Mr. Edlow W. Harrison, who is now his partner. Mr. Harrison was formerly the engineer of the State Board of Assessors and one of the best known real estate experts on all kinds of property, not only in the County of Hudson, but in the State of New Jersey. Mr. Dunham has been engaged, from time to time for the last twenty years, in the litigation of tax cases on railroad properties in Jersey City and Hudson County, and has acquired knowledge of the value of water front properties in the neighborhood of the Long Dock terminal, north and south, and is familiar with real estate values in all that territory. He has been for the past three years Harbor Engineer of Jersey City. Cross-examination by counsel for the prosecutor developed Mr. Dunham's association in and knowledge of Mr. Harrison's work and in no way impaired the evidential value of the witness' testimony as to the lands on the Jersey City water front.

Mr. Dunham, beginning on page 447, described the Long Dock parcels as defined in the State's

assessment, beginning with Plot B-6, Block 16, containing 16.039 acres. This tract he valued at $1,412,430, which is slightly in excess of the assessed value. Block 17, A-2, comprising 64.737 acres (including 20.855 acres under water outside the line for solid filling) he valued at $5,216,895, very much more than the assessment made by the State Board. The ferry plot at the foot of Pavonia Avenue, 2.09 acres, Mr. Dunham appraised at $113,800, slightly less than the State's assessment. Block 16, Plot B-7, 2.498 acres, he valued at $136,016, slightly less than the State's assessment. He valued Plot A, Block 183 and Plot C, Block 182, as part of the terminal tract, at $1.85 a square foot. The terminal tract, according to Mr. Dunham, comprised the four main parcels to the east of Provost Street exclusive of main stem and the little triangle, Plot C, Block 182, and Plot A, Block 183, comprising all of that block except the main stem. The total acreage of the terminal he made 86.658 acres. (Vol. II, pages 447 to 450.)

Mr. Dunham also compiled from the official tax records of Jersey City and Hoboken the assessed valuations of the lands and buildings within areas substantially like, in size and shape, the Long Dock terminal, situated respectively in Jersey City to the south of the Pennsylvania terminal and in Hoboken to the north of the D., L. & W. terminal.

The lands within these comparative areas to the north and south were, of course, gridironed by streets and in various occupations and ownership. The result of the inclusion of exempt and street areas shows in Hoboken a valuation of the land at $66,442 an acre, or $1.52 per square foot, and in Jersey City $46,521 per acre, or $1.067 per square foot, as tabulated in Ex-

hibit P-1, May 18, 1915, shown on page 984 of Volume II of the record, by Mr. Ryer. Of course, the valuation of the land within the exempt areas should not have been excluded and it is debatable whether the street areas should have been, as Messrs. Gaddis and Ryer in applying the figures from their comparative north and south sections to the rear part of the terminal tract regarded the streets on the section as contributing twenty per cent. to the assessed values of the property in their north and south sections, and, first deducting it in the application of their estimates of value to the Long Dock terminal, restored it for plottage, so that, if their own methods of comparison should be applied, Mr. Ryer's attempt to discredit Mr. Dunham's figures by his Exhibit P-1 would fail.

Mr. Dunham, in gathering these figures, took the assessments as he found them and he excluded both the street areas and the exempt areas from the acreage in ascertaining the valuations over the comparative territory, thus doing exactly what already had been done by Messrs. Gaddis and Ryer in their application of the figures from their north and south section to the valuation by them of that part of the Long Dock terminal to the rear of the 700 foot line.

The comparative area selected by Mr. Dunham in Jersey City, to the south of the Pennsylvania terminal, is the only spot on the water front in Jersey City not owned or controlled by railroad companies for terminal purposes to such an extent as to permit the location of a tract of the size and shape of the Long Dock terminal. Even some of the tract so selected is owned by the railroads, although not in railroad use. The tract used for comparison was in the first ward of Jersey City, bounded on the north by the

Pennsylvania yards, on the east by the pierhead line of the Hudson River, on the south by the Morris Canal, and on the west by Warren Street, with a frontage of 1,475 feet on the Hudson River as against a frontage of 1,307½ feet on the Hudson River by the Long Dock terminal. The tract carries back to within about half a block of the depth of the Long Dock tract. The area assessed within the street limits is 2,715,200 square feet, and the assessed value of the land is $4,277,750, and the average assessed value per square foot is $1.57½. The figures include water front property and rear property valued at the assessed value. (Vol. II, pages 450 and 451.)

If the buildings at the assessed price were included in the figures the average assessed value per square foot of lands and buildings would be $3.63 6/10. These figures, therefore, suggest not only opportunity for comparative valuation, but for consideration of the cost of reproduction of a terminal like to the Long Dock, as the acquisition of such a terminal would necessarily involve payment for the buildings as well as for the land. It would, further, as Mr. Ryer conceded (Vol. II, pages 917, *et seq.*), in assembling the land into a solid tract for terminal purposes, cost a lot of money to get rid of the streets.

In Hoboken the comparative tract was located in the first ward, bounded on the north by Third Street, on the east by the pierhead line of the Hudson River, on the south by the Lackawanna Railroad yard, and on the west by Willow Avenue. In that tract the area of the land assessed was 3,020,000 square feet. The assessed value of the land was $6,407,300, and the average assessed value per square foot was $2.12 2/10. The tract had a frontage on the Hudson River of 1,150 feet (Vol. II, page 452). If the value of the buildings, at their assessed appraisal, were

added to the Hoboken assessment the average per square foot would be $4.68 (Vol. II, page 455).

If the rate of valuation obtained from the assessments (without the buildings) in the Hoboken comparative tract, immediately north of the D., L. & W. terminal, should be applied to the Long Dock terminal, the value would be $7,890,561 (Vol. II, page 452, line 30).

If valuations were applied to the Long Dock terminal as taken from the Jersey City comparative area (without the buildings), the value of the Long Dock terminal would be $5,856,566 (Vol. II, page 452, line 36).

The State Board's assessment on the entire area of the Long Dock terminal is at the rate of $1.40 per square foot, a total of $5,210,510 on the land in all the tracts to the east of Provost Street.

The assessed values in the Hoboken district are true values, as appears by the testimony of Henry Lohmann, President of the Hoboken Board of Assessors, and a member of that Board since 1902. His testimony begins in Volume II, at page 462.

The Jersey City asesssed values are also true values, as appears by the testimony of former Sheriff Cronan, whose testimony begins in Volume II, at page 580.

Sheriff Cronan also expresses an opinion as to the valuation of the Long Dock terminal in response to questions asked by Mr. Hendrickson, Chairman of the Board, in this language:

> "A I should say that $1.40 per square foot would not be at all an excessive price for it." (Vol. II, page 594.)

The State also called as witnesses two members of the Board, the president, Mr. Charles E. Hendrickson, Jr., and Mr. George L. Record. These gentlemen were duly qualified as expert witnesses as to values of lands in Jersey City and Hoboken in and about the Long Dock terminal property, north, south and west, and about water front generally in the whole range of the railroad terminals on the Jersey front of the Hudson River, from Weehawken to Bayonne.

Mr. Hendrickson has been practising law in Jersey City since June, 1898, and has been a member of the State Board of Assessors for seven and a half years, commencing in March, 1908. After his appointment in the spring of 1908 he personally inspected the water front property and went personally over all the railroad land, including not only the Long Dock terminal, but all the others north and south. Mr. Hendrickson further testified that he was familiar with the values of land in Jersey City and Hoboken in the neighborhood of the Long Dock terminal property and knew the values of property in the neighborhood of that terminal. He explains in detail the extent, character, and sources of his information gathered in personal experiences, professional practice and the performance of official duty. He was also familiar with the assessed valuations put upon property by the Jersey City and Hoboken authorities (Vol. II, pages 612-622).

Mr. Hendrickson, in the discussions of the assessments which were under review, brought his personal knowledge to the attention of his colleagues (Vol. II, page 622, line 15).

Mr. Hendrickson's personal valuation of the Long Dock terminal property was arrived at on a zone theory, not unlike that used by Mr. Han-

sel, but using, in the valuation of the zones, not a theory based on estimated income from any particular use, *but on comparative values of lands similarly situated with reference to the Hudson River to the south of the Long Dock terminal and, to some extent, to the north also in Hoboken.*

There is no contradiction of the values of the lands taken by Mr. Hendrickson for his comparisons as they are taken for the most part from actual sales.

Mr. Hendrickson valued the land under water from the pierhead line to the line for solid filling at $1.00 a square foot (this is six cents less than Mr. Corbin's figure of $1.06 applied by him to tracts entirely under water outside of the line for solid filling). From the line for solid filling back to the east line of Hudson Street, if projected across the terminal tract, Mr. Hendrickson appraised the land at $3.00 a square foot. From the west line of Hudson Street, if projected across the terminal tract, to the east line of Washington Street, similarly projected across the property, he made the value of $2.00 per square foot; back of the west line of Washington Street to Provost Street he made the value $1.00 per square foot. The areas included between the east and west lines of the streets if projected across the terminal he figured at $1.00 a square foot, as representing a plottage or continuity of the tract and that general value which comes to a tract in a locality where there is a demand for a tract larger than ordinary city blocks or lots. In estimating his areas of the zones across the terminal yard referred to, he first excluded the area which would have been included between the north and south lines of the streets, which, projected in accordance with the plan of Jersey City, would have extended

over the terminal tract, and then added the area within these streets at $1.00 per square foot. In other words, Mr. Hendrickson gridironed the terminal, back of the line for solid filling, with the streets north and south, east and west, in accordance with the Jersey City street plan, and figured the areas of the blocks at the values fixed by him for his zones running parallel with the river, and added the imaginary street areas at the uniform rate of $1.00 per square foot. Of course, as a matter of fact, the only street that breaks the continuity of the Long Dock terminal is Pavonia Avenue, which runs the entire length from Provost Street to the line for solid filling. All other streets, it appears in the case, have been, as the terminal has been enlarged and extended, vacated. Mr. Hendrickson says it is debatable whether Pavonia Avenue detracts from the value of the terminal as a whole, but at any rate it is there and at its foot is the public ferry to New York, of the Erie Railroad, known as the Pavonia Ferry.

In making figures for the terminal tract, Mr. Hendrickson did not include any land to the west of Provost Street (Vol. II, pages 622 to 625).

Beginning at the top of page 626 Mr. Hendrickson states his valuations by the methods already indicated.

He begins with Block 16, B-6, the tract first mentioned in the writ of certiorari and containing 16.126 acres, inclusive of the additional area between the old and new pier line.

The reference by Mr. Hendrickson, on pages 626, to the land under water, 253,366 square feet, as part of tract Block 16, B-6, erroneously includes such area of land under water as part of that tract. Mr. Hendrickson's attention was

drawn to this by counsel for the prosecutor on cross examination (Vol. II, page 727, beginning at line 25), where Mr. Hendrickson says that if he included any land under water in his figures in front of Block 16, B-6, it was an error, as there was no land under water in front of that tract as defined by the Board, the two parcels in front of that tract being separately assessed.

Mr. Hendrickson treats in his figures, on page 626, Block 16, B-6 as including not only the land assessed under that description but also the two tracts in front separately assessed as land at the foot of Pavonia Avenue, commonly referred to as the ferry plot, 2.09 acres, and Block 16, B-7, 2.498 acres (excluding in both cases the additional area by reason of the extended pier line in the assessment of 1914). In this way the land under water, between the pierhead line and the line for solid filling, is valued at $1.00 per square foot, or $253,366; the land between the bulkhead line to the east line of Hudson Street projected, 64,300 square feet at $3.00 a square foot, $192,900; the land from the west line of Hudson Street projected to the east line of Washington Street projected, 215,000 square feet at $2.00 per square foot, $430,000; the land from the west line of Washington Street projected to the east line of Provost Street, 171,390 square feet at $1.00 per square foot, $171,390; the imaginary street areas, 254,800 feet, at $1.00 a square foot, $254,800, making a total estimate by Mr. Hendrickson of the value of the three tracts from the pierhead line of $1,302,456, which is $51,098 more than the assessment of the three tracts finally made by the Board.

On page 631, line 8, Mr. Hendrickson, being asked for his personal valuation of the ferry plot at the foot of Pavonia Avenue, said that he

had never actually figured the square feet in that area, but the valuation fixed by the Board was examined by him personally as to its comparative value with the values which he had figured around it and that he had voted for it for that reason, the same being true for the tract immediately south of the ferry tract, being known as Block 16, B-7. It will be noted that these tracts are assessed by the Board as separate tracts at $116,196 and $138,878 respectively, making a total of $255,074, while their square foot area, as used by Mr. Hendrickson in his answer to the question on page 626, bearing on the valuation of Block 16, B-6, was 253,-366 square feet, which, at his rate of $1.00 a square foot, would be $253,366, not substantially different from the Board's assessment. It must be conceded, however, that Mr. Hendrickson's square footage of these two parcels was not exactly calculated as they have an acreage by the Board's assessment of 2.09 acres and 2.498 acres, 4.588 acres together, which would result in a square footage of only 199,823 square feet.

The map from which Mr. Hendrickson figures must have been slightly variant from the State map as his acreage of Block 16, B-6 as 16.126 acres is slightly variant from the Board's official acreage of 16.039. Applying Mr. Hendrickson's figures on Block 16, B-6, to the two smaller parcels in front thereof he reaches a total of $1,302,-456, which is $51,098 less than the assessment actually made by the Board. Such a difference is not sufficiently great in a real estate appraisal to deserve comment and is not important in considering Mr. Hendrickson's individual figures, because he fully explains his method and its application to the land under water in front and the zones to the rear of the line of solid filling, so that there is no difficulty in accurately test-

ing his figures, as any error, as he himself says at the foot of page 727, would check out by a mere process of addition.

Mr. Hendrickson takes up Block 17, A-2, beginning at line 30. He explains that the acreage, 43.872, does not include the area of land under water, which, in making the assessment, was added as value of land under water in front of the plot as required by judicial decisions. The area of the land under water assessed with the 43.872 acres, actual area of the land back of the line of exterior solid filling, is 20.885 acres, or 901,930 square feet. The additional acreage of 2.679 acres of land under water, by reason of the change in the pierhead line, is not included in Mr. Hendrickson's square foot area. He values the land under water, 901,930 square feet, at $1.00 per square foot, $901,930. Land west of the bulkhead to the easterly line of Hudson Street projected, 309,575 square feet, at $3.00 per square foot, $928,725. Land lying between the westerly line of Hudson Street projected to the easterly line of Washington Street projected, 591,050 square feet, at $2.00 per square foot, $1,182,100. Land lying west of the west line of Washington Street projected, to the east of Provost Street projected, 524,645 square feet, at $1.00 per square foot, $524,645. He then added street area of 504,402 square feet at $1.00 per square foot, $504,402, making a total valuation on the tract Block 17, A-2, by Mr. Hendrickson, of $4,041,802.

Mr. Hendrickson then follows with his justification of his valuations in the different zones assumed by him. He arrives at them by comparing values of lands in like zones parallel with the Hudson River, immediately south of the Long Dock terminal and between that and the

Pennsylvania terminal, as ascertained from numerous actual sales known to the witness. (Vol II, pages 628 and 629). He also refers to values in Hoboken to the north of the D., L. & W. terminal.

The combined figures of Mr. Hendrickson, as applied to the four tracts, Block 16, Plot B-6, Block 17, Plot A-2, the ferry plot at the foot of Pavonia Avenue, and Block 16, Plot B-7, make $5,344,258. Mr. Hendrickson's method of valuation could be logically applied without change in result to the four parcels if assessed as one. It is difficult to understand why the division of the area comprising the four parcels is sub-divided in the manner it is, as it properly represents but one parcel and cannot be valued other than as one parcel, either in fact or in law, except by an arbitrary disregard of actual conditions.

The combined appraisal of the four tracts by the Board amounts to $5,210,510, approximately $125,000 less than the personal appraisal of the four tracts by Mr. Hendrickson.

The assessment was finally made by the Board and it is not claimed by Mr. Hendrickson that his figures were the figures accepted by the Board or that his theories dominated the Board. His figures and reasons for reaching them, by comparison with areas similarly located with reference to the river to the south and north of the terminal tract, were made known by him to his associates and were, doubtless, and with propriety, considered by them as evidential, because under the law and the authorities the members of the Board are entitled to use their personal knowledge, subject to the apparent condition, under the latest ruling, that such personal knowledge if peculiar to one member shall be communicated to his colleagues in advance of final action.

Much stress, on the cross-examination of Mr. Hendrickson by the counsel for the prosecutor, seemed to be paid upon the fact that the figures of Mr. Hendrickson are higher than the earlier assessments made for the years 1906, 1907, 1908, 1909 and 1910, while Mr. Hendrickson was in the Board, although in his view there had been no change in values. (Vol. II, pages 737, line 25, to 741, line 24.) It appeared that Mr. Hendrickson had a personal judgment as to these valuations as early as the fall of 1908 and that he, as a member of the Board, accepted the lower figures of the assessment for the years referred to top of page 740 because they were the best he could get, he being only one man out of four. Mr. Hendrickson distinguished between assessment and value and declined to permit counsel to commit him to the proposition that his personal judgment of values was different at the time he voted for the assessments for the earlier years than at the time the Board had under consideration the assessments now before the court.

The prosecutor (Vol. II, page 404) introduced in evidence a resolution of the State Board of Assessors, adopted on August 8, 1911, desiring Mr. Hansel to increase the figures reported by him to the State Board, in valuation of the terminal properties, twenty per cent. above the neighboring values. This resolution referred, of course, to the assessment of 1911 while Mr. Hansel was employed by the State. Mr. Hansel, while upon the stand for the prosecutor (Vol. II, page 503), after explaining on page 502 the relationship of the physical property to the franchise valuation under his formula, beginning Volume II, page 503, line 4, said that the Board declined to accept his appraisement on the land and told him that, in their opinion, the value of the land was

higher than his estimate, not only as to the Long Dock yard, but as to the Lackawanna to the north and the Pennsylvania to the south. Mr. Hansel stated that twenty per cent. had been added by the Board, in making the assessment, to his figures, and that he had stated to the Board that in his work in Michigan from twenty-five to a hundred per cent. had been added to terminal tracts as plottage value. He declined to admit that he had approved of the increase of twenty per cent. as a taxing problem, although he admitted that he had said to the Board that the cost of acquisition would probably be a great many times higher, even several hundreds per cent. Mr. Hansel also stated that his figures were not based on the value of surrounding property, although it is clear from the testimony of Mr. Hendrickson and Mr. Record that the members of the Board thought the figures brought to them by Mr. Hansel were his estimate of value based on the value of surrounding property. Mr. Hansel said (Vol. II, page 504, line 24) that the values reported by him were based on surrounding property except as to terminals. Mr. Hansel further said (pages 504-5) that the values fixed by the Board were fair as between the railroads themselves and that they had been accepted by the Lackawanna, the Pennsylvania, and, as Mr. Hansel thought, also by the Erie. Of course, the duty of assessment was upon the Board and not upon Mr. Hansel, but Mr. Hansel does not say that he did not finally assent to the assessment made by the Board and both Messrs. Hendrickson and Record positively swear that he did so assent thereto.

Volume II, pages 632, line 13, Mr. Hendrickson was asked:

"Q Did the personal figures that you have given us here, which, I understand,

differ slightly from the assessments made by the Board, represent a judgment reached by you by any arbitrary addition of twenty per cent. to any former valuation, or any other valuation than that you have described here? A They did not; they were figures arrived at by me prior to the time when Mr. Charles Hansel was employed by the State of New Jersey as a re-valuation commissioner and expert on railroad property."

At the foot of page 733 Mr. Hendrickson was under cross-examination by prosecutor's counsel:

"Q Did Mr. Hansel report to your Board the valuation of the Long Dock terminal property in Jersey City, based on the value of surrounding lands? A There is a misunderstanding as between myself and Mr. Hansel on that. I, at the time, believed that he had given us an estimate of his value, based on surrounding values; I heard him testify that he did not do anything of the kind, but valued your terminals as he has set forth in his examination.

"Q Believing that Mr. Hansel had ascertained the value of surrounding lands to be the value upon the Long Dock property, according to the value of surrounding lands, your Board passed a resolution directing Mr. Hansel to add twenty per cent. to those valuations? A The resolution that the Board passed is a matter of record and is in testimony in this case; there are four members of the Board; at the time, or shortly after he turned in his report and estimate of the values, after they had been examined by myself and other members of the Board, by Mr. Focht, the engineer of the Board, we were all dissatisfied with his valuation of land, and considered it less than the true value of the land, and so we proposed to call him to Trenton, and we had

a meeting of the Board with him, and at that time we discussed at considerable length our ideas; I was dissatisfied, other members were dissatisfied, *and we passed a resolution, the one to which you referred, which was entirely satisfactory to me, because it brought the values on these lands close enough to my ideas to make them satisfactory to me.*"

This testimony of Mr. Hendrickson is corroborated by Mr. Hansel and by Mr. Record.

On pages 735-6 and 7, the cross examination emphasizes the extent and frequency of the discussion by the members of the Board with each other of the assessment of the Long Dock terminal property.

Further reference should perhaps be made here to the testimony of Mr. Hansel as a witness for the prosecutor. Attention has already been directed to his evidence (Vol. II, page 503, *et seq.*) that the Board declined to accept his theory, telling him that they thought the value of the land was higher than his estimate. Mr. Hansel also recalled (Vol. II, foot of page 513 and top of page 514) that he was present at the time of the adoption of the twenty per cent. resolution by the Board, that Mr. Hendrickson had a set of figures showing his idea of the value of the Long Dock terminal, on which one tract thereof was slightly in excess of the value that was finally adopted by the Board, and on the south tract slightly beneath the figures so adopted, and that when Mr. Hendrickson voted for the figures that were the result of the twenty per cent. basis they were approximately the figures that he had previously worked out as his idea of the value of the land.

Mr. Hansel (Vol. II, page 512), under examination by counsel for the prosecutor, developed a recollection that he had been asked by one of the members of the Board in 1911 what percentage would have to be applied to his value in order to add $10,000,000 to second class real estate in Jersey City, and that he advised that member of the Board that such addition would require twenty per cent. Examination by the chairman of the Board developed the fact that the member referred to was Mr. Record, that the question was asked personally at the State House, not at a meeting of the Board, and in the presence of no other members of the Board. We have already directed attention to Mr. Hendrickson's reason for voting for the twenty per cent. advance on Mr. Hansel's figures, *which reason we have seen involved no arbitrary multiple, but was accepted by Mr. Hendrickson because it reached a result in substantial compliance with his personal judgment.*

Mr. Record (Vol. II, page 863) said that he had no personal recollection of any specific conversation with Mr. Hansel at the State House or elsewhere, in which he required of him to figure the percentage upon valuations necessary to add $10,000,000 to second class railroad property in Jersey City. He said that he had had almost innumerable conversations with Mr. Hansel going up and down from Trenton, and at meetings of the Board and at intermissions between them, but that he had no distinct recollection of any specification of $10,000,000 or any other sum, or any such conversation. He thought that either Mr. Hansel was mistaken in his testimony, or that its true version was that there had been an agreement upon a plottage value and somebody said something about $10,000,000; that he, Record, might have asked that, how that fit-

ted in with the plottage value theory, but that he had no recollection of any $10,000,000, nor did it fit in with any theory which he had ever held of the value of the property.

Mr. Record's attention was directed, on page 861, to the minute of the Board passed on August 8, 1911. After he had read it he said that he had no distinct recollection, except as he refreshed his memory from reading, of the passage of the resolution itself. He recalled many discussions with the different members of the Board and with Mr. Hansel over the theory or plan of appraisement and that the principle or propriety of adding, in valuing railroad property or property available for railroad use, something in excess of the valuation of adjacent property, for other purposes than railroads, was debated over and over again between himself and the members of the Board and Mr. Hansel, both in meetings of the Board and in traveling to and from meetings of the Board; that he had insisted that the true principle was the cost of reproduction where there was a demand, and the cost of reproduction had been admitted by everybody to be from two to ten times the value of the adjacent property, considered in separate parcels and for other than railroad purposes. Mr. Record's recollection was that ultimately it was agreed by the Board that that position was sound and that that method of arriving at valuation was sound, and that that railroad main stem property was worth at least twice the value of adjacent property considered for farm and city uses and as detached property; that as to terminal property he, Mr. Record, had claimed that the principle applied equally as to main stem, but that he was unable to arrive at an agreement with the rest of the members of the Board on that point, and his memory was that they agreed

that the figures turned in by Mr. Hansel for main stem property, as the value of adjoining property, should be double, and that, as a compromise, it was finally settled that on the second class terminal property twenty per cent. increment for the plottage should be added to the figures that Mr. Hansel turned in, which, both as to main stem and as to second class property, he, Mr. Record, understood to be figures which he had gathered showing the valuation of adjoining property for purposes other than railroad purposes and in detached parcels. Mr. Record's recollection further was that the agreement as to how they should arrive at a final valuation and assessment on this property when it was arrived at, was reduced to writing and passed by the Board and adopted as a means of instructing Mr. Hansel how to arrive at the valuations which the Board had fixed, the Board having fixed the principle and Mr. Hansel being instructed how to apply that principle.

At the top of page 864 Mr. Record was asked:

> "Q Your recollection of any application of twenty per cent. was on the plottage theory only? A On the plottage theory only, and that was applied to a set of figures which Mr. Hansel used on adjoining value theory."

Mr. Justice Swayze, in his opinion in the Court of Errors setting aside the prior assessment of 1911 on this property (*Long Dock Co.* v. *State Board of Assessors,* 86 N. J. L., 592) discusses the addition of twenty per cent, to valuations on which expert witnesses were in substantial accord as having been disclosed by the record in that case and as presenting, in the absence of explanation, palpable error requiring the court to set aside the assessment. In considering that

case we must always bear in mind that there was no testimoney offered in behalf of the State or any explanation in the record of any kind of the increase under discussion.

In determining that the members of the Board might be called as witnesses reference was made by the learned Justice to this subject, on page 601.

> "In this case the members must have stated to each other in secret session their knowledge of the value of this property unless they merely added the twenty per cent. in an arbitrary way—a procedure we cannot impute to them."

It is now perfectly apparent from the present record that the addition of the tweny per cent. to the Hansel figures was in no sense an arbitrary performance, but was merely intended to bring the Hansel figures into harmony with the judgment of the Board, which already had before it larger figures, the result of the personal knowledge and judgment of two of its members whose minds were operating independently, and that the assessment figures as finally determined were the result of a consideration of substantive evidence and not in any sense an arbitrary action.

See *Wayne* v. *Laflin & Rand Co.*, 76 N. J. L. 175.

The multiple principle is nothing more than the plottage principle, and the plottage principle is constantly applied in every tax office in the State, and in every proceeding requiring the valuation of land, if the land under discussion exceeds in extent the area of an accepted local unit of valuation. This plotting principle seems to be, in railroad parlance, technically called a multiple, and as such it was used and applied by the very first board called upon to assess railroad

property under the Railroad Tax Act. Objection was made by the affected railroad corporations with great promptness, but this method of appraising railroad property has been sustained from the beginning.

After the constitutionality of the act had been sustained by the Court of Errors the first case arising in the course of administration was *Central Railroad Co.* v. *State Board of Assessors,* 49 N. J. L. (20 Vr.) 1, Chief Justice Beasley, page 5, said:

> "Objection is made, in various respects, to the valuations of property which have been returned by the state board.
>
> "The first exception in this vein is that instead of ascertaining the true value of the lands of these companies, the board, after ascertaining such value, multiplied the sum thus settled by the numbers two or three, and adopted the product as the market or true value of the property. It is insisted that by this course these officers have assessed these lands at two or three times their real value.
>
> "But we have failed to see either the illegality or injustice of this part of the proceeding. The problem is not what land for agricultural or building purposes is worth, but what a narrow strip of land, with valuable easements annexed to it, adapted to railroad uses, will bring in the market. That such strip of land, to be applied in such a manner, cannot be bought at the price that the adjacent lands sell for by the acre, is at once obvious. When a railroad is located so as to pass through a building plot or farm, the damage done to the part of the land not appropriated is generally many times the value of the land so taken, estimating its value by the acre, and, consequently, the owner of the required land will

not sell it except at a price that will compensate him as well for the land he sells as for the damage sustained by the residue of his property. There is no reason to suppose that the land thus acquired, if sold in the market, for railroad purposes, will not bring a sum equal to the cost of its acquisition. The consequence is that even if we assume these valuations to have been made in the manner alleged by the plaintiffs, and which fact is disputed by the counsel for the state, still it is plain that the state board could not have reasonably estimated the lands in question by the measure of the value of the adjacent lands; and as there is nothing before us from which we can perceive that the result which has been attained by the methods used by the board is manifestly wrong or exorbitant, the appraisals in question cannot be annulled or reformed."

Of course, the thought of adaptability to railroad uses, specially mentioned in the opinion of Mr. Justice Garrison in the *Long Dock case* reported in 78 N. J. L., 44, as availability for railroad use generally, involves also the idea of plottage as applied to areas available for that reason, and the attempt on the part of the appellant to exclude from the valuation of the lands within the Long Dock terminal additional worth by reason of location, area, freedom from streets, and relationship to other land in like ownership and use, is not supported by any legal ruling.

Many considerations, as we have seen in the authorities alluded to earlier in this brief, properly enter into a problem of fact involved in the valuation of real estate. Apparently the prosecutor's theory is that legally no valuation in this case can be sustained which is not based upon adjoining lands within the same lateral limits as

the terminal property if located to the rear thereof between it and Bergen Hill.

The only real difference in method (if you concede the possibility of intelligent appraisal of the Long Dock terminal tract by arbitrarily dividing it by a barrier 700 feet back from the line of solid filling, and confining one appraiser to the part of the tract east of that line and another appraiser to the part of the tract west of that line) between Mr. Hendrickson and Messrs. Corbin, Gaddis and Ryer is the area selected as the basis of comparative values. The theory of valuation at prices to be ascertained by the market value of adjoining or nearby lands is accepted by Mr. Hendrickson as well as by Messrs. Corbin, Gaddis and Ryer.

Gaddis and Ryer had asserted that the values of the lands, to the south of the Long Dock terminal, at like distance from the river, were to be rejected as standards of comparison in appraising the Long Dock terminal. Mr. Hendrickson, on the other hand, rejects the comparative tracts selected by Gaddis and Ryer, as shown on Exhibits P-1 and P-3 and described by those witnesses as the north and south section. He says (Vol. II, page 630) that these selected tracts are separated from the Hudson River, and have no connection with the main street or artery of travel, the Hudson River, which gives the value to terminal tracts on the Hudson River; that they begin at a point 2,100 feet, or approximately half a mile, back of the exterior line for solid filling and run from that point all the way back to the Hill a distance of approximately one mile, and in the opinion of Mr. Hendrickson all of the north and south comparative tracts, so situated about half a mile or more back from the river, have no peculiar increment of value at-

tached to them by reason of the river and, therefore, are not comparative at all with river front property; that they are used largely for dwellings and tenement house properties of the poorer character, and rent at comparatively low rents, except as affected by the fact that single dwellings are much crowded and occupied by many families; that they have not characterization in common with the property lying to the east of Henderson Street which is all business property.

Mr. Hendrickson's personal figures as above shown in Volume II, page 631, arrived at by his zone method, were a trifle more than the assessment, but the assessments as fixed by the Board were near enough to his idea of value to heartily receive his approval and vote.

He further says (Volume II, page 631) that the valuations by him on the Long Dock terminal bear an exact comparative valuation to the terminal tracts in the Lackawanna yard to the north and the Pennsylvania and Harsimus terminal to the south. This, as to the assessment, appears from other testimony in the case produced by Mr. Focht, the engineer of the State Board of Assessors (Vol. II, page 801) and by Mr. Kite, from the Comptroller's office (Vol. II, page 804), and tabulated under the title of "Comparison of values placed by the State Board of Assessors upon railroad tracts, Jersey City," on the Exhibit secondly printed opposite page 989 of Volume II of the record.

It further may be properly mentioned here that the assessments on the Lackawanna terminal to the north and on the Harsimus or passenger terminals of the Pennsylvania to the south were not contested by the railroad com-

panies and the taxes were promptly paid when due. (Kite, Vol. II, page 806.)

Volume II, page 636, Mr. Hendrickson refers to the valuations of land along the main stem of the Erie, to the west of the terminal, with special reference to the tracts named in the writ of certiorari to the rear of Provost Street, and sustains the valuations made by the State Board as in accord with his personal judgment.

The State invites the court to read the entire testimony of Mr. Hendrickson on examination in chief and cross-examination, covering over 200 pages of the record, from page 612 to page 821, in the belief that such an examination will show Mr. Hendrickson to have a most intimate knowledge of the entire territory under discussion in this case, and to have possession of personal knowledge which was communicated to his colleagues, and which was, of course, before them in confirming the assessments now before the court on certiorari, strongly supporting the valuations finally made by the Board.

We come now to the testimony of Mr. Record, whose qualifications by knowledge and experience as an expert witness on Jersey City property, in both railroad and private ownership, appear in the record, Volume II, pages 823 to 834.

Mr. Record says (Vol. II, page 835) that he participated in the original assessment and that it was his judgment that all of the terminal tracts in Jersey City are worth at least twice as much as they are assessed by the State Board of Assessors. He says he arrives at his conclusion not by a consideration of the four separate parcels but by a consideration of the terminal as a whole; that he has tried to arrive at a basis of value by reason of the land's availability for railroad use; that if he acceeded to the notion that it is

proper to sub-divide the railroad terminal into other parcels, smaller parcels, for the purpose of its valuation, the only rule then to be applied, according to his notion, is to consider its availability for some other use than railroad use, and that then he should undertake to apply a rule of valuation on that basis, built up by an investigation of similar land on the north and south not occupied by railroads. He assumed that if if the railroad tract was discontinued in railroad use it would be devoted to a variety of uses, such uses as part of a similar area in Hoboken, north of the Lackawanna terminal, and in Jersey City, south of the Pennsylvania terminal, and he considered that the best evidence of value of the whole tract would be found in the value of a similar sized tract for other purposes, in those two locations. If sub-division were made below that he would arrive at the value of the sub-divided portions by comparison with land similarly situated in those sections, in Hoboken and in Jersey City respectively, considered according to their availability for uses other than railroad uses.

He directed attention to the fact that a property of the extent of the Long Dock terminal could be located on the Hudson River to the south of Exchange Place, and running back as far as necessary, and in Hoboken adjoining the Lackawanna terminal on the north; that it was physically and legally possible to acquire the land, both the streets and the other land in those areas. (The area referred to by the witness are those selected by Mr. Dunham in Jersey City and Hoboken before referred to.)

Mr. Record said that he had carefully excluded franchise value. His judgment was that the terminal should be valued in the area and location

that it was found, based upon its availability for railroad use; that he had another judgment of its value as based upon its use for other than railroad purposes. He explains on page 838, *et seq.*, the way in which he arrives at value of the property based on its availability for railroad uses, and also the value which he would place upon it for other purposes.

He came into the Board while Mr. Hansel was at work on his appraisal. He says that he accepted Mr. Hansel's valuation on such things as rolling stock, bridges, embankments, etc., and also accepted Mr. Hansel's formula as to the valuation of the franchise.

> "When it came to the question of the realty I disregarded Mr. Hansel's personal judgment. Mr. Hansel had no knowledge of any real estate in New Jersey; he was in no sense a real estate expert, and had never pretended to be, and does not now pretend to be such; his business experience has been as an engineer, part of the time in railroad service in the West; he had helped in a general revaluation of railroad property in a western city; his headquarters were in New York and he merely lived in New Jersey." (Page 839, line 19.)
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> "When it came to the valuation of the railroad property in Jersey City, including the Long Dock property, he turned in a valuation that was substantially the valuation heretofore arrived at by the State Board of Assessors (not the Board of which I was a member, but the Board whose valuations I had been persistently attacking for years); he adduced to me, or to the Board in my presence, no evidence upon which he arrived at his valuations, except the evidence that appears from these different sales which have been in evidence in the other

cases, and I assume are in evidence in this case; he professed ignorance of the value of this property for the railroad uses, as considered as to its availability for railroad uses. He said he did not know anything about how profitable the railroad use was, and that he had not included in his so-called valuation the quality of availability of this property for railroad uses. Therefore I was not convinced in my judgment that the values that he turned in were values at all. They were merely facts which ought to be taken into account by the Board in arriving at a conclusion. All of those facts I did take into account and carefully considered as a member of the Board. I should say here that in all of the controversies that I have participated in, as to the value of this property, I have never heard anybody give any estimate of the value of this property, considered as to its availability for railroad uses, which I conceive to be the sole point in controversy. That point, which is the main point, is always ignored by every alleged expert that has ever appeared in my presence, or whose testimony I have ever read. All of them proclaim ignorance of the value considered from its availability for railroad uses, which, in my opinion, is the main point in the case. The railroads are in possession of the knowledge which enables them to place such a value upon it; and the facts upon which such a value is placed. They decline to produce before us any evidence showing how much money can be made by the use of this land for railroad purposes, as distinguished from warehouse or other city or country purposes. From my experience in purchasing the railroad terminal in Greenville, I came to the conclusion that whenever any corporation is compelled to get together a large or un-

usually shaped tract of land, which requires purchasing of many separate tracts from individual owners, in order to make up the large and peculiarly shaped tract needed, such corporation, whether railroad or private, will be compelled to pay a sum very much in excess of the value of the separate pieces of property, where the value of such pieces of property is based upon the availability of each separate piece for the ordinary country or city use. I came to the conclusion that, when a railroad wanted to buy property of this kind, the cost to the railroad to assemble property suitable for terminal or main stem uses, would be very many times the proportionate cost of buying a single tract of land for the ordinary farm or city purpose. I was confirmed in the belief by the admission of every expert produced by the railroad company. This fact, of this increased cost from two to ten times the value of adjacent property, so far as I now can recollect, has never been disputed by any witness for the railroad or by any counsel in argument for the railroad company; it has never been denied, according to my present recollection.'' (Vol. II, page 840, line 14, to page 842, line 10.)

The witness stated that from his own experience and from the testimony before the Board he drew the conclusion that the actual cost to a railroad company to gather together these lands for main stem and terminal property is at least twice the average price for adjoining land in the market, for other purposes, considered as separate parcels. He then considered whether this was a fair measure of value. The value of property in his opinion depends upon two elements, the cost of reproduction and the demand. The value can never go beyond the cost of reproduction except

in exceptional instances, and the question of demand is very essential in arriving at value. With property devoted to other uses than railroad, it is quite easy to determine the question of demand by saying sales determine the question of demand. In the case of railroad property, there being so few sales, there being in fact no sales of one tract fitted for railroad use like this terminal property to guide, the question of demand must be worked out from some other considerations. The presence of so many railroad terminals on the Jersey side of the Hudson River, within the limits of Jersey City and Hoboken, the constant purchases of adjoining lands to increase the area of these terminals, the improvement of facilities for handling business, and the increasing business transacted on these terminal properties, prove conclusively the demand for railroad property in this locality. This demand, in the opinion of the witness, indicated that the land was worth what it would cost to acquire similar property with similar advantages.

In further support of a valuation dependent on availability for railroad use, Mr. Record referred to the testimony of Mr. Hansel as to his basis of valuation, which was entirely on a theory of income obtainable from an imagined pier and warehouse development. Mr. Hansel's task was easy because he assumed the cost of his development and the income which might be got from it. No direct information is available from the railroads as to the profitableness of the railroad use and it must, therefore, be estimated as best it can. We know that the railroad terminal originally cost many times the cost of adjacent property, to assemble it together in its present shape. We know that it would be impossible to gather together

any similar tract, within reasonable distance of the property in question, upon the Hudson River, for anything like either the original cost or the amount of the assessment by the State Board. The witness thought the railroad use a more profitable use because, from the evidence in this case, the railroad companies were constantly paying very high prices, instancing as conspicuous the purchase of the Vanderbeek property by the Pennsylvania in 1903, for addition to its passenger terminal, for $375,000, the property consisting of twenty-nine lots (or at the rate of over $5.00 per square foot). The value of property is measured by its availability for its highest use, and the most valuable use of this property being railroad use the judgment of Mr. Record, as an individual, was that the value in question was at least twice the amount of the assessment. As a member of the Board he had always stood ready, and now stands ready, to vote for such an assessment of its value. That the other members of the Board were of the opinion that his judgment as to the value of the property was too high and, after much discussion among themselves, the assessment, as appearing in the record, was made by the State Board of Assessors. (Record, Vol. II, pages 843 to 850.)

Mr. Record stated that he had also considered with great care the value of this property for other uses than for railroad use, and if he was wrong in his judgment of the value of the property, considered as to its availability for railroad use, he agreed in the conclusion that Mr. Hendrickson's zone valuation was sound, and that by that method of valuation, in the consideration of the property with reference to its availability for uses other than railroad uses, he gave

his adherence to the valuations made by the Board.

An extended cross-examination by counsel for the prosecutor developed Mr. Record's great familiarity with railroad and other property in Jersey City and Hoboken, gained by personal experience during many years of professional practice and official relationship to the State Board of Riparian Commissioners and the City of Jersey City. Mr. Record has practiced law in Jersey City since 1887; was officially connected as counsel to the State Board of Riparian Commissioners from 1889 to 1903; was corporation counsel of Jersey City from January 1, 1902, to 1908, during which time the city was engaged in extended tax litigations, and on April 20, 1911, became a member of the State Board of Assessors. In his individual professional activities he had had wide experience in matters making him familiar with the values of lands on the water front of Jersey City, particularly railroad lands, having acted as the representative of the Pennsylvania Railroad Company in acquiring, about 1890, the land subsequently incorporated into the Greenville terminal of that railroad. Mr. Record's experiences makes him fully qualified to express an opinion as to the value of the lands in question and to make his personal knowledge, disclosed by him as the record shows to his colleagues, evidence in the consideration of the valuations involved in the review of the assessments by that Board.

In the present record there was evidence before the Board of almost every kind available on an issue of value. There was expert testimony as to water front and back land values. There were statistics from which the present cost of assemblage of an area, similar in size

and location and availability for railroad terminal use, could be estimated. The expert witnesses advanced and defended different theories in support of their figures, and the whole neighborhood, for many blocks on either side and to the rear, was raked for information as to sales and conditions.

No witness for the prosecutor (except possibly Mr. Hansel) attempts to value the whole tract—yet that is the problem cast upon the State Board.

The property to be assessed, whatever may be its character, is to be taken and valued in the actual condition in which the owner holds it. *State, Colwell, prosecutor,* v. *Abbott,* 42 N. J. L. 111, 115; *C. R. of N. J.* v. *State Board of Assessors,* 49 N. J. L. 1-5. Mr. Corbin appraised the water front and refused to appraise the back land. Messrs. Gaddis and Ryer appraised back lands and refused to appraise water front. This method might apply to an appraisal of real and personal property, where one valuer might well estimate real estate and another personal property. But an arbitrary division of a tract of real estate by an imaginary line selected by one of the appraisers contradicts the actual condition in which the owner holds the property. It is true that by this method the combined figures of Corbin to the east of his imaginary line, and Gaddis and Ryer to the west, do not total the valuation fixed by the assessment made by the State Board, but such method of combination is unsound. It is not a legitimate use of the zone theory and it is against common sense that a proper appraisal of the whole tract, in the actual condition in which the owner holds it, can be reached by such a method.

Mr. Hansel, while he appraised the entire terminal tract, is not soundly helpful in reaching a true result. He assumes that earning capacity is the proper basis of value for taxation, but he expressly disclaims any knowledge of the earning capacity of this railroad terminal. He assumes the cost of development of a warehouse and dock use, assumes the income to accrue from such assumed development, and from these assumptions gets a value, on an income basis, entirely disassociated from the actual conditions of the land to be appraised, and positively disregrading what may be the actual earnings in railroad use. Such evidence may be within the proper evidential range, but cannot be controlling.

For the State Ehrehardt and Dunham valued the terminal tract as a whole at $1.85 per square foot, reaching figures very much higher than the assessment. Sheriff Croman expresses the opinion that the rate of $1.40 a square foot is not excessive. Mr. Hendrickson, as an individual, proceeds on a zone theory, comparing values in the zones selected to the north and south, and so reaching a valuation of the whole terminal slightly in excess of the assessment. Mr. Record, as an individual, is impressed by the relation of cost to value and the availability for the railroad use, and his individual judgment doubles the values obtained by neighborhood comparison because of the impossibility of getting together like areas adaptable to railroad use except at enormous expense; disregarding the adaptability for railroad use and accepting neighborhood standards, Mr. Record coincides with Mr. Hendrickson.

The assessed valuations in the only areas to the north and south not already in railroad ter-

minal use, which are sworn to be true values by the Hoboken and Jersey City assessors, are in evidence, as are also the accepted and uncontested assessed valuations by the State Board of Assessors of the railroad terminals to the north and south.

The evidence is voluminous, and of course the so-called experts do not agree. The Board has determined the issue, not arbitrarily, as the record shows, but after a consideration of the conflicting evidence, using, as the statute prescribes, the knowledge and judgment of its own members. It was held by the Supreme Court in *Estell* v. *Hawkins,* 50 N. J. L. 122-125, that in an issue of this character the presumption is in favor of the correctness of the estimation made by the assessor, a sworn officer, and that before a tax can be disturbed on the ground alleged the burden is put upon the objector to show by his proofs a clear error in such estimation. Under this test, even if the evidence of Assessors Hendrickson and Record be entirely eliminated from the record, the assessment made by the Board could not be overthrown. The decisions under the State Railroad Act do not change this rule and include as evidential the knowledge of the members of the Board. To set the assessment aside the evidence must preponderate against the valuation of the State Board.

Long Dock Co. v. *State Board of Assessors,* 86 N. J. L. 592-596.

We must always remember, too, that the property to be taxed is to be taxed according to its own true value and not according to the true value of some other property, even if that other property be very near by, as was emphasized by Mr. Justice Dixon in *Williams* v. *Bettle,* 51 N. J. L. 512-517, in speaking for the Court of Er-

rors, in eliminating from the original Railroad Tax Act that 4th Section, which required the State Board to accept the valuation of the local assessors as correct standards of value, if such valuation was lower than the figures arrived at by the State Board.

We may appropriately again quote, in conclusion, the words of Mr. Justice Garrison in reference to an assessment on these very lands, 82 N. J. L. 21-23:

> "The valuation on which the present assessments were made is supported by the return of the State Board to which the legislature has given express authority 'to use their personal knowledge and judgment as to the value of property.' It is also supported by some of the testimony taken under these writs while opposed by other testimony so taken. We are unable to say that the latter testimony so preponderates as to overcome the judgment of the Board and the testimony that supports it as to make it our clear duty to substitute our judgment for that of the State Board upon a question of value. If it were a question of law, our opinion might be of more worth than that of an administrative board, but upon a question of value the presumption is rather the other way."

If this remains good law, and the Court of Errors has twice said it was (84 N. J. L. 762; 86 N. J. L. 592) the assessment placed on these lands should not be disturbed.

III.

The re-assessment for the year 1911 was made in accordance with the laws providing therefor.

In the preliminary statement at the head of this brief it has already appeared that the 1911 case differs from the other three in that the assessment brought before the court by the writ in that case was a re-assessment made by the State Board of Assessors after the original assessment for that year had been set aside by the courts. The assessment as originally made was confirmed by the Supreme Court, *Long Dock Company* v. *Hendrickson,* 85 N. J. L. 536, but the judgment of the Supreme Court was subsequently reversed by the Court of Errors on an opinion by Mr. Justice Swayze in *Long Dock Co.* v. *State Board of Assessors,* 86 N. J. L. 592.

The Supreme Court subsequently ordered a re-assessment by the State Board of Assessors, with leave to take further testimony before the Board on said re-assessment.

The appellant opposed the order of the Supreme Court, so far as it involved leave to take further testimony before the Board, as contrary to law, and presented such objection by way of reason and renewed the objection by way of ground of appeal.

The ground of appeal is argued in appellant's brief under Point XIII.

Mr. Justice Parker, in his opinion in the Supreme Court, says as to this point:

> "The case was remitted to the Supreme Court and that court then directed a re-assessment with leave to take further testimony on valuations. When the matter was again opened before the Board, prosecutor

> objected to further testimony, and now makes the point that it was inadmissible. So to hold would be to overrule the express direction of this court, which appears to have been made in obedience to the plain intent of the opinion in the Court of Errors and Appeals and it would have been error if the assessors had excluded it."

Realizing, that, in view of the opinion in this court, requiring the setting aside of the original assessment on the complaint of the appellant that appellant had not been permitted to take the testimony of members of the State Board, the general objection that on a re-assessment no further testimony be taken was hardly tenable, appellant in its brief says that "perhaps further testimony by the Assessors was permissible." It is not perceived that under the opinion of this court there is any distinction between the testimony of the members of the State Board and other witnesses. The appellant endeavored to get the re-assessment made on the old record by refusing to call the members of the State Board as witnesses, notwithstanding that it had secured the reversal of the assessment because its attempt to examine the members of the Board had failed.

There seems to be no room for doubt that Mr. Justice Parker was correct in his interpretation of the opinion of this court and that under that opinion further testimony of witnesses by either the appellant or the State was competent.

It is perhaps inappropriate to re-argue a matter which has been definitely determined by this court, but an examination of the Railroad Tax is entirely convincing that the course pursued was in accordance with law.

Section 13 of the Railroad Tax Act (Comp. Stat. 5270) provides that if a writ of *certiorari* shall be allowed and if it shall be made to appear that any assessment is unlawful, excessive or insufficient, the court shall correct the same, by whomsoever such writ shall be prosecuted, and reduce or increase it as may be just, *or refer it back to the Board of Assessors who shall correct or re-assess the same in accordance with the instructions of the court.*

A writ of *certiorari* was allowed pursuant to this section to review the original assessment in 1911 and the assessment was sustained by the Supreme Court, but the Court of Errors reversed it and sent it back to the Supreme Court for further proceedings in accordance with the opinion in the Court of Errors.

There is precedent as to the proper practice afforded by proceedings affecting this very same property and under the guidance of counsel now representing the appellant. The taxes of 1906 and 1907 on the Long Dock terminal property were reviewed by the Supreme Court on *certiorari* and the judgment entered was that the taxes be set aside and for nothing holden and that the matter be referred back to the State Board of Assessors for *re-assessment.* The only difference from the present situation is that the assessment in 1906-'07 was in the first instance set aside by the Supreme Court.

The State Board of Assessors did re-assess the property for the years 1906-'07, and on the re-assessment the assessment was again *certioraried* and on the second writ sustained both by the Supreme Court and this court. The case under the first writ is reported in *Long Dock Company* v. *State Board of Assessors,* 78 N. J. L. 44; affirmed on opinion below in 79 N. J. L. 604.

The case under the second writ is reported in *Long Dock Company* v. *State Board of Assessors,* 82 N. J. L. 21; affirmed, without opinion, 84 N. J. L. 762.

The same practice was followed as to the assessments of this very property for the years 1908 and 1909. In each year *certiorari* was allowed, the assessment set aside and order entered for re-assessment in exactly the same form as applicable to the writ covering the 1906-'07 taxes.

The contention of counsel for the appellant, against the insertion of leave to take further testimony in the order for re-assessment made as to 1911 by the Supreme Court, pursuant to the opinion of this court reversing the judgment of the Supreme Court, was practically that the assessment should be corrected on the then present record. The court under Section 13 could itself on that record have reduced or increased the assessment as might be just, or it could have referred it back to the Board of Assessors to correct or re-assess in accordance with the instructions of the court. The court in fact pursued the latter course.

In the 1906-'07 and 1908-'09 cases above referred to there was no further testimony taken before the State Board of Assessors, but the reassessment was accompanied by a statement of the State Board of Assessors definitely explaining the way in which the assessment had been made and positively eliminating the franchise element which had been thought by the Supreme Court, on the first writ, to have been included in the valuation of the lands.

The only limitation, when the court refers an assessment back to the Board of Assessors for re-assessment, prescribed by the act, is that the

Board of Assessors shall proceed in accordance with the instructions of the court. There are under the statute no strings on the reference to the Board to re-assess except such strings as may arise out of the instructions of the court. The court is not obliged to refer the matter back to the State Board and does not do so except to serve the ends of justice plainly indicated to be the purpose of the legislature in Section 13. If to secure the ends of justice the court makes the reference to the State Board for re-assessment, such instructions are given as are necessary to secure the ends of justice. The necessity for proceeding in accordance with the instructions of the court on the reference for re-assessment does not mean that the court is to make the re-assessment or that the court is to instruct the Assessors as to the amount of the re-assessment. If this was the requirement of the law there would be no occasion for the reference, as such instructions would be a re-assessment by the court itself.

Section 13 plainly intends that upon a reference by the court to the Board for re-assessment the Board shall proceed (in accordance, of course, with the instructions of the court to the end that under such instructions the errors made on the original assessment may be avoided) as on a review under Section 12. The statute clothes the Board with the necessary powers and the court is authorized by Section 13 to avail itself of the statutory machinery. The reference to the Board, if made with leave to take additional testimony, carries authority under which the Board may hear witnesses produced by either side, to the end that a correct and just result may come out of the re-assessment.

This view is confirmed by comparison with the Act of 1881 (Comp. Stat. 5171, Sec. 191) which empowers the court in which any action, suit or proceedings is pending to review a tax, to amend all irregularities, errors or defects, and, if need be, to ascertain and determine for what sums such persons and property are legally liable to such taxation or assessment and, by order or decree, to fix the amount thereof. By that statute the whole duty is imposed upon the court and the court must perforce use its own machinery, taking testimony as it may deem necessary before Supreme Court Commissioners, or in any other way within the practice, and itself finally making the assessment.

Section 13 of the Railroad Tax Act, which it will be remembered was passed after the Act of 1881, permits the court, either to correct the assessment itself, or to refer it back to the State Board of Assessors for correction or re-assessment.

Upon the re-assessment made against the Long Dock Company following the writs holding the tax of 1906-'07 and 1908-'09 invalid, the re-assessment was not regarded by the Railroad Company as a judgment by the Supreme Court, but as a determination by the State Board, and the re-assessment was not brought before the Supreme Court for the purpose of making it the final judgment of that court as though the court itself were re-assessing in the *certiorari* proceedings on the original assessment. On the contrary a new writ was sought for the purpose of reviewing the re-assessment and the application for such writ was allowed by this court, although on the application for such writ counsel writing the present brief advanced the view that the re-assessment was by order of the Supreme Court

and should be taken before the court and made the judgment of that court and be thereupon immediately reviewable by writ of error. The Supreme Court did not agree and allowed the writ reviewing the re-assessment, and under the writ the Supreme Court sustained the re-assessment and on writ of error the Court of Errors affirmed the Supreme Court.

The re-assessment was thus treated throughout as the determination of the State Board of Assessors on a matter committed to it by the statute through the medium of the court, and in no way differing from any other assessment made by the Board and finally confirmed by it according to law.

Exactly the same practice has been followed in the present case and the re-assessment for the year 1911 has been made in accordance with law.

IV.

The valuation for the Year 1911 was accepted by the Appellant (Prosecutor below).

It abundantly appears (Hansel, Vol. II, page 305, lines 15-37; Hansel, pages 893-901; Hendrickson, pages 604-649; Hendrickson, pages 786-801; Record, pages 864, line 10, to 867, line 4) that in September, 1912, Mr. Harrison Williams, representing the Erie Railroad Company, accepted the figures of the 1911 assessment and that the Board, which had had before it the review of the assessment, affirmed the assessment in accordance with the agreement reached with Mr. Williams.

Mr. Williams does not dispute such an agreement on his part, but claims that it was tentative, subject to confirmation by his superiors. His testimony begins on page 924. He thinks the tentative arrangement was made in July, but

the very definite evidence of Mr. Hansel and the members of the Board convincingly shows that he is mistaken about this. Mr. Williams (Vol. II, page 936) was for sixteen years the tax agent of the Erie Railroad and was accustomed, for a number of years prior to 1911, to appear before the New Jersey State Board of Assessors on tax matters, and thereafter until the time of his resignation of his employment in the year 1913. He appeared frequently before the State Board in the review of the 1911 assessment, sometimes with Mr. William H. Corbin and sometimes without Mr. Corbin, and participated in the examination of witnesses, sometimes in Mr. Corbin's absence and sometimes in Mr. Corbin's presence, and was recognized by the Board as representing the railroad company. He tells, on pages 940 and 941, of his agreement with Mr. Hansel in compromise of the various differences about the Erie assessments. Mr. Williams, having referred to a letter written by him on July 8, 1912, certain parts of it were introduced in evidence on page 956, from which it appears that on that date he advised the vice-president and general solicitor of the Erie that he had agreed to recommend the settlement of the 1911 tax assessment on the basis set forth in the letter, which basis included the assessments now under review. Apparently it was unknown to Mr. Hansel and the members of the Board that Mr. Williams had reached this frame of mind as early as July, for the final agreement with him in acceptance of the assessment was unquestionably made in September and the resolution of the Board, finally confirming the assessment, on October 1st, as appears by a quotation from the minutes, Volume II, page 797, showing a final report by Mr. Hansel of adjustments in valuations covering the Erie system and its adoption by the Board. On October 2nd the

final report was filed with the Comptroller. Mr. Hansel, Mr. Hendrickson and Mr. Record all say that they understood that Mr. Williams was clothed with authority to finally dispose of the matter.

Mr. Williams' letter already referred to, set forth Volume II, page 956 of the record, shows that the original assessment on the Erie system (exclusive of the New York, Susquehanna & Western Railroad Company) was $34,353,492 and that the compromise was $27,218.000. In this compromise amount (record, page 902) there were included in the land values the identical figures of the assessments for 1911, 1912, 1913 and 1914, except that in the year 1914 there is a slight increase by reason of the additional area occasioned by the extension of the pierhead line.

Whether Mr. Williams really had the authority to represent the Erie people to a sufficient extent to make the settlement binding upon that company, the evidence conclusively shows that Mr. Hansel and the members of the Board all thought that he did. Even if it be considered that the prosecutor is not bound by the agreement, the fact that it was made is evidential against the prosecutor as an acceptance by its experienced land and tax agent, who had represented them for over sixteen years, of the valuations in these assessments, and, while the particular acceptance applied only to the year 1911, the figures being the same in the other years, the evidence is applicable to all the cases.

It is confirmatory of the approval of Mr. Williams, that, although called as a witness by the prosecutor originally in the 1911 case (Vol. II, pages 158 to 167) and in all the cases (Vol. II, pages 924-957), Mr. Williams said no word indicating any personal belief on his part that

these lands were worth less than they were assessed for, a most remarkable omission if Mr. Williams really thought there had been an over-valuation.

Mr. Justice Parker in his opinion in the Supreme Court referred to the evidence of Mr. Williams, and, while inclined to think that it was competent, stated that the court had not considered his evidence in ascertaining whether there was palpable error in the findings of the State Board.

The matter is brought to the attention of this court to show that there was additional evidence beyond that deemed by the court sufficient for the valuations fixed by the Board and approved by the court, or fixed by the court itself.

V.

The record contains evidence of additional valuation of the parcels fronting on the pier line of the Hudson River in 1914, by reason of the extension of the pier line by the Federal authorities, and the judgment in the 1914 case should not be reversed because of the reference of the matter back to the State Board of Assessors for investigation and re-appraisal because of such additional value.

Grounds of Appeal 15, 16 and 17 are peculiar to the 1914 case and ask for the reversal of the judgment in that case because of the reference by the court of the matter back to the State Board of Assessors for ascertainment of any additional value in that year because of the extension of the exterior line for piers in the Hudson River.

Ground of Appeal 15 claims that there was no evidence of such additional value, 16 that the

finding of any additional value would be against the clear weight of the evidence, and 17 that any increase in the valuations because of the extension of the pier line is not warranted by law.

Ground of Appeal 18 is in effect the same as that alleged in 13 as to the re-assessment of the parcels mentioned for the year 1911, that ground of appeal being supported wholly on the theory that no additional evidence could be taken before the State Board after the re-reference to the State Board of Assessors, following the reversal of the original assessment by the Supreme Court as directed by the remittitur from this court in the case reported in 86 N. J. L. 592.

These grounds of appeal are argued under points in appellant's brief XIV, XV and XVI.

It is easily demonstrated that there is evidence in the record showing additional value by reason of the extension of the pier line and the enlargement of the area of land under water by reason of such extension.

The evidence in the record was sufficient in the judgment of counsel for the State to justify the original assessment of 1914, but no appeal has been taken by the State from the judgment of the Supreme Court setting aside the additional valuation made by the State Board of Assessors, and the question can be discussed, therefore, only from the standpoint of presence of *any* evidence in the record showing additional value.

The increase in area by reason of the extension of the pier line was not very great, and became applicable for the first time in the year 1914. The State Board valued the additional areas at the uniform rate of $1.00 per square foot.

The extent of the area is shown on the maps offered by both the prosecutor and the State and marked Exhibit P-3 and Exhibit S-1. The additional areas are several times defined in the record without dispute, and we may refer conveniently to the testimony of the appellant's witness Dawley (Vol. II, pp. 243-244). The new acreage is between the new pier line and the old pier line, in front of the parcels described as Block 17, A-2, the ferry plot and Block 16, B-7. The new area in front of Block 17, A-2, is 2.679 acres or 116,697 square feet; in front of the ferry plot foot of Pavonia Avenue, .304 acres or 13,242 square feet; and in front of Block 16, B-7, .338 acres or 14,723 square feet; a total of 144,662 square feet.

There is a table exhibiting the assessed values for 1913 and 1914 of the terminal tracts of the United New Jersey, Long Dock and Morris & Essex, Exhibit S-6, May 11, 1915 (Record, Vol. II, opposite page 989), in which appears, in separate column, the 1914 assessment of land between the old and new pier lines at the uniform rate of $1.00 per square foot on all these railroad terminals. No objection was made to such assessment by either the United New Jersey or the Morris & Essex.

There was an attempt on the part of the appellant to show that the extension of the pier line added no value to the appellant's terminal property, but such attempt scarcely held up under cross examination. The appellant's expert, Corbin (Vol. II, page 246, line 30), said that in his opinion the extension of the pier line did not add any value to the property and that the value was the same in 1914 as in 1912. On cross examination, beginning on page 250, Mr. Corbin showed his familiarity with the agita-

tion resulting in the extension of this pier line, with the approval of the Secretary of War, in 1913. He admitted that on some of the properties the additional distance between the pier and bulkhead lines was a great advantage. He knew that the Secretary of War had extended the pier line by reason of agitation of property owners along the Hudson River, and, after some fencing, conceded that the purpose of the extension was to give longer piers and keep the Hamburg-American Line Steamship Company on the west side of the river, the docks of that company being about 2,000 to 2,500 feet above the Long Dock terminal (page 252, line 12). Being asked (page 255) why he thought it was of no advantage to water front to have opportunity to build longer piers he replied that there was such a thing as having too much pier line for economical handling, and that the Bush terminal was handicapped by reason of that fact and was thereby rendered very expensive for the handling of merchandise. He admitted a tendency to increase the length of ocean going vessels, and the need for deeper piers thereby and the added value to steamship dock property of area for longer piers, but denied any increase in value to the Long Dock property, because as the property was used the piers were long enough for the present needs of the railroad company. It was further developed on his cross examination (page 258, *et seq*) that there was at the Pennsylvania terminal, just south of the Long Dock Company, a pier in active use 1,400 feet long; that the so-called "Elevator Pier," immediately adjoining the Long Dock Company and really part of it although not in railroad use, was a pier 1,340 feet long; that the recently built Pennsylvania terminal at Greenville had

piers 2,000 feet long; and that the Lackawanna Morris & Essex yard, immediately adjoining the Long Dock Company on the north, had piers, although of recent origin, 1,400 feet long. The witness' testimony developed into a criticism of the improvements of the Pennsylvania at Greenville and Harsimus Cove as a mistake from an engineering and economical standpoint, defending his capacity to exercise judgment thereon by the fact that he had operated, fifteen or sixteen years before, a small industrial railroad over on Long Island, and that he had during seventeen years of business experience come into close connection with a great many practical railroad and steamship men.

In Volume II, page 286, line 22, of the record, we find the following:

> "Q It does not seem to you extraordinary (I am referring to the economic conditions that your expert knowledge permits you to express an opinion about) that you should find any of these railroad terminals using these long piers? A I don't find it in all of them; I find some of the railroads that have made some mistakes."

It may be remarked that Mr. Corbin is alone in his condemnation of the Bush terminal, which, by other witnesses in the present record and in many other cases before this court, has been appealed to as the ideal development of water front property for what many people claim to be its highest use. He himself so designated it earlier in the present record (Vol. II, page 97; p. 176).

It may be also remarked that, if Mr. Corbin's views be accepted as to the proper development of railroad terminal water front properties, there has been a woeful lack of intelligence in

the management of the Pennsylvania, Central, Lackawanna, West Shore and Erie companies in the development of their terminal properties on the Jersey side of the Hudson River.

Mr. Drinker (Vol. II, page 405), a civil engineer in the employ of the Erie Railroad Company and in charge of designs for terminal facilities, but without any familiarity as to operation, testified that if the Erie Railroad Company had wanted any longer piers, or the Long Dock Company, he would have been called upon to prepare the plan, and that he had not been so called upon for ten years last past, and that in his opinion the piers for the present business were long enough; that so far as he knew there was no present intention on the part of the Erie Company to extend any of its piers beyond the old exterior line, and if there was any such intention it would have come under his observation in the ordinary course of business.

It does appear, however, from Mr. Drinker's testimony (Vol. II, page 417, line 11), that the only change that has been made in any of the piers in recent years is the extension of one of them, No. 4, up to the old line of piers, which change was made before the pier line was extended.

Mr. Hansel, called by the appellant (Vol. II, page 483, line 23 *et seq.*) expressed the opinion that there was *potential value* in the added area between the old and new pier head line, except as to the ferry slip, to which he said such added area gave no added value so long as used as a ferry slip. It appears from his answer to the question on page 484, beginning at line 9, that his discussion of the additional area between the old and new pier head line was on the basis of the development of the terminal tract assumed

by him in making his estimate of value, which development was on an assumption of use for warehouse purposes, Mr. Hansel having expressly declined, both on his original examination in the 1911 case, and in the additional testimony taken in the present record, to put any value upon the Long Dock terminal property for railroad purposes. *The potential value Mr. Hansel gives for the added area is, of course, a taxable value.*

Mr. Lohman, a witness called by the State and president of the Board of Assessors of the City of Hoboken and a member of the Board of Assessors since 1902, testified that the valuations on the water front properties made in Hoboken were true values, and that the extension of the pier head line had been deemed to add value to the water front properties in Hoboken and 100. per foot running on the river had been added to the valuations by reason of the extension of the pier head line; that the method of valuing water front by the front foot, in use by the Hoboken authorities, is related to the depth from the pier line back, that the greater the depth the greater the value.

Mr. Hendrickson, one of the members of the State Board, sworn as a witness, values the land under water in front of the Long Dock Company as not less than $1.00 a square foot (Vol. II, page 622). He says also (page 728) that the Long Dock Company claimed the title.

No other witness discusses the value of the additional area between the old and new pier head line.

It is, of course, common sense that, whether or not the present owner of the property needs the additional area for the extension of piers in the immediate conduct of the business now con-

ducted, the possibility of extending the piers an additional distance into the river to meet the wants of another use of the property, such for instance as the steamship use, or even to permit the subsequent extension by the present owner of its piers to the new pier line, thereby, if it desires, increasing the area of its back land for the enlargement of its terminal property, unquestionably makes the parcel as a whole more valuable whatever its ownership or use.

Mr. Corbin, the appellant's witness already referred to (Vol. II, top of page 179), fixes the value per square foot of land under water in front of the Long Dock terminal at $1.06, and that is the rate that appears on the table Exhibit P-2, page 959, applied to the valuation of the ferry plot at the foot of Pavonia Avenue and Block 16, B-7, both of which plots are entirely under water, in Corbin's valuation of those plots made before the pier line was extended.

On Corbin's direct examination, originally taken in the 1912 case (Record, Vol. II, p. 178) but applicable generally in all the cases, he testified as follows:

> "Q Take what is known as the ferry plot, what it is called on the map, the ferry plot, where the area is given as .209 acres, what is your estimate of the value of that? A $96,502.
>
> Q And how did you arrive at those figures? A Why, I have estimated the value of that property as of the same relative value as the property to the north; the larger plot, in valuing the larger plot I have taken the average value per square foot of the land and land under water, as the land and land under water is almost equal, figures out $1.14 a square foot.

Q That is for the big parcel to the north? A Yes, I have applied the same value here, excepting this being the land under water I deducted about one-half or eight cents a square foot for the value of the fill, which would leave $1.06 per square foot for fill, or $46,173.60 an acre.

Q On the basis of the cost of the fill being $0.16 a square foot? A Yes.

Q Now, take that next parcel, Block 16, B-7, with an area of 2.498 acres and with a frontage on the water of 140 feet; is that all under water? A That is all under water.

Q And what is your estimate of the value of that? A $115,342.

Q Is that arrived at in the same way? A That is arrived at in the same way as the ferry plot."

Counsel for appellant vigorously contends throughout his brief that Mr. Corbin is the only real water front property expert heard in this record, and it appears that he regards this land, the land under water before the extension of the pier line, as worth $1.06 a square foot, which is six cents more than Mr. Hendrickson's estimate and six cents more than the Board's assessment. It hardly, therefore, lies in the mouth of the appellant to deny that there is any additional value to these water front tracts by the addition of 144,662 square feet of area.

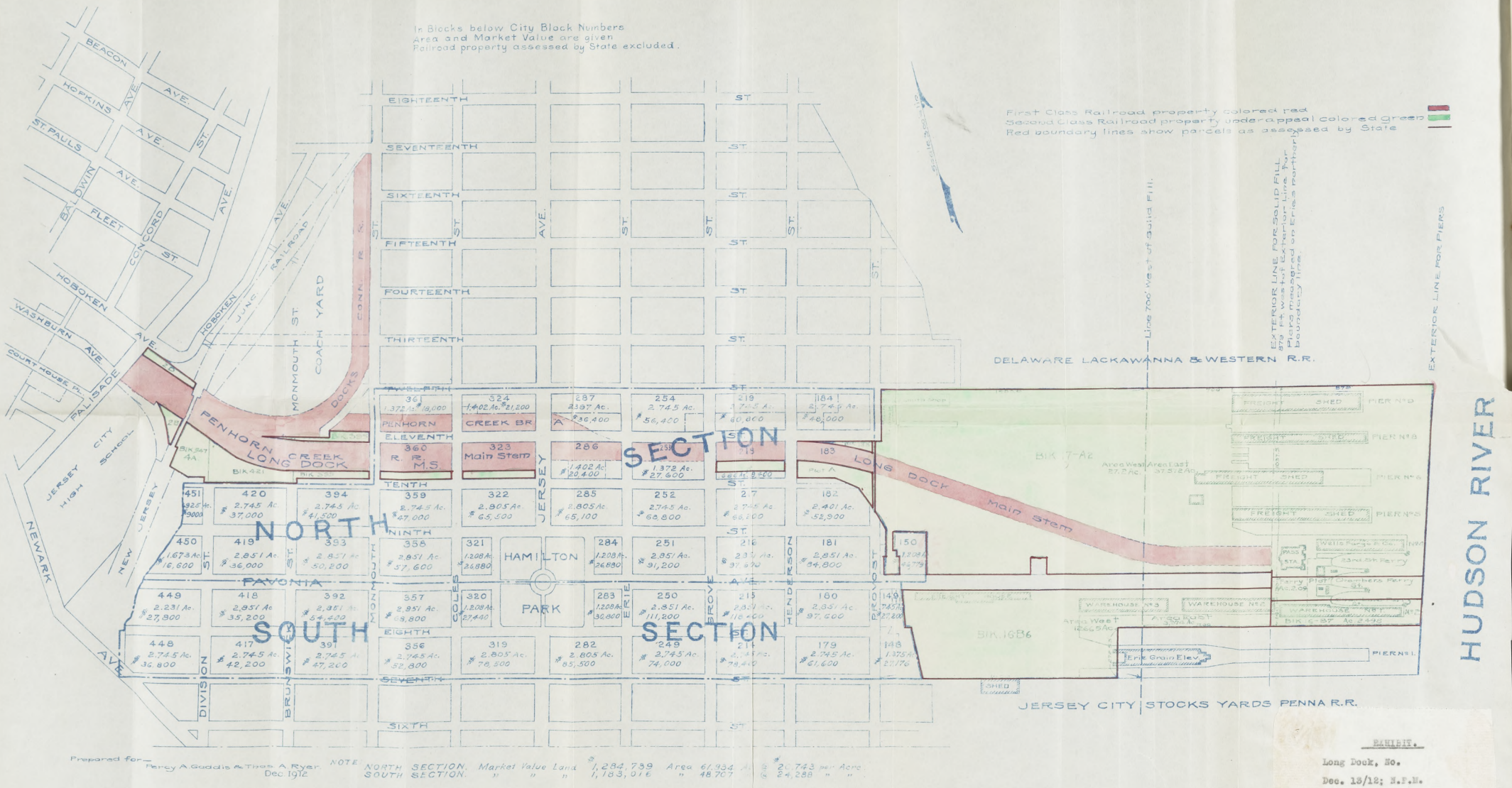
It may further be remarked that, inasmuch as appellant's insistment is that these terminal lands must be valued without reference to their availability for railroad use, the evidence of additional value by the extension of the adjacent area under water for other uses than railroad uses ought to be considered as against the appellant as of especial importance.

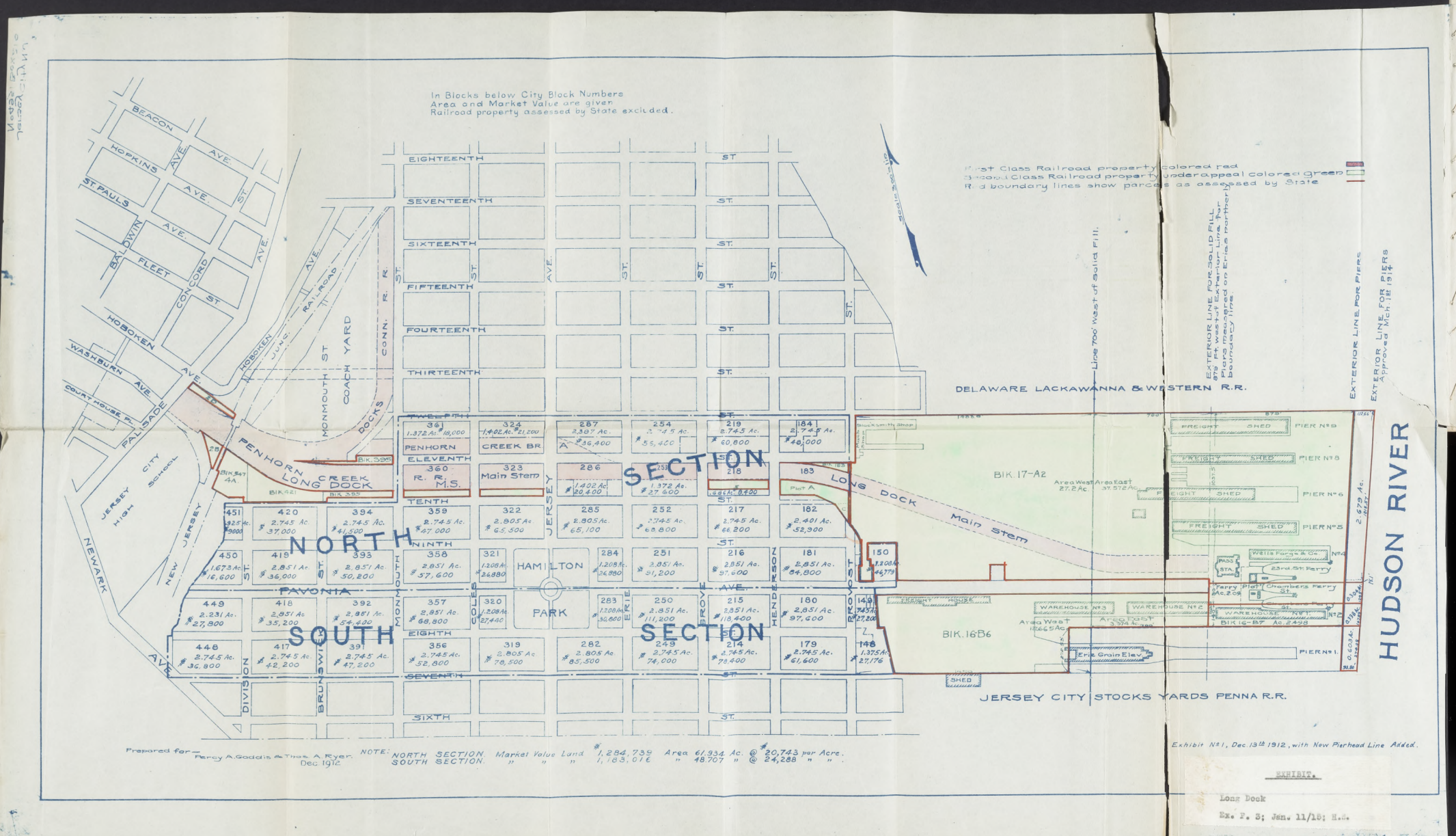
The record certainly shows some evidence of additional value by the increase of the area due to the extension of the pier line, and the judgment of the Supreme Court in the 1914 case cannot be reversed on the theory that no such evidence is present in the record.

VI.

The judgments of the Supreme Court in all four cases should be affirmed.

JOHN R. HARDIN,
Of Counsel for Defendants-Respondents.


In Blocks below City Block Numbers
Area and Market Value are given
Railroad property assessed by State excluded.
First Class Railroad property colored red
Second Class Railroad property under appeal colored green
Red boundary lines show parcels as assessed by State
NORTH SECTION
SOUTH SECTION
HAMILTON PARK
PENHORN CREEK
LONG DOCK
Main Stem
COACH YARD
DOCKS
DELAWARE LACKAWANNA & WESTERN R.R.
JERSEY CITY STOCKS YARDS PENNA R.R.
HUDSON RIVER
Line 700' West of Solid Fill.
EXTERIOR LINE FOR SOLID FILL
EXTERIOR LINE FOR PIERS
JERSEY CITY HIGH SCHOOL
EIGHTEENTH ST.
SEVENTEENTH ST.
SIXTEENTH ST.
FIFTEENTH ST.
FOURTEENTH ST.
THIRTEENTH ST.
TWELFTH ST.
ELEVENTH ST.
TENTH ST.
NINTH ST.
EIGHTH ST.
SEVENTH ST.
SIXTH ST.
PAVONIA AVE.
NEWARK AVE.
JERSEY AVE.
COLES AVE.
ERIE AVE.
GROVE AVE.
JOHNSTON AVE.
DIVISION
BRUNSWICK
Erie Grain Elev.
PIER No 1
PIER No 2
PIER No 3
PIER No 4
PIER No 5
PIER No 6
PIER No 7
PIER No 8
PIER No 9
FREIGHT SHED
Ferry Slip
Ferry Pl.
Chambers Ferry
Wells Fargo & Co.
PASS
STA
Area West 27.3 Ac.
Area East 37.512 Ac.
BLK. 7-A2
BLK. 16B6
BLK. 16B7
WAREHOUSE No 1
WAREHOUSE No 2
WAREHOUSE No 3
WAREHOUSE No 4
WAREHOUSE No 5
Area West 12.665 Ac.
Area East 5.576 Ac.
Ac. 2.449
SHED
Prepared for—
Percy A. Gaddis & Thos. A. Ryer.
Dec. 1912
NOTE NORTH SECTION. Market Value Land $1,284,739 Area 61.934 Ac. @ 20,743 per Acre.
SOUTH SECTION. " " " 1,183,016 " 48.707 " @ 24,288 " "
EXHIBIT.
Long Dock, No.
Dec. 13/12; H.F.M.
Long Dock Appeal
Ex. P. 1., Jan. 11/13; H.S.



Prepared for— Percy A. Goddis & Thos. A. Ryer. Dec. 1912.

NOTE: NORTH SECTION. Market Value Land $1,284,739 Area 61.934 Ac. @ $20,743 per Acre.
SOUTH SECTION. " " " 1,183,016 " 48.707 " @ 24,288 " " .

Exhibit No 1, Dec. 13th 1912, with New Pierhead Line Added.

EXHIBIT.

Long Dock

Ex. P. 3; Jan. 11/13; H.A.

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This volume contains the testimony and exhibits before The State Board of Assessors on complaints of the Long Dock Company against assessments on certain property used for railroad purposes, other than main stem (commonly called second class railroad property) for the years 1911, 1912, 1913 and 1914. First in order is the testimony on the complaint against the assessments for the year 1911, upon which those assessments were reviewed by the Supreme Court and the Court of Errors and Appeals, and a reassessment for that year ordered. Next comes the testimony on complaint against the assessments for the year 1912 which was taken while the assessments for the year 1911 were before the Courts. The testimony on the complaint against the assessments for the year 1912 was offered by the Company and received by the Board on the complaint against the assessments for the year 1913, which were made while the assessments for the year 1911 were still before the Courts. The testimony upon the complaint against the assessments for the year 1912, which was also offered and received upon the complaint against the assessments for the year 1913, was again offered by the Company and received by the Board upon the complaint against the assessments for the year 1914. Additional testimony was taken before the Board on the complaint against the assessments for the year 1914. The testimony upon complaint against the assessments for the year 1914 is to be considered as though repeated before the Board on the complaints against the assessments for the years 1912 and 1913, and also upon the reassessment for the year 1911, under stipulations appearing in the record, upon the conditions stated in those stipulations.

New Jersey State Library

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Testimony before the State Board of Assessors on complaint of the Long Dock Company against assessments for the year 1911, which were reviewed by the Supreme Court and the Court of Errors and Appeals and reassessment ordered.

State Board of Assessors.

LONG DOCK COMPANY, *vs.* STATE BOARD OF ASSESSORS.	*Tax Appeal* *1911–2d Class* *Property.*

Appearances:

Mr. William H. Corbin for the Railroad companies.

Messrs. J. Franklin Fort and John R. Hardin for the State.

Testimony taken in Jersey City, N. J., on Monday, January 29, 1912.

Long Dock Case.

PERCY A. GADDIS, called and sworn, on behalf of the company, testified as follows:

Direct examination by Mr. Corbin.

Q What is your residence and what is your occupation? A Residence 139 Sip Avenue, Jersey City; occupation, real estate and insurance.

Q How long have you been in the business of real estate? A For about 18 years for myself.

Q In Jersey City all that time? A Yes, sir.

Q Have you bought and sold? A Yes, sir.

Q Have you been employed as appraiser? A I have.

Q How many times? A Oh, I should think seven or eight hundred.

Q Have you bought lands for railroads? A I have.

Q In Jersey City? A Yes, sir and other places.

Q Have you kept yourself informed as to the values? A I have.

Q Do you acquaint yourself with sales as they take place in Jersey City? A Yes, sir.

Q This is your sole business is it, Mr. Gaddis, Real Estate and Insurance? A Yes, sir.

Q Have you examined the sales that have taken place in Jersey City? A I have.

Q For the Long Dock property for the last ten years? A Yes, sir.

Q And have you ascertained the prices for which land has sold? A I have, sir.

Q Now I see you produce a map; what is that; is there a title on it? A No, there is no particular title; you can call it the Gaddis and Ryer map.

Q Have you shown on this the second class property of the Long Dock Company and if so in what color? A It is colored—

Governor, this would probably be more agreeable to you; you can see the different colors.

Q What is this color blue indicated on this map—green. A Oh, the green is second class property.

Q And the red? A First class property.

Q And the yellow? A Third class property.

Q Now the red you have got here covers something other than the main stem of the Long Dock Company doesn't it? A Covers the main stem of the Long Dock, the Pen Horn Creek, the Docks Connecting and Branch A of the Pen Horn Creek, all of the Erie system.

Mr. Williams. The streets are also colored red.

The Witness. I might say the streets having a pavement of Belgian block are brown; brick orange; asphalt blue showing improvements in area of comparison immediately back of the yard.

Q Now this area of comparison includes land within what boundaries? A The map covers the territory between 6th Street on the south, 18th Street on the north, Railroad Terminals on the east and the—

Q That's about Provost Street? A Yes, although two or three blocks show beyond; and to the west of the foot of the hill. Also indicates—indicated there are the block numbers according to the City assessment Map and also the City Assessments as placed by the local Assessors on each block.

Q You mean on the land alone? A Yes.

Q Have you reckoned up to see what the local assessment is per acre on that area which you have indicated? A I have.

Mr. Fort. Well now we are getting right on to that same question of how much evidential force there is in this assessment.

Mr. Corbin. For the purpose of comparison it seems as if it has some weight.

Mr. Fort. It is permissable to get it into evidence this way; aren't we entitled to cross examine the assessors to find upon what basis of percentage they made this assessment; I don't want to object technically.

Mr. Hendrickson. I never thought the assessed valuation was very good evidence; I don't think we should take it at all; we have had an abundance of sales.

Mr. Corbin. The law requires it to be reported to you, a large part of it, the assessment on third class property.

Mr. Fort. I think, Mr. Corbin, I wouldn't object to your taking assessment put on 3rd class property. I think possibly that might be. Now, Mr. Gaddis is entirely competent to give his own values and in giving those value I don't see why he couldn't state that he thinks that land is worth so much more or less.

The Witness. Generally speaking, I think it is worth more; not much, but a trifle more.

Mr. Fort. But as for putting the actual assessment of the Board in and asking that it shall go in as evidence I hardly think it ought to be done. I want to be fair with you people; want you to get in everything that's right but don't want you to put in a lot of stuff that isn't legal evidence; try it the other way, Mr. Corbin.

Q Have you examined the sales made within this area in the last ten years? A Yes, sir.

Q Have you got a schedule of that? A I have a schedule of all sales made in detail showing the block and lot number, the grantee, the grantor, the date of sale, the area conveyed, the consideration and where there are any buildings, appraisal of the buildings. And in most cases I might say that the appraisal of buildings has been what the local assessors have used where there was any doubt, throwing the benefit in your way even though I knew they were worth more.

Q Throwing it on to the land? A Yes. Well, in some instances there has been an assessment higher than the price paid.

Q Have you a map showing the sales parcels? A I have no map but the sales can be followed out by the schedule.

Q Let me see your schedule of sales made? Now, back of Provost Street by which I mean West what is the nature of the ground whether naturally meadow ground or good earth? A The ground is all solid upland from 6 to 15 feet above high tide; from Provost Street west to the neighborhood of Coles Street the land is somewhat irregular; west of that the same as the original tide marsh; east of it is the border of the Lackawanna Yard in this map shows you the outline of the original high water line, high tide.

Q First take the property south of Pavonia Avenue and what lands did you take where there have been sales for a comparison with the value of that land? A For purposes of comparison I have included only the land between 7th Street and the center line of Pavonia Avenue and west along level ground below the hill, Jersey City.

Q That is back to Coles and Monmouth Street? A Back to Division Street.

Q What is the natural character of the land east of Provost Street where the railroad yards are located? A East of Provost Street for a distance of from four to six hundred feet varying was originally the shore line washed by the tide, but solid ground.

Q It has been filled in now? A It has been filled in now.

Q Now we will take those blocks within that area which you have used for comparison, south of Pavonia Ave. on block 179; have you any sales? A May I ask a question? Do you wish me to list these or put the whole 60-80 in by the block showing the description of each one?

Mr. Corbin. Just show that to the Governor.

The Witness. We have thrown out from the list all old ones and anything over 10 years as

we did not think them comparable. Any since 1900 are there.

Q Then the sales you have got in the schedules you produce here are sales within that given area for the past ten years? A Since 1900, yes, sir.

Mr. Hansel. Is the year of the sale there?

The Witness. Year of sale; grantee; grantor and area conveyed.

Q Now, how many sales have you on block 179 in—

Mr. Hendrickson. Do you think it necessary to go through each one of these blocks separately? My own idea is that thing there is a compact and concise and accurate statement; I don't think we will get a thing by testimony as to all these separate blocks.

Mr. Corbin. I will ask one or two questions with your permission. I want to show how it is made up; it isn't with a view of spending your time at all.

Q How many sales did you find within this area in Block 179? A 74.

Mr. Ryer. Block 179.

The Witness. Oh, block 179!

Q And how many in block 180? A Let me see if there are any in the back here—179 there were 6; 180, 4.

Q And in 214 how many? A 5.

Q And have you set down here all the sales beside their appropriate block all the way back in this schedule? A Yes, sir.

Q And is the lot and block and the area indicated in each case? A It is.

Q And the date of sale? A The year,—I guess the date is,—yes.

Q And the names of the parties? A Yes, sir.

Q And your first column headed area; what does that show? A That is the area actually conveyed.

Q How expressed? In square feet? A Expressed in square feet.

Q And the next column, consideration; what does that express? A The actual consideration paid for the property.

Q That is land and buildings and all? A Land and buildings.

Q Then the last column, value of buildings, that is to be deducted from the total value, I suppose? A Yes.

Q And the difference between them would express the value of the land? A It would.

Q Now have you made a study of all these all the way back? A Yes, sir.

Q Have you personal knowledge of the values in that vicinity? A I have.

Q From sales past and from other sources. Have you made an estimate of the value of this land per acre?

Mr. Hendrickson. Of which land?

The Witness. The land in the rear of the yard we are now talking about?

Mr. Fort. Yes; between Provost Street and Coles.

Q Comparing it on the basis of the sales you actually found for 10 years, of the land in the rear to the West of Provost Street and to the South of Pavonia Avenue as you have stated them on your schedule, what is your estimate of the value per acre of the land east of Provost Street belonging to the Long Dock Company? Now I am asking you about the upland not at all to estimate the value of land under water, nor the water front but the land— A The land the property of the Erie itself?

Q Yes. A $24,000 an acre with the exception of the portion fronting on Pavonia Avenue which I have placed a value at the rate of $5,000 per lot.

Q And have you—

Mr. Fort. A lot of what size?

The Witness. 25x100 feet city lot on a business thoroughfare.

Q And have you the acreage of the Long Dock plot East of Provost so that you can tell some of your values? A Yes, sir, the plot assessed in Block 16 Plot B-6 I might say I am now using the description of the State Board following them in appraising the same property, Long Dock Company, second class, South of Pavonia Avenue, my value there is $679,376.

Q That's on your valuation? A Yes, sir.

Mr. Hendrickson. How much does that average an acre?

Q Are you able to state that? What the average is an acre? A I can tell in a minute, 16 acres into $679,376.

Mr. Fort. How many lots to the acre, 8 I suppose.

A To be clear in figuring the acreage,—if I can clarify the position I take in figuring acreage for interior land, I have taken it for the entire area as it is there; when I came to where there is a bordering street and then you have, of course, lots on a street, I have given it a lot value such as that street would carry. Now on Pavonia Avenue frontage the rate was $5,000 per lot for a lot 25x100; land in the rear of that, 100 feet from Pavonia Avenue, interior land, $24,000 an acre. That gives a value of $406,400 to the Pavonia Avenue frontage and $272,976 for the interior making a total of the $679,376 as testified to.

Q The interior land you have figured at so much per acre then, $24,000 per acre? A I have.

Q The land which has a frontage on Pavonia, you have figured by the lot? A I have.

Q And added these two together? A Yes, sir.

Q Now, is this schedule which you have produced, has it all the deeds that you found of sales for the purpose of comparison? A Every tranaction that I could run down where I either knew or could find out the consideration of record; there have been some transactions it is true in that territory, but nothing has happened that I could possibly turn up either for or against —a great many have been Erie purchases at the prices that they paid.

Mr. Corbin. I offer in evidence the schedule to which you have been referring entitled list of property sold in the territory between Center Line of 7th Street and Center Line of Pavonia Avenue west of the Erie Terminal and ask it be marked. Received and marked Gaddis & Ryer Exhibit Long Dock No. 1 as of January 29, 1912. (See copy at end of this testimony).

Q Now take the land to the north of Pavonia Avenue belonging to the Long Dock; with what did you make comparison of that? A I made comparison in a similar manner by running down all the sales transaction in the territory immediately in the rear directly behind the tract between the center line of Pavonia Ave. and 12th Street.

Q And Provost and what? A Back to the coach yard and alongside of the coach yard.

Q And have you a schedule of all the sales you could find or trace on that? A Yes, sir.

Q For instance, how many sales did you find on Block 181 A I found on 181—there is no 181 in the territory South.

Q North. A 181 North—excuse me—181, I found 5.

Q And 182? A Two.

Q And 184? A Two.

Q How many altogether on this area so used for comparison? A A total of 93 conveying 16—

Q While we are at it, how many did you find for comparison on the first parcel which we took for examination south of Pavonia Avenue? A 74 parcels conveying 6.30 acres $147,425 or at an average rate of $23,400 per acre.

Q Now go back to North of Pavonia Ave. You found 74 I think? A 93.

Q 93 parcels. A Conveying 16.30 acres for a consideration of $330,385, land value only. Might I add that to the last one making it clear, land value. The value amounted I might say to something like a million and a quarter, total price if we include the buildings.

Q But the land value only on these 93 appraisals— A The land value is $330,385.

Q How much per acre? A $20,268.

Q Now, in your opinion— A Do you want the assessments against that territory?

Q Yes, how much? A In the south section it is assessed for $1,200,600 in the territory comprising 48.558 acres or at the rate of $24770. The North Section comprising 55352 acres assessed for $1,146,550 or at the rate of $20,704 per acre, a difference of only $400 between sales and assessments.

Q That is the local assessments? A Yes.

Q For what year? A This year 1911 latest assessment.

Q Now at what value—

Mr. Corbin. Did you notice that, Governor, the sales for 10 years amounted to within $400 of the assessment?

Mr. Fort. Must have gotten the deeds.

The Witness. I might inject here that while they may have gotten the deeds that this assessment is on the average of the entire territory showing they have not picked but their judgment has gone throughout and the sales are at random as they happened to come.

Q What value do you give to the lands east of Provost Street and North of Pavonia Avenue belonging to the yard of the Long Dock Company? A The lands?

Q Yes. A The plot known as the main yard, known as Block 17 Plot A-2 Long Dock Company, 2d Class North of Pavonia Avenue, area of 43.872 acres. I value in the same manner as I did the South, the Pavonia Ave. frontage at the rate of $5,000 per lot making a total of $365,000 and the interior land at the rate of $18,000 per acre making a total of $714,294 with an entire price of the whole tract of $1,079,294.

Q How far East does that tract run? A To the exterior line for solid filling, up land.

Q And the piece on the south side of Pavonia did that in like manner run to the exterior line for solid filling? A Part of it did and I might say it encircled the so-called Erie elevator making part run to the exterior line and part stop behind that.

Q Now, in valuing these parcels to the North of Pavonia Avenue, have you included or excluded the area of the 100 foot main stem? A Excluded.

Q Well, what valuation did you put upon that line of the main stem? A Long Dock Company

main stem to exterior line of solid filling from Henderson Street, that's one block outside the yard, same manner that the State Board assessed the total acreage, 6.257 acres; I appraised in two parcels first to the center line of Provost Street.

Mr. Fort. From Henderson to Provost?

The Witness. Depends on which way you start; well from Henderson to Provost one block there I appraise at $25,330; the balance I appraised at $94,860 making a total of $120,190.

Q At what rate per acre is that? A The rate per acre is, in the yard proper East of the center line of Provost Street is $18,000 per acre. The full block out in the city is—

Q That is between Provost and Henderson? A A little over $25,000 per acre based upon sales of the neighborhood.

Q Now, I see there is a strip of second class property between Provost and Grove Streets, a strip on each side of the main stem; how did you value these? A That's in block 150 isn't it?

Q In Block 184 and—right in there, 183-82 and 3. A In Block 182 there is a small plot. Plot C assessed value that at $2,500.

Mr. Fort. That's that corner?

A That's the Northeast corner of Block 182.

Q And how about that portion in Block 183? A In block 183 plots known as B and C Long Dock Second Class, I appraise at $28,000.

Q How much is that per acre? A It is about $24,000—24-25 about $25,000 an acre.

Mr. Fort. On what?

The Witness. Plots B and C that I just testified to.

Mr. Fort. They are $25,000 an acre?

The Witness. Round figures we are getting out of the yard now, going West.

Q There is a small parcel North of Pavonia Avenue and East of Provost Street marked as second class property on which tracks go through to cross over Pavonia Avenue; is that small parcel assessed separately? A It is.

Q What is its area and its valuation? A Its area—it is known as Block 150 Plot C-2 Long Dock Second Class, area of .273 acres assessed for true value $19,445.

Q How do you assess that, as lots, acreage or what? A By lots at the basis of $5,000 per lot on Pavonia Avenue and $1,800 a lot on the street in the rear, the tail end of 9th Street I believe it is.

Q Now, from Henderson Street West to Erie or wherever you go how much did you assess the land in the main stem at? A Block 218 Henderson and Grove, main stem Long Dock I value at $28,150.

Q Being at the rate of what? A I have not put the acreage down in all this; I might say these are surrounded by streets and I have given them the street lot value as the individual sales there did not call it acres.

Q That is really a strip 100x200 feet? A Yes, just one block.

Q Having frontage at each end on streets and one side on streets. Your value is what? A $28,150.

Q And the next, between Grove and Erie? A 253, $26,800.

Q And the next between Erie and Jersey Avenue? A $23,350.

Q And the next between Jersey Avenue and Coles Street? A Block 323 Long Dock Main stem $24,560.

Q Now, this is all marked as Main Stem there 200 feet wide. A No, there are two main stems there.

Q Your valuation is for the— A For the Long Dock land.

Q 100 x 200 acres yes. Now from Coles to Monmouth 100x400 Block 360. A Long Dock Main stem Block 360 $24,560.

Q Now, have you valued it from Monmouth Westerly to Palisade Avenue? A Yes, sir.

Q 100 feet wide by how long. Take it in sections first Monmouth to Brunswick? A Block 395 $10,328.

Q Next Brunswick to the 50 foot Division line of Pen Horn Creek. A Block 421 Long Dock Main Stem from the 30 foot limit of Pen Horn Creek to Brunswick Street, strip 547 feet long by 100 feet at one end to nothing at the other, true value $12,244.

Q Next from the Pen Horn Creek, crossing being also N. J. Junction Railroad crossing Easterly to Palisade Avenue to the North Bergen Tunnel. A Block 547 Long Dock Main Stem, Bergen Tunnel Easterly portal to the 30 foot limit of the Pen Horn Creek true value $198. It is 6% of an acre; that finishes all East of the Hill for the Long Dock.

Q Now Mr. Gaddis, that brings us up to the portal of the tunnel, does it not? A Portal of the tunnel East of the Hill.

Q Now begin at the West portal of the tunnel; from there to a point 150 feet West of Tonnele what is your value of that? A From a point 150 feet west of Tonnele Ave. to the mouth of the Tunnel, strip 766 feet long by 100 feet wide an area of 1.369 acres, total value $7,530.

Q Now, from the West portal of the tunnel westwardly to a point 1465 feet North of the N. Y.

Susquehanna & Western overhead crossing. A That is a strip containing 7.856 acres true value $17,632.

Q That is the end of the Long Dock main stem. Now return to the East side of the Bergen Hill and take up second class property in Block 323 on the excess of width South of the main stem. A Long Dock main stem?

Mr. Ryer. 2nd Class; 18000 square feet in 323.

Q Is it .413 of an acre. A Block 323 Long Dock 2d Class property, total of .413 acres, true value $12,500.

Q Now, the item in Block 360 land outside main stem excess south thereof, same area. A Block 360 Long Dock 2d Class area .413 true value $10,480.

Q Now, Block 395 land outside main stem; excess between Northerly line of the main stem and the Pen Horn Creek Railroad and the Southerly line of main stem branch. Ptn Horn Creek Railroad being an area of .362 acres. A Total value $3,801.

Q Now land outside main stem in Block 395 being excess south of Main Stem Long Dock Company, area of .470 acres. A True value $10,838.

Q Now, land in Block 396 outside main stem, Plot C area .212. A True value $2,544.

Q Now Mr. Gaddis, not to follow all these items over have you made your estimate of each of these items of second class property and put it into the schedules here? A I have.

Q This second column which is entitled assessed valuation including multiple, that is the actual valuation made by the State Board for this year is it not? A It is.

Q And the red ink figures in the 3d column entitled True Value are what? A My figures, Mr. Ryer and mine as to true value.

Q Taking this entire schedule as to main stem and 2d class property being the main stem from Coles street westward to the end and second class property within the same boundaries what is the total assessment and what is your total estimated value? A In the case of the Long Dock Company, the valuation placed by the State Board of Assessors on the main stem.

Q Between these points. A Between those points is $359,310.

Q And your valuation, true valuation? A True value $93,332.

Q Second class property? A Second class property. The State Board of Assessors' valuation including multiple was $471,074.

Q True value, $273,688.25.

Mr. Corbin. I offer in evidence this schedule and ask that it be marked.

Received and marked Long Dock Ex. No. 2 Jan. 29/12.

Q On the West side of the hill did you make examination of sales there with which to make comparisons all along on the valuation of land on the West side? A I have and I should like to present a map,——exhibit a map on which I have colored in yellow sales made by me personally or in which I have been interested; the majority of mine are personal sales and also indicated on that map, the lines in my judgment, of change of value of the western part of Jersey City running from the portals of the tunnel to the Hackensack River North of Newark Avenue.

Q Have you any schedules of these sales with the prices or have you marked it right on the map? A I have placed on the map my judgment as to values based upon these sales; in most instances the values are much higher if you want them in detail than what these properties have been sold for considering the increase.

Q What do you mean by that? A I mean some have improved; conditions have improved since the sale and I have then allowed that increase and applied that as against the road.

Q And these figures on the west side of the hill are, in your judgment present values? A Yes.

Q You say you made sales yourself? A Yes inside there with the exception of this small one there and this one is a condemnation (indicating).

Mr. Fort. That means nothing to the stenographer.

The Witness. I will identify it in just a moment. The southerly parcel marked Public Service Corporation, that will identify it sufficiently; that I didn't make personal; I did the rest.

Q What are these parcels colored in yellow on the hill near the tunnel and to the eastward of the tunnel? A Those are about 10% of the sales I have made. I thought of it at random and put down as I went along.

Q You put down those near the tunnel? A Yes.

Q And how about these large parcels to the east of the tunnel; what are those? A Those are —two of them are sales—four or five of them are sales I am interested in in lower Jersey City and the other two were purchased by the City of Jersey

City for a High School site from the N. Y. Central Railroad, being the tract now used for the High School.

Q Are the values put on there in figures? A I would rather explain it. The High School site—the purchase that I speak of,—that I allude to as the High School site was made in two parcels. Plot S,—known as S in Block 545 was bought in 1903, West Shore Railroad to the Mayor and Aldermen of Jersey City for $85,000.

Q How much per acre? A I will give you that later. The adjoining portion which I sold myself to the Board of Education from Mrs. Kiersted and then afterwards swapped part of it to the Erie (and it was an even swap, it was not a question of money) that was in September '07 known as Plot 1 in Block 545 and the consideration was $25,000. The large parcel then that the City holds, the site contains about 10½ acres of ground.

Q Bounded how? A Bounded on the East by the Jersey Junction Railroad under the Hill and the Erie property East; and North by the Erie,—I mean the docks connecting center lines and on the South by Newark Avenue, the main thoroughfare between Jersey City and Newark of more than 100 years of age, and Palisade Avenue on the West, an asphalt Street. I analyze this purchase in this manner; there are about 3 acres of it which is fronting on Palisade and Newark Avenue, with a depth of 100 feet; I have placed a lot value of only $18,000 on the Newark Avenue and $1,500 on the Palisade Avenue; that makes a value of the Palisade Avenue frontage of $397.50 and of the 26½ lots on Newark Avenue at $1,800 each, $47,700 and leaves 7½ acres of interior or rear land comparable but very much better with the land touching it by the Erie, at the rate of $3,000 an acre which

is the price that I have applied in my testimony which is $22,500 making a total of $110,000 the purchase price of the land.

Q Now this lot price that you have deducted on Newark and Palisade Avenues are lots worth as much as you have deducted? A $1,500 is a full value for the Palisade Avenue property; I sold one for you there a few years ago at less than that and I have made five or six sales directly opposite the High School and have sold part of the property twice within the last five years indicated on the map here.

Q So you thing these deductions are fair average rates? A Absolutely fair; you see it is railroad and municipal purchase.

Q This large parcel of land is partly rock on top of a bluff running down to meadow at the bottom? A Yes.

Q A very rough piece of land? A Yes.

Q Difference value in different parts? A Yes, it varies.

Q Take the triangular piece to the North of the Erie tracks how is that situated, on a bluff or in meadow? A In meadow.

Q How is it bounded? A It is known now as the Erie Coach Yard or Monmouth Street coach yard.

Q Bounded on the West by— A By the edge of the Palisades or the N. J. Junction Road.

Q On the East? A On the East by Monmouth Street—by the main stem of the Docks Connecting Railroad.

Q On the South? A On the South by Branch A of the Pen Horn Creek.

Q Is that hard ground or filled ground? A Filled ground.

Q On wet meadow? A Yes.

Q That you have marked down as a price that has been sold; what is its value? A Worth in the interior about $10,000 an acre; the border at $1,000 a lot or $12,000 an acre on the street.

Q Those two pieces to the Westward which you personally dealt in, you said, considerably to the North, towards Hoboken, are those meadow or upland? A That is meadow; both of those are meadow absolutely comparable plots; same physical condition; both soft. It is a plot, Block 704½, Plot A, June 10, 1905 William D. Edwards Trustee to Wm. F. Farmer $7,000 irregular tract fronting a little over two hundred feet on Hoboken, 408 feet on Ogden Ave. about 4 acres making a little less than $2,000 an acre in 1905. Now then there is the other sale, purchase by the Lackawanna Railroad Company which is the only large acreage tract sold the last three years,—the last seven or eight years as a matter of fact, comprising over two acres on 18th Street Jersey City,—I will give you that in detail in a moment. I was personally interested in that transaction, that is, not the selling of it, but I was an heir to the property and received some of the compensation so I know the consideration. I know of it very well. The sale was Plot A in Block 294 dated May 5, 1910, the Executors of Richard Grant Estate to the Morris & Essex Railroad Company $60,000, on the northerly side of 18th Street touching the Lackawanna property, together with lot B in Block 261 which is the adjoining block and a continuous plot; contains 104,607 square feet or 2.4 acres at the rate of $24,839 an acre; there was in 1910.

Mr. Fort. Now that's 7 blocks from the railroad.

Percy A. Gaddis, cross.

The Witness. Yes, but immediately touching the Lackawanna Main stem, a purchase of a railroad to a railroad.

Mr. Corbin. I offer in evidence first the map which was first produced which is in colors showing the Long Dock property east of Bergen Hill which I ask to have marked.

Received and marked Long Dock Exhibit No. 3 Jan. 29/12.

Mr. Corbin. I offer also in evidence the large map produced by the witness showing entire length from the Hudson River to Pen Horn Creek and with the comparative appraisals shown in yellow as indicated by the witness which I ask to have marked.

Received and marked Long Dock Exhibit No. 4, January 29, 1912.

Cross examination by Mr. Fort.

Q How close to the main stem of the Long Dock Railroad is the nearest sale which you have made? A Across the street. 25 foot street—no, the street is 60 feet in width. I stand corrected.

Q How many sales just adjacent to the main stem have you made? A Actually touching like that?

Q Yes. A Let me refresh my memory from the map so I can place them. (Witness refers to map). Coles and 10th Street was the first sale I referred to.

Q How far is that? A That is across the street,—10th Street, the road runs down. The next nearest sale I can recall is Erie property at 12th Street.

Q But isn't that several blocks from the main stem? A No, touches the main stem.

Q Oh, yes; that's right. Go on. I see. A 5th and Brunswick Street, three blocks away; made a couple of sales there.

Q Now, there, as compared with the land lying next to the main stem and between Grove and Provost Street, what is the character of the land, this sale you have just spoken of? A The character of the land?

Q Yes; compared with the other was the land in Block 217 and 216 between Grove and Henderson, —what was the character of the land there as compared with the character of the land in 418-392 between Division Street and Monmouth; Pavonia on one side and 8th on the other? A Well, the land in 217 is, well, first the block marked Brunswick and 5th which is the block that I have testified I sold in, the southeast corner of Block 388 the land was originally swampy and filled in, in 388 and the land in Block 217 to the best of my knowledge has always been solid ground.

Q The fact of the matter is, one is swampy and the other is good filled land? A No, that isn't so; there are good paved streets around four sides, both blocks.

Q I am not asking about streets; I am asking about the land in the block. A The land on the former block the one that I sold in, first talked about, is on the border soft ground. Newark Avenue is solid; go across Newark Avenue and it is solid; there are no piles under that house and there is a cellar under it, brick foundation.

Q Now let me have an answer to the question. A I say the other is better.

Q How much better; what percentage? A About 25—30%.

Q Well, I notice that on these figures which you have on this map there is a difference in the as-

sessed value of over $25,000 between the two blocks; is that a fair percentage higher on 217 than it is on the other? A I can explain that.

Q I didn't ask you for any explanation; just please answer yes or no. Is that a fair percentage? A Not from my standpoint; no, sir.

Q And yet you think these assessed figures should be taken into account do you in ascertaining values? A No, sir. Not is arbitrarily taken in a single block; but if taken en masse they even themselves off in a space of 100 blocks.

Q Then your application of these assessed figures on this map are of no importance in taking value? A Generally so, but that is a corporate holding; they are assesed high; you will notice high figures where blocks are assessed against a corporation; you can pick out the Swift's Block, the Express Company Block—

Mr. Fort. I object to that and ask the Court to strike it out as no answer to my question. It is mere opinion.

The Witness. It is a fact.

Mr. Fort. You have no right to say that on the witness stand. It is a piece of impertinence on the part of the witness to so characterize the assessment.

Question repeated.

Q Now, let's get right down; I am not trying to catch you, Mr. Gaddis, I don't practice law that way; I want simple answers and we will get along beautifully. Now, take this main stem valuation which you have been giving here; in making that valuation of the main stem have you considered its continuity for the purpose for which it is used? A No, sir.

Q Have you considered the fact in fixing the value on the main stem of the railroad that it cuts or doesn't cut lots irregularly and thereby is of more value than it otherwise would be? A In this case it doesn't do it, so I didn't have to consider that as an element.

Q But if it takes an entire street right out of the center of the block and prevents lots from fronting on the street do you consider that as an element of value? A Yes, sir; where the same corporation doesn't hold the balance of the block.

Q What difference would that make as to the sale of the land? A Because it cannot work injury to them.

Q I am not talking about injury to the corporation but to the land; why cannot it? A To them themselves.

Q To the land? Never mind; let's get out of corporations and individuals; let's talk about land now. I want to ask you whether or not taking a street through the center of this block and putting a railroad on it and destroying it as a street, whether that makes any difference to the value of the adjoining land? A If such a condition existed it would.

Q Would it cost more to buy that land for railroad purposes and would it be worth more for that purpose used in that way than to be bought for building purposes? A Answering the first part of the question, it would certainly cost more if bought, and they knew that the railroad wanted it.

Q Well, now, I am speaking of the land purchased and how it is bought. A I am speaking from my experience.

Q I see. You have a different idea. I know it would cost more and so do you, but I am talking about the railroad that's there now; it is in there

and they have bought it for railroad purposes. Is that land, bought for such a purpose worth more than the land adjoining? A I don't think I am competent to testify to special use; that's what I—

Q It isn't a special use. A You said, didn't you in the first part of the question, if for railroad purposes? Read that again.

Q Then you don't want to answer the question? A I would answer it I don't consider so, no.

Q Then you don't consider that land purchased by a railroad being a street laid out on the map there, is any more valuable when purchased for use in the way I have mentioned than it would be if purchased for some other purpose? A I do consider it more, but consider that a franchise value,—element of franchise because they had the right to use it that way.

Q Then a railroad running through that street doesn't depreciate the value of adjoining land which abuts on the street? A Has some detrimental effect, yes, sir.

Q Well, how much? A That's very hard to say. If reflected by the territory—we are talking about—by the assessment placed on it, it's been an advantage rather than otherwise, because the assessed valuation has been increased.

Q If you go back ten blocks,—five blocks you think that land back there would be benefited? A In Jersey City it wouldn't be benefited, not materially in a section—

Q Well, would it be in a block adjacent to the railroad itself and the lots fronting on the railroad running through the street? A It would be some injury.

Q As compared with the land west of Provost Street how do you compute values with the land east of Provost Street which fronts on the river?

A When you say land that fronts on the river do you mean the having Riparian rights, land under water, etc.?

Q No, I mean land down to the exterior line of solid filling? A I might say that I compare the property to the line of Hudson Street extended, west line, as acre for acre on the average of about the same territory immediately adjacent to the west. My reason for stopping there is that Hudson Street extended is what I believe the limit of the upland or city development and east of that would be water front property of a different proposition.

Q I want to know the difference in value between land east of Provost Street and the land west of Provost Street about which you have testified. A Taking a territory going an equal distance each way it is about the same thing.

Q Then it is your judgment that it as valuable to go away a thousand feet from the river front as it is to go within a hundred feet from the river front? A If you have no river front rights; I stop at Hudson Street extended. Then, of course, there is the border street and water front which is a different proposition.

Q If you have river front rights then what is the difference? A If you have river front rights and reflect these rights in the value it is worth one-half as much again.

Q Then the line lying between Provost Street and the river front here where they have river front rights as shown on your map— A Oh, but they don't, they are assessed separately.

Q I am not talking about assessment. A They are valued separately.

Q I am talking about land—if you will please wait until I get through with my question—I want this all to go on the record, the Court will see it;

let's keep this discussion up; I want to know, Mr. Gaddis, whether you mean that where you own river front rights, that the land between Provost Street and the Hudson River is worth 50% more in value to the owner of it than it is west of Provost Street for a distance say of 1000 feet. A I do.

Q How much more value is the main stem at that point, than it is 1000 feet back? A None whatever, unless you consider a frontage value or the right to use it for the purpose it is.

Q Doesn't it make any difference to the value of that main stem that it lies adjacent to piers and docks which may communicate and connect up with ocean going traffic? A But it doesn't; the 100 ft. is not sufficient to build piers and docks.

Q Do you mean there is no more than 100 feet between Provost Street and the Hudson River? A No, there are hundreds of feet; but the small end, 100 ft. in width is all that lays against a dock or goes to the water front.

Q If the 100 ft. width runs up along side docks and piers on either side is it of any more value 1000 feet back along a pier? A If it did it would but it stops at the exterior line for solid filling according to your maps there.

Q There are no streets are there on this block east of Provost Street; that are opened? A No, the yard is practically one large parcel.

Q Take a large tract of land like that, continuous, in fact altogether, is it of any more value per acre than a single lot would be lying on the other side of Provost Street? A Yes, sir.

Q Is it of any more value than a block would be on the other side? A Yes, sir.

Q How much? A About 25% roughly, I wont get down into actual figures.

Q Do you know any place in that section where you can buy a plot of land as large as this plot lying east of Provost Street and which you have colored in blue here? A Do I know of any place where I can buy it? Right in that neighborhood? No, sir, none for sale within two or three miles from there.

Q Does that put any greater value on this piece of land?

Mr. Corbin. That is a question of law.

Q In your estimation?

Mr. Corbin. I don't think that it is a question of fact.

A Yes, sir.

Q You think it does? A I think so; that's my opinion.

Q Why? A Because values always increase (and it is the general principle of value) as property is built up and is used in any particular use, in fact developed for any use it is worth more.

Q A large tract of land of this kind can be used for large purposes? A Yes, sir.

Q Is of more value is it not than a small strip of land lying there, say 100 feet wide? A It is very likely to be.

Q And why? A Because you can use, usually, a large tract to much greater advantage than a small one if you are a large enough concern to need it

Q For a company or individual who was in need of a large tract like that for the purpose of carrying on his business land is of greater value to him than if it were a small tract, isn't it? A Greater value to him than a small tract? Well, that you cannot answer because he simply wouldn't buy a small tract; would only take a large tract.

Q Why? A Because he needs a large tract.

Q And because a small tract wouldn't do for his purpose? A Certainly.

Q Then it is of more value than a small tract. A Yes, that's why I have allowed so much more on it.

Q Have you taken that into consideration? A Yes sir.

Q To what extent and in what way? A About 25%.

Q In what do you show that? A I show it in this way; I have compared upland and taken the actual value, reduced them to acreage, what it sold for and I have not attempted to take the valuation that it has cost to make the developments, in other words, streets, sewers, pavements, sidewalk and other things; they would cost in the neighborhood of 25%; that may be a little excessive; and I didn't make any deduction from that when I applied it to the yard. I considered that one offset the other.

Q In making your valuations you have taken for the purpose of value 12 lots as an acre? A No, sir; I have taken the lots just as I found them and the area conveyed including the reversionary as it was found; if small, small; if large, why, large; so it comes out absolutely fair on the average.

Q But haven't you taken the valuation as 12, and then divided it by 17 which includes the streets? A No, sir, I took the 25 ft. lot and 60 ft. street, would be 25 x 130 or 3125 square feet. If only 50 feet deep on a 10 foot alley, I would have added half the width of the alley and included that in the area conveyed because this is what you actually get if you make an arbitrary percentage which you don't need to when you are comparing with a developed city—in my schedule that is all brought about and will show on its merit.

Q Where the two rights of way or main stem lie adjacent as they do here in the case of the Long Dock Railroad and Penhorn Creek Railroad have you increased the value of the land or decreased it on that account? A I have treated it, neither one; I have treated it the same as if it were as originally developed or would be in my judgment if the improvements were removed and it went back into private hands, based upon sales immediately adjoining and in most of the sales that the Erie bought, that's what they did.

Q In fixing your valuation upon these various lots of land have you considered the question as to the effect upon them of so many railroad lines at this particular point and of the peculiar character of the divergence of them? A Yes, sir.

Q And, therefore, you have put them lower than you otherwise would? A No, sir.

Q Why not? A I appraised the land as I found in the year 1912 as we see it under the conditions now and, of course, these conditions,—the loss or gain has been reflected in the sales that have been made. That is the best barometer in my judgment; I may be mistaken.

Q If the railroad were not there, would you say the land was worth more or less? A It would depend on what might be put there in the way of improvements; if improved in the same general average as the style of improvement that adjoins, the value, I think would be the same as I have placed on it.

Q Whether a railroad was there or not? A Yes, sir.

Q And that applies to the lots lying adjacent to the railroad as well as those lying three or four blocks away? A Yes, sir; because if the railroad should move the loss of income, vacancies through

employees going away, etc., would work serious hardship; it would be fatal to have them drawn out for a period of five or ten years; they might recover.

Q Then they have increased the value of the land by coming there? A To a certain extent they have.

Q Because it has furnished a market for it? A Certainly; oh, materially; they have had a big effect upon it that way, because the average price the property was sold for in the late 80's or early 90's when the Cole Estate was thrown on the market, the average price,—I am not sure to a fraction, but should say about $250—$300 a lot for the unimproved lots and through the Erie coming there, furnishing a market, it made the Matthews companies rich and number of other people.

Q Increased the value around there very materially? A Yes, sir. The records would show that, but I, of course, didn't use that.

Q Very materially? A Very materially.

Q During the course of this examination you have used the expression State Board value, State Assessors' values and given figures, and then you have a number of times in your testimony said "true value" so much. What do you mean by that? A True value? My judgment of the value of the property.

Q That is, it was your value that you thought? A The value I placed on it; I believed it to be true.

Q And by the expression "true value" did you mean it was the value for which the land could now be sold? A Yes, sir.

Q Did you mean that as to the main stem values that you have put? A Main stem? If the main stem could be thrown into the same conditions, divided into blocks as private property.

Q The main stem as it lies there now, you mean the values you would put on as true value of that main stem as it is there? A If the main stem was cut off from the rest of the country it is twice what it is worth.

Q I mean as it lies there, used as it is. A You mean Penhorn Creek?

Q I mean both, just as they lie there, railroad use, as they lie today would you fix that as the value of the land? A Yes, sir; not considering the element of special use.

Q Not considering the fact it was used for railroad purposes. Now, if you were to purchase this —were given this tract to purchase, main stem there, this tract of land, and it was known that you were purchasing it for a railroad, do you believe you could purchase it for the prices you have named? A Yes, sir; I do, because it is based upon recent purchases by the Erie themselves, the greater part of it.

Q You mean land lying adjacent to their present roadway? A No, I mean a portion of their present roadway; it is a fact that they have increased their roadway in the last few years.

Q What else have they purchased? A Why, the Penhorn Creek.

Q Yes; well, that lies right alongside. A Yes, so therefore comparable.

Q You purchased land,—that land right alongside the site of the National Dock right of way for the Penhorn Creek or somebody but that's what you mean, don't you? A Yes, sir.

Q Take 17th—16th—15th Streets, any of those and if you were starting to purchase land to the Hudson River, through those blocks; it it your judgment that it could be purchased for the prices

that you name? A If it was a well known and advertised fact that you were buying for a corporation, no, sir.

Q Then the fact is that to acquire this land for corporation purposes, in your judgment is more expensive than for an individual? A Usually so, yes, sir.

Q Well, then, the land is worth what it costs, isn't it? A No, sir.

Q Why not? A I never—it is worth what it costs? No, sir, not necessarily. If you have got a large tract and there is a little piece out of the corner of it and you have to pay an abnormal price for that corner you cannot say if that corner should jump from one to ten dollars per square foot,—you couldn't say the entire tract was worth ten dollars per square foot.

Q The reason it jumped was because you did want that irregular corner, isn't it? A When you are pinched to get a thing, any given land, or a definite location, you generally have to pay more than the thing is worth.

Q That depends on the character of the strip of land that you want, doesn't it? A A good deal.

Q If you were to start to purchase that strip of land just as it lies there, from the Hudson River back to Palisade Avenue just as it lies, would you expect to pay more for it or only just as much as you would pay for adjoining land? A Probably have to pay a little bit more.

Q Wouldn't you have to do that for anybody under any given conditions, where it was a narrow strip of land running through lots and cutting them? A Yes, but that is not the case here; they take entire blocks.

Q Then you would have to do one or two things; have to buy more land than you wanted or

pay much higher price? A Yes, if you buy more than you want and handle it right, afterwards you can get out whole; that was my experience with the Lackawanna.

Q Did you pay the average price in that case that the adjoining land was valued at? A I bought lots for $800—for $10,000 less in 1906 in one strip than was paid for them in 1874, identical site sub-service easement.

Q You realize that the value of money in '74 when it was not on a gold basis was 200% as compared with what it is now? A Yes, sir.

Q Then you didn't—

Mr. Corbin. It was about 115.

A It was before '76, before the Centennial; I had nothing to do with it; but I saw the old deed and bought from some people who had improved it; I bought that easement for $10,000 less; that's a fair criterion of conditions as they exist. That was sub-surface right. That's just part of my experience; you can have it for what it is worth.

Q Now, in these various sales that you have given these deeds, where did you get them? A Where did I get them? They are the—I got them from the private records and experiences, individual purchases by the Matthews Company, Mr. Ryer, myself, my brother agents in the business and all that were of record besides.

Q You got them from the public records and other sources? A Yes, sir.

Q Do you know anything about whether the deeds represent the true consideration for the land sold or not? A I believe every one of them do.

Q I don't want an opinion. A I cannot say; I should say—I know 99 out of 100 do and I have no reason to doubt any one; there has been none put in these that I don't know of.

Q Do you think all the deeds recorded in Hudson County represent the true consideration paid for the sale? A The majority where the consideration is mentioned is true. Now, I might say there were a number of sheriff's sales and such considerations as that; those were not taken; I didn't think those were a proper element of value, although they reflected conditions as they existed at that time.

Q This land has been filled east of Provost Street; much of it, hasn't it? A East of Provost Street it is nearly all made ground.

Q Do you add any value because of increased value owing to the fill? A I shouldn't because I am comparing with ground much better because it is solid ground.

Q Then you could answer by saying that you haven't added anything because of filling. Well, is it true or not that you didn't add any value because of filling? A I have answered the question.

Q Do you want that to stand? A I should think so.

Q Then you don't want to tell whether you have added any additional value because of the filling of land east of Provost Street? A I have already allowed for it.

Q In what way? A In the way I have said because I have used as a comparison land not requiring filling, the highest standard.

Q And you have used as a comparison land 1000 feet farther from the river? A No, land touching it and going back to the same distance that goes forward.

Q Then you would have us understand that the filled land next to the Hudson River is of no more value than the unfilled? A I testified before it was worth 50% more.

Q You may not have understood me. You testified that it was worth 50% more than the other land. Now, I am asking you if it isn't worth more filled than unfilled? A Why, of course.

Q How much more? A That is a question I couldn't answer directly, how much more, because it wouldn't be worth a third what it is now if the filling were taken away.

Q Worth the cost of filling, isn't it? A If you want to put that at the original cost and the cost of filling, I would be ashamed to say it was worth only that; I put it two or three times as much as that.

Q Then you say it is worth two or three times as much do you? A As in the original condition, two or three times and a good many more, probably. The Erie Yard I happen to know as my grandfather was in business on Pavonia Avenue and owned property I was heir to; filled in and made all their land and it cost them very little besides their filling; as that was 40 years ago I don't consider that value; I have taken the up-to-date conditions.

Q And do you put the same value on the land that lies between Pavonia Avenue and the Erie Basin between the point which would be the west line of Hudson Street if extended and the exterior line for piers?

Mr. Corbin. Not piers.

Q Exterior line of filling. I will go back to the exterior line for solid filling? A No, sir, I do not.

Q Well, how much increased value did you put on the land that lies next to that Erie Basin, between Pavonia Avenue, and the Erie Basin for several hundred feet; how much per foot? A That is water front property pure and simple and partakes of water front values.

Q What is it worth? A I haven't had time to properly analyze that to testify properly.

Q Then you haven't taken into account the increase in value in that in making your estimate for this land? A When I stopped beyond the property, no, sir, for its private development of course there is no necessity to allow for that.

Q I thought you were giving us the value of the land as it is today. A I told you for the purpose, —first in my testimony on direct,—that for the purpose of comparison with your figures the State Board's, I have taken the prices to the exterior line for filling as you had assessed in the plot; otherwise there would have been serious confusion, but I didn't think it hardly fair to carry that value beyond the west line of Hudson Street extended. Now, I am clear I think.

Q Then you practically have made no personal valuation or judgment valuation on the land lying between— A Water front property.

Q On the water front property?

Mr. Corbin. Judge, we conceded that there must be added to his figures per front foot for water front.

Q Do you want to confine all your testimony in this case to the main stem? A I do, unless I have time to go into it.

Q Do you mean main stem and second class property? A I, of course, mean main stem and second class property.

Q The Commissioner suggests I ask what is the value of a lot on Pavonia Avenue at the foot of Pavonia Avenue. A You mean down by the ferry?

Q At the foot, yes. A Well, I don't know as I could take a single lot; I testified that the average value was $5,000 if you allowed for the entire strip;

probably worth much less than that; there isn't any business, nothing doing; everything is dead since the tunnel has been opened.

By Mr. Hendrickson.

Q Mr. Gaddis, there is a trolley runs through Pavonia Avenue all the way to the foot of the avenue isn't there? A Yes, sir.

Q There is a ferry at the foot of Pavonia? A Yes, sir.

Q Which does a large wagon traffic? A There is, yes.

Q Montgomery Street and Exchange Place have a trolley down it and a ferry similar to Pavonia? A Yes, sir.

Q The same way with Hoboken? A And absolutely the same conditions exist on the Plank Road between Jersey City and Newark.

Q In Hoboken at the foot of Hudson Place there is a ferry and a trolley? A Yes, and a great deal higher value than here.

Q And the conditions in these three places are very similar? A Very different.

Q Now explain the difference. A There is a vast difference between the Hoboken, the Erie and the Pennsylvania.

Q What is the difference? A The difference in development and general conditions in the case of the other two roads, the north and south, they have main arteries running,—Ferry Street or Newark Street running to the Hoboken Ferry and Montgomery Street to the Pennsylvania Ferry which are improved with high class property and development right down to the very end and have been improved more or less long before the ferry was ever there which is not the condition in the Erie. The Erie is all made, built in out of the swamps, filled

into the present exterior line for more than 1000 feet to my personal knowledge and has never been a street for business probably below Provost or Kelso; that has gradually died out till it is now probably Henderson Street as a business street good for anything; there is no local trade there; a store would starve to death; can hardly keep alive anything more than a peanut stand between Kelso and the ferry.

Q Now, Mr. Gaddis, your discussion is interesting but not to the point. Isn't the fact true that the difference and the only difference between these three points is one of the ownership of the property? A No, sir.

Q If the railroad company owned the south side of Exchange Place and the land south of Montgomery Street and Exchange Place and west of the river, wouldn't you find it occupied exactly as you now find the Erie Railroad occupying the river front at the foot of Pavonia Avenue? A No, I don't think so; the conditions as they exist do not bear out any such assumption.

Q Well, now, then, haven't you, within your memory and your own personal experience, seen the Pennsylvania Railroad acquire additional land adjoining its property on the Hudson River front and enlarge and increase its yard; have you not? A Yes.

Q And add it unto the area of its yard? A Yes, sir.

Q Now, doesn't that change your mind with regard to the property south of Montgomery Street and Exchange Place if that were to be owned by the railroad company, wouldn't they use it as railroad yard property? A No, because they now do own a good deal south of Montgomery Street and don't use it as railroad property in the sense that

you made it, as a terminal with tracks and freight behind it; they use it as dock property; they are owners of property immediately adjoining.

Q And what is the extent of that property they own which you refer to? A Goes back to the first street,—I don't know the title,—never looked it up, but I believe it goes back to—

Q Hudson Street? A No, not all the way to Hudson Street but very near.

Q What is the depth of that property in feet from the line for solid filling to the depth that it does run back? A Referring to the Plot Map No. 1 would answer the question better than I could from memory.

Q 200 feet? A Speaking of the Pennsylvania property south of Exchange Place, are you not?

Q Yes. A From the bulkhead line or the exterior line for filling, judging from the map here which is the Index Land Map of Hudson County, Official Map, it is apparently about 400 feet back.

Q That isn't comparable at all with the depth that these railroad yards fronting on the Hudson River— A No, but it is very much more valuable property what there is of it.

Q Now, isn't all land that is that close to the Hudson River, that fronts on the Hudson River running from Essex Street north to Hoboken, very much more valuable for such other purposes as you find down here, than it is for railroad purposes in your opinion? A My opinion is that the highest use to which water front property in Jersey City, we'll say north of the Lehigh Valley or Central Railroad would be to steamship purposes, if they could be properly docked similar to the Hoboken docks. I believe that is the high point in the water front.

Percy A. Gaddis, cross.

Q Don't you think that railroads and railroad yards and railroad property is there because that is the highest use for that property? A No, because it is the only place convenient for them to go.

Q Do you think that the Vanderbeck tract that was lately purchased by the Pennsylvania Railroad is comparable in value with the front part of the Erie Railroad Yards? A Not particularly, no.

Q Why not? A Well, it is one of those high peak sales where a railroad was squeezed—a hundred and seventy odd thousand dollars.

Q What was the price the Vanderbeeks paid for it? A $170,000 odd.

Q How much was that an acre? A I don't know.

Q About $83,000 an acre, wasn't it? A I wouldn't be surprised if it was.

Q And that was the price that the Vanderbeeks paid for it to use it for a mercantile purpose of their own,—lumber? A No, that's what they sold to the Pennsylvania Railroad; are we on the same sale?

Q The price that Vanderbeeks themselves paid for it. A Oh, that's ancient history; I have no idea! I understand they had that in the family a great many years.

Q It isn't worth any less now is it than the price they paid for it when they bought it? A May be worth a great deal less.

Q You think it is worth less today than it was when Vanderbeek bought it for their own lumber yard, do you? A If it was bought—

Q I am not asking you when it was bought; I am asking if it is less—

Mr. Corbin. I advise you not to answer that question until you know when it was

bought. You have to take into account when it was bought. The next thing, he says he don't know what they paid for it.

The Witness. If I have the sale, the details of it, I will be very much pleased if you care to analyze it and compare it with the other.

Q If you don't know I wish you would say so. A I would have to refresh my memory from the notes if I have it there—I will say I don't know.

Q Now, then, Mr. Gaddis, that property was owned, occupied and used, was it not, by Vanderbeek and Sons for purely mercantile business for a good many years to your knowledge? A The strip alongside Morgan Street, yes, with street frontage; I want to compare that with the Pavonia Avenue frontage.

Q That property didn't have any water front connection did it? A No, but it is adjacent—it had the rights to public dock and the only public dock in Jersey City making it have a peculiar value.

Q But it had no ownership nor any right except the right of the general public in that dock? A No, but it was far more—

Q It had no more right in that dock than you? A It had more value for its adjacency.

Q Yes; it was nearer than was property on the Hill? A Yes, the same as the Summit Avenue tunnel would be good to me where the Exchange Place wouldn't; same condition.

Q Don't you think that property had a value in it due to the fact specifically that it was close to the Hudson River? A Most assuredly and immediately adjacent to a public dock.

Q Well, now, why isn't that property more comparable or a more suitable comparison with regard to value than property lying west of Henderson or west of Provost Street? A I did tell you it was reasonably comparable with the Pavonia Avenue frontage and I think if you will follow out my testimony as to the Pavonia Avenue frontage it was very different in the price—was it $5,000—if not I am—

(Question repeated.) A It is comparable with the Pavonia Avenue frontage.

Q Well, isn't it more comparable? A Yes, with the Pavonia Avenue; it has a street in front of it.

Q Then you don't think it is comparable with the land in the interior of the north side of the Erie Yard? A Not more than the distance that went back for the finished street.

Q Then you don't think any element of increase in value in land enters into it because it is nearer to the Hudson River? A I do and have allowed it.

Q What do you consider land worth a square foot 200 feet back from the bulkhead line of the Hudson River running through the Erie Yard? A I am getting into water front and prefer not.

Q We will take it 600 feet back. A It has been answered.

Q What do you consider that worth per square foot? A Depends on the situation.

Q When you get back 800 feet from the bulkhead? A Same value—it is worth on the average the same thing from the back of the water front limit which we have defined as the west line of Hudson Street extended to the end of the yard taking on the average. A Six, eight hundred, a thousand would be the same.

Percy A. Gaddis, cross.

Q So you don't think there is any specific element in the value of the land because it adjoins and connects with the Hudson River unless on a street that runs to the river? A Yes, I do.

Q Well, now can't you say what you consider land worth a square foot in zones back from the bulkhead? A If you want to compare those zones by laying a street division in there so that you have got a section with a street on either side and water, values would be high; that can easily be done, mainly a matter of arithmetic.

Q You couldn't put streets in there now, could you? A When it is owned by a railroad, no, but if thrown into private hands there is nothing to prevent it.

Q You and I don't expect to see streets in there; then why talk about streets? A You make a zone; there has to be a division.

Q Isn't that value because you are near to the Hudson River itself as an artery? A Yes, that's the reason I have been so liberal in the price I have applied to it, considering that element.

Q In making up your comparative value of that acreage in there you based your comparisons entirely on the data you gathered together of sales back of Provost Street? A No, sir; I stock that on my 20 years' experience in the business purchasing and selling property in that and other territories, purchases for railroad companies and for private individuals.

By Mr. Fort.

Q Now, I want to get an answer to this question if I can; what is the value per front foot from the bulkhead to the west end of the Erie slip, value per foot? A That is in the water front territory and I don't care to express an opinion on it at the present time.

Q But you have testified and have put it all the way along on an average $5,000 a lot; now I want to know at what figure you put this value to get your average? A I testified what?

Q That you had put on the land along there on Pavonia Avenue— A On Pavonia?

Q Yes, all that abuts against the Erie Basin— A No, it doesn't go back to that.

Q Pretty near it? A 200 feet off.

Q I will put it this way; did you or did you not put any value per lot or per acre upon the land lying between Pavonia Avenue from the bulkhead on the west of the Erie slip to the end of the Erie slip? A No, sir, because the higher value was on the street front.

Q How did you get your average? A My average on the other part?

Q On that whole strip the average must take in everything; now how did you get your average if you didn't put any value on it? A I took the average of all property directly in the rear, west of the yard and in so doing I neglected to say in the record that I had automatically taken in the value of the Pavonia Avenue frontage double because the sales that are quoted in that schedule include sales all along Pavonia Avenue and I made no deduction for it so, therefore, the value of Pavonia Avenue is reflected in it by the average.

Q Well that may mean something clear to you but it doesn't mean anything to me. I would like to know what value if any in making up the general value, what you placed on this part of land lying south of Pavonia Avenue and adjacent to or between Pavonia Avenue and Erie Street? A I will try to state it again; I based it upon the sale and knowledge of the average value of all land lying south of Pavonia Avenue west of the

yard to 6th Street; that is on that there I applied the value of that which is the highest developed where there are banks and such as that.

Q Then you mean land west of Provost? A Most assuredly.

Q Then you didn't attempt to value for the purpose of this valuation land east of Provost? A I certainly did; I said I applied my basis or my comparison of the land that you have just pointed to, the land west of it, applied that value to the land in question.

Q That is, you put the same value on the land east as you put on the land west? A Most assuredly.

Q Made no difference in the valuation? A No—yes—valued it considerably higher inasmuch as I have applied the highest standard; I have taken improved city property highly developed for 35 or 40 years with churches, hotels, schools, with banks and such property as the Pavonia Trust Company is in that territory there.

Q Then you didn't attempt to put any present value on the land specifically lying east of Provost Street? A I certainly did; I applied the value to it based upon my knowledge of the adjacent land which I understand is the comparison —that is what they use in the City of New York.

Q Then what I understand you to say must be that the value you put on the land west of Provost you put on the land east? A You were perfectly right; the value that is there west I applied to the land east.

Q Therefore, you consider land west equal to the land east in value? A That's right; that's very clearly put.

Mr. Corbin. He excludes the water front, that's all.

Mr. Hendrickson. He cannot conceive that this land, being nearer the river, is worth more.

Mr. Corbin. There is a strip, of course, along the shore; we have taken this line on the bulkhead because you did; the proper way is a little further back. There is a part there, that, of course, ought to be valued with the water front; when you get back of that unless under very special circumstances, water front has very little to do with it, it seems to me.

Mr. Hendrickson. We will adjourn now until Wednesday.

Testimony, January 31, 1912.

Mr. Corbin. Mr. Chairman, the other day I offered a large map of Jersey City marked Exhibit Long Dock No. 4 January 29, 1912. I have here another print exactly like it, the same map except that on this we have colored the main stem and with your permission I would like to substitute this print for the other one.

Mr. Hendrickson. There is no objection to your substituting one for the other.

Map with main stem in color received and marked Exhibit Long Dock No. 4 January 29, 1912.

PERCY A. GADDIS, recalled.

Direct examination by Mr. Corbin.

Q Mr. Gaddis, what change in value, if any, has there been in the general values of land in Jersey City in the District that you have been speaking of, that is, from the Bergen Hill eastward to the Hudson River? A Practically none whatever with a slight variation of occasionally up and down to even itself up; in special places where people wanted something, they would go higher; other places, there would be quite a sacrifice. You allude to the period of the last three or four years?

Q Yes, I said five or six years; my question was 5 or 6. A That will hold good for that time.

Q What would you say as to the lands west of the Bergen Hill that you have shown on this map in the neighborhood of the railroads; has the value advanced or decreased within the last

five or six years? A The southerly portion of the city, that section lying south of the Erie and Lackawanna lines and west of the hill there has been a slight increase in the last five or six years, considerably along the water front, down Newark Avenue and in the section of the Public Service Power Plant, so called Marion section; north of there going towards the County road there has been no increase whatever; a decrease, if anything.

Mr. Fort. I don't think I want to ask any questions further than the other day.

Mr. Gaddis. May I be permitted to correct a wrong impression? I was asked by Governor Fort did I consider property lying between Provost Street and the west line of Hudson Street extended as being of more value than the land of like area immediately west of Provost Street. My position regarding the comparative value of the land lying east and west of Provost Street is as follows: I apply the same value to the land lying east of Provost Street, or the Erie property to the west line of Hudson Street extended as I do to a like territory lying west of Provost Street wherein I said there was an additional value of 50 per cent. more I alluded only to that portion of the land lying east of Hudson Street extended to the exterior line for solid filling wherein it reflected the water front value and I said at least 50 per cent., not giving an absolute opinion as to that being water front property. I think that clears my position.

Correcting testimony at bottom of page 84 and top of 85.

Mr. Record. Did you cross examine him the other day?

Mr. Fort. Yes, I did; I did not finish.

Mr. Record. The understanding is I generally cross examined him on general principles; now here is a compilation of figures he has made covering some forty or fifty pages; as to that I want time to look it over and make an examination. He is to come back for further cross examination.

THOMAS A. RYER, a witness produced on the part of the complainant, being sworn as a witness in all the cases of the Erie Railroad system and the New York, Susquehanna and Western Railroad and being examined by Mr. Corbin, testified as follows:

Direct examination by Mr. Corbin.

Q Where do you live and what is your occupation? A Jersey City and my occupation is real estate and insurance.

Q How long have you been in that business? A About 11 years.

Q And where? A In Jersey City.

Q What experience have you had in buying and selling and appraising and keeping yourself informed as to values? A I have purchased and sold considerable property during that time, representing the City and Government and individuals in many appraisals.

Q Have you kept yourself advised as to values of land that has been bought and sold? A I have.

Q You have made special studies and appraisals, I think, for these authorities you have mentioned? A I have in the last four or five years.

Q On one occasion or more? A Many occasions.

Q Have you advised yourself of the values of lands and selling prices of lands east and west of the Hill in the vicinity of the Erie Railroad tracks? A I have.

Q Are you familiar with these schedules which Mr. Gaddis exhibited here and which have been offered in evidence as to values east of the hill? A I assisted in the compilation of them.

Q And did you inform yourself as to the values in those vicinities and the prices? A I did.

Q What can you say as to their correctness and truth? A My testimony would be the same as Mr. Gaddis' on the values as shown in these schedules.

Q And what is your estimate of the values of the Erie Railroad in these schedules compared with the sales back; do you agree with Mr. Gaddis in this? A I do.

Q Have you studied each individual item? A I have.

Q And does that apply, Mr. Ryer, to the schedules of the property west of Bergen Hill as well as east? A It does.

Q Has property advanced or declined in value during the past five or six years in these vicinities of which we are speaking? A It has remained stationary since about 1907.

Q Are you familiar also with the maps which Mr. Gaddis exhibited? A I helped prepare them.

Q And you agree as to values with what he has said? A I do; I presume you mean assessment values and other?

Q I mean assessment and judgment of actual present value? A I do.

Q Did you attempt any valuation of the water front as such? A I did not; I merely valued the land down to the westerly line of Hudson Street extended.

Q What is the usual custom of valuing water front property? A By the front foot as I understand it from a certain point to the exterior line for piers.

Q You say from a certain point; what point would you say? A I say from the westerly line of Hudson Street; that's where I made my point.

Q All east of that you think would be a fair amount of adjacency to throw in with the water front value? A I do.

Q That you think is commonly valued by the front foot? A It is.

Q That should be added substantially, to what your values are? A For that land, yes.

Q I see in these schedules you have seemed to value the land out to the exterior line for solid filling; that's somewhat beyond Hudson Street I think? A It is; that was merely to agree with the State Board figures.

Q Do you think the acreage between the west line of Hudson Street and the line for solid filling should in fact be taken away from the values of the upland and thrown in as adjacency to the water front? A I do.

Q And in your opinion is that a sufficient amount of marginal land to value with the water front? A It is.

Q Then if you should follow your theory, Mr. Ryer, and give a front foot value to the water front along the Hudson River and throw in this strip from the solid filling line to Hudson Street, you should deduct from your other figures should you not, your valuation of that strip of land along

the shore? A Whatever the acreage was from the west line of Hudson Street to the exterior line of solid filling should be deducted and thrown in with water front at so much per front foot.

Mr. Record. I don't understand these tables; here is a page on assessed valuation and a page of true valuations.

Mr. Corbin. These two witnesses have called their estimate "true value;" by rights it should be Ryer and Gaddis valuations; probably when we come to print the case it will be so printed. It is their estimate of true value. I think the objection is justly taken.

Cross examination by Mr. Fort.

Mr. Fort. I think the other day I got Henderson and Hudson Streets mixed up in examining Mr. Gaddis.

Mr. Hansel. I think you were correct.

Q Mr. Ryer, do I understand you then to mean to convey the impression that you believe there is a difference in the value of whatever land may be shore front land from the land that is upland? A I do with a certain portion of the upland attached to it.

Q Well, then, you put a different value on the land lying east of Hudson Street extended from what you do on the land lying west? A I haven't placed any value east of Hudson Street, Governor.

Q That is to say—do you understand that neither Mr. Gaddis nor you have put any value on that land at all? A We have not.

Q Well, is that because you agree with the valuation which the State Board put on it? A No, it is because we haven't appraised it.

Q Then you might, if you appraised it, be higher than they? A We might; I cannot say.

Q You say you are familiar with Mr. Gaddis' testimony; you heard it here the other day? A I did.

Q And in those compilations which are in evidence,—were they made up by you and him together? A They were.

Q Is your judgment reflected in them or his judgment reflected in them? A Both.

Q You say that values have stood still in this immediate locality since 1907, practically remained about the same? A Yes, sir.

Q You include in that this land which has been valued between Provost Street and Hudson Street extended? A I do.

Q What increase in the land has there been between 1900 and 1907? A Possibly 25 per cent.

Q Does that apply to all the land what you call the upland and the land west of Provost Street? A The land generally.

Q The land generally? A Yes; taken throughout Jersey City.

Q You are speaking of this whole territory of which you have been talking; there has been an increase of 25 per cent. between 1900 and 1907? A Yes, sir.

Q Without giving any specific value how about the increase of the water front lands along the Hudson since 1907? A I have made no study of that.

Q Nowhere? A No.

Q You do not want to testify as to water front property? A No, sir.

Q Do you consider that land adjacent or adjoining or abutting upon a railway right of way is injured any by the railway right of way? A I do.

Q To what extent? A Depends on the different locations.

Q Does the same injury extend to the right of way itself. A It does.

Q Then if the land be depreciated the right of way is also depreciated? A To a certain extent, yes.

Q For what is it depreciated? A I don't get that.

Q For what? For what is the land depreciated, that is, for what use is it depreciated? A For what purpose?

Q Yes. A It all depends entirely on the land the main stem went through.

Q I am speaking of the land itself on which the tracks are. A I understand.

Q Do you want to be quoted as testifying then that that is also depreciated in the same proportion as the land that lies alongside of it? A Yes; I mean, by that that if a railroad right of way was put through Gifford Avenue naturally the land next to it would depreciate in value for the two blocks on each side naturally would depreciate the value of the main stem in accordance with that value there.

Q Then you wouldn't say, would you, that for valuing railway rights of way, continuous strips for railroad uses that it was fair to take the value of the adjacent property as the value of that right of way for railroad uses? A I haven't done so.

Q I say, you wouldn't say so? A I would not, that is immediately next to it.

Q Well, how far away would you go in order to get the value of the same— A In this case we have gone about five blocks each way.

Q Then when you get five blocks away from the railway you consider what? A That no damage has accrued from the railway ordinarily,

in fact, nearer than that; very little damage one block.

Q I want to make it clear as to what you mean by the land in the main stem not increasing in value more than the adjoining land; do you mean that the land having been acquired by a railway for a main stem use has not appreciated any in value? A I don't know that.

Q What do you mean by that? A I mean I don't know to what extent it might appreciate any value for the special use to which it is put; the actual land itself, if not used for a railroad is not appreciated in value.

Q That is to say if you take railway tracks off and remove the railway, it would be the same value as the adjoining land? A Same value as the adjoining land, exactly.

Q I guess there is no doubt about that. But take this strip of land of the Long Dock Railroad Company which runs through and takes a street right out of the center of the block—

Mr. Corbin. I think not, Governor?

Mr. Fort. Doesn't it?

Mr. Corbin. Takes a half a block.

Q I was wrong about that. Just strike that question out, please. Take the main stem of the Long Dock Railroad which seems to run through the block adjacent to 11th Street— A South of 11th Street.

Q And on the south side of the street, how does that affect the block through which it runs in taking part of the land? A In this case it has had no effect; the railroads own the entire block.

Q Then your idea is if the railroad buys the entire block it doesn't affect the value of the property? A It does not.

Q But if a railroad buys a piece of the block and a citizen continues to own the other half of the block, what does it do? A It might injure and might not; all depends on the use to which the balance of the block was put.

Q Now, why does ownership control your judgment as to value? A It is the use.

Q No, no, I am talking about—now here is a block of land,—see if you understand me,—a highway in a city; a railroad comes along; takes alongside of one of the streets a strip of, we will say 50 feet, leaves 50 feet on the other side between that street and the next,—we'll say it leaves 150 feet; do you mean to tell me you don't think taking that strip injures any of the land in that block for any purpose? A Yes, I think it has depreciated the whole block.

Q But not if a railroad owns it? A Yes, I have figured that if a railroad owned it it would depreciate that block.

Q If another individual owned it, you would still think so? A All depend on the use to which he put it whether it would be depreciated or not.

Q Then your statement a moment ago that when the railway went there it always depreciated there cannot be correct, is it? A If under other ownerships, yes—no, it doesn't always depreciate the value; it all depends on the use to which the surrounding land has been put; in this case it has depreciated the block on the north and south to some extent because there are dwelling houses there.

Q Now, then in acquiring this right of way there,—such a strip of land as that,—before I take up the subject I was going to, let me ask you this: what governs your opinion of values in making these values? A The sale value of property in the immediate neighborhood.

Q Well, do you mean by that the most profitable use to which land can be put? A No, the use to which it is put.

Q Well, supposing here is a piece of vacant land lying along the main stem; how would you judge the value of that? A By the surrounding values.

Q Well, would you fix your judgment of value upon the basis of the most profitable use, say it could be used for factories rather than dwellings? A No, I should take it on the basis of what surrounding property was selling for; the market value would be my judgment.

Q Wouldn't it be probable that land was very much more valuable, could be used for factory purposes and switch-ins and things of that kind, right along the railway than it would be a distance back where not available for that purpose? A True. But my judgment would be what it was selling for on that right of way and for that purpose.

Q You would take that purpose into account? A Absolutely as reflected in the selling value.

Q Now as to the question I asked a moment ago, in acquiring this strip of land through a territory like this, could you acquire it at the same price for railroad purposes,—could you acquire it at the same price you would acquire an acre of this land for dwelling purposes? A Not if the purpose for which it was to be used was known I could not.

Q You mean by that if the route had been laid in the office of the Secretary of State and the Railroad was going to run there and you started out to buy the land you would have to pay more? A I would.

Q How much? A That would all depend on what the owners held me up for.

Q Would the question, in your judgment, in fixing the value under these circumstances, of the fact that it was to cut through a block have any bearing in your judgment in determining this question of value? A It would not; I would take my values from the surrounding territory.

Q You wouldn't care anything about how it cut the property? A No.

Q That wouldn't make any difference in the matter of cost in your judgment? A In cost, yes. For instance, if you take half a man's lot you pay more than if you take all of his lot.

Q Why is that? A Well, because you are taking part of something he has got and you have got to have and he is going to get his best price for it.

Q Then the fact is, is it not, that the value of the land in a main stem, is largely determined by the way in which it goes through the property? A I don't think so.

Q Well now, what do you mean, then, by saying that you would have to pay more for a half lot than you would for it all? A If, for instance, the value of the lot where the main stem would go through would be based on the same value of what that portion of a lot in any block that I have taken the comparative area would be, I mean that if, for instance in another area a lot was sold fifty feet deep I would use my Hoffman rule and apply that to get the value of the first 50 feet of that lot.

Q And you would expect to get that for the same price the other land sold for? A I would not.

Q How much more? A It depends entirely on how much I was held up for and how badly I needed it.

Q That determines the value of land, does it not, the fact that you are taking it for a continuous strip for a specific purpose? A That determines the cost, not the value, to my mind.

Q What is the difference between cost and value? A Because my value is based on what land would sell from a willing seller to a willing buyer and not from a man who wants something and another man who don't want to give it up.

Q Mr. Hendrickson suggests just what you have stated is the rule of condemnation in land; you have been on condemnation proceedings very often? A I have.

Q Now, just what you have stated is the rule that governs you in condemning land? A No, all the testimony I have ever given for condemnation has been the market value of land.

Q That is the testimony you have given, the market value of the land. Do you take into account,—do you not take into account at all as to fixing the value of this land, the way in which it passes through other land? A I do not.

Q In the case of a farm, for instance, where it cuts through the middle of it? A No.

Q Makes no difference in arriving at its value, because of the fact that embankments had to be erected, cutting the farm in two pieces? A Not if I take surrounding values away from that on the part that goes through it; I don't take my value from the land back of the railroad,—I extend it to a section which has not been damaged by the railroad and that value applies on the land of the railroad; I am not valuing it for the use nor what it costs but what it would sell in the market if the railroad was not there.

Q Then your opinion of the value of the land is the bare land; the cost of the land for the pur-

pose for which you are acquiring it might be two, three or four times as much as that? A Might be.

Q And as a general proposition you would say, wouldn't you, from your experience—you have had experience, I believe, in this sort of work? A I have.

Q That the land alone which costs from two to five times as much as adjoining land would sell for a private dwelling if there were no railroad passing through it? A I mean the land of the railroad is acquired at a cost considerably more—what percentage I don't know—I mean, sometimes you buy a piece of property for what it is worth; in fact in the Erie case some of the land was purchased for its market value; others twice and three times what it was actually worth in the market.

Q Do you know of any other strip of land outside possibly the Pennsylvania and one or two other main stem systems here where the approach to such a large tract as this Pavonia Avenue tract, the Erie Grain Elevator—where it exists in this city any other place? A You mean on the Hudson River frontage?

Q Yes. A No.

Q Now, then this strip of land through this territory to reach this large water front property, is it not more valuable than the adjoining land on either side of it? A It might be for the use to which you put it.

Q How much more? A I don't know that; it appears to me that would be a franchise value I don't think it would be worth any more for a golf links.

Q Probably not, although that would be a good place for a golf links in Jersey City. Is there any

estimate of value that you can put on that land for the purpose for which it is used? A There is not.

Q That is to say it is beyond estimation in your judgment; you can't tell anything about it? A I haven't made a study of how railroad use would increase the value of main stem; I don't know.

Q It would be difficult to get in there now any other way, would it not? A I presume so.

Q Very expensive? A I imagine. Of course you would have to buy the buildings in addition to the land; naturally, as I say if the people knew there was a main stem coming there it would cost a great deal more; if they didn't know it I would be able to buy it for the value I have placed on it.

Q As the railroad owns it there today, as a piece of land belonging to the railroad, used as it is by the railroad and to be continued in use by this railroad or purchased by another railroad, for railroad purposes, it is a very valuable strip of land? A I should imagine so.

Q Can you reproduce that strip of land?

Mr. Corbin. What do you mean by that?

Q Could you reproduce it? A Yes.

Q Right on the north adjacent to it? A You mean could I buy a strip of land—

Q Could you reproduce such a strip of land either there on the north or south? A Certainly.

Q But at a very heavy expense? A No question if the use was known.

Q But whether known or not? A I think I could get it if it wasn't known, for the figures I have placed on it; in other words I mean I could go in there any block and buy it plus the value of the building for the appraisal I have placed here if for ordinary purposes.

Q You would have to dismantle the buildings and that is a loss? A Yes, that might bring the cost way up by virtue of removing the buildings, but I could buy the bare land for the value I have placed on it if the use was not known.

By Mr. Record.

Q Do I understand that the figures on this exhibit are figures of the value you have placed on the land, or figures you have placed on land and buildings? A Those figures on the map you have in your hand are assessments in the different blocks, city assessment.

(Referring to Exhibit Long Dock No. 4, Jan. 29, 1912.)

A Those are merely assessments in the block, city assessments.

Q Of the whole proposition? A Of the whole proposition in that block.

Mr. Hardin. Land only or land and buildings?

The Witness. Land only.

Mr. Fort. We had that out yesterday was it, or the day before yesterday.

A That's what the city places on land in these blocks.

Mr. Fort. Those were the local assessors figures; there was some question of admitting them in evidence.

Mr. Record. I only wanted to know what they meant.

Q Do you know of any block of land fronting on the shore front as near the center of business in New York City as this portion shown in green and yellow and brown and red, frontage on the

shore front which could be purchased for the assessment that is put upon this tract by the State Board?

Mr. Corbin. That's not the State Board; that's the local board.

A In New York City?

Q Right in Jersey City. A I don't know of any tract that could be acquired that size.

Q Supposing you were given the commission to acquire a tract fronting on shore front no further distance from the center of traffic in New York than that what would you expect to have to pay? A Back of the westerly line of Hudson street I would expect to pay the figures I have placed on it.

Q Answer my question, please. Supposing you were given commission to buy a tract of land, one block the size of the tract shown here in green, fronting on the shore front and no further away from whatever you consider the center of business in New York City, say 23rd Street or whatever you consider it—supposing you were given that commission, what would you expect to pay for a block of that size? A I don't know; I have no way of knowing; I wouldn't know what the shore front would cost me.

Q You know of no way to buy land of that size and no one block similarly situated, do you? A You mean I know of no such tract? I do not, unless you go into the Newark Bay—or New York Bay.

Q Would it not be possible to buy such a tract adjoining Exchange Place on the south? A Yes.

Q Would be possible to assemble such a tract would it not? A It would be, provided you could get them to sell.

Q Well, if you had power of condemnation you could force them to sell. A Under condemnation, yes, you could get it.

Q Supposing you had power of condemnation and you were directed to buy that tract, the tract south of Exchange Place is practically the only tract similarly situated not used for railroad terminal, isn't it? A Yes.

Q Is it not a fact that to get that tract you would have to pay, even with the power of condemnation, the value of the land plus the buildings at, at least, the assessed value of both? A You would.

Q And then you would have to acquire the streets in some way, would you not, in order to make the tract a continuous one? And the cost of doing that would be approximately—at least the assessed value of the land and buildings plus an equal cost for the streets if they were vacated? A It would.

Q And if you were to try to get a strip of land like the main stem to connect with that terminal you would have to buy it upon the same principle, would you not? A You would.

Q In buying land and buildings, and tearing down the buildings and getting the streets vacated, etc.? A You would.

Q In valuing land like you have valued land here today do you consider its adaptability to various uses? A I do.

Q Why, in valuing this land, do you not consider its adaptability to railroad uses? A I consider it for what I consider the highest use.

Q What do you consider the highest use? A Factories and the development to the west of Grove Street.

Q You consider that the highest use? A So far as I know.

Q And that has been your measure of value, factory use? A Yes, factory and dwelling use.

Q Do you not, as a matter of fact, know that the warehouse use is a more profitable use than the factory and dwelling house use? A I do not.

Q You have no experience about that? A I have not.

Q Then if the warehouse use was a more profitable use than a dwelling house or factory use and this property was adaptable to a warehouse use, it would have a larger value than for factory use, would it not? A Provided it was used for warehouse use.

Q I say provided it was adapted for that use and it was a more profitable use. A I cannot answer that; it might be adapted and not used for it; if it was used and the warehouse use was greater than the factory use I should say more.

Q Supposing this property was covered with warehouses and you were asked to value the land only; would you value it with reference to a factory and house use? A I would value it with reference to what the land sold for.

Q Now, just answer my question; supposing you were asked to value this land and it was covered with warehouses, would you measure the value of the land by factory and house use? A I wouldn't measure it by any use; I would measure it by the actual selling in the district.

Q Well, didn't you say a moment ago that in valuing this land you used as your measure of value its adaptability to house and factory use and that you considered that the highest use? A Well—

Q Did you not say that? A I did.

Q Do you qualify that? A Do I?—The value I placed upon it was the value of land sold for that purpose which was the only land I could take for comparison of that value.

Q Yes, but the land that you used as a comparison was land that was adapted to those two uses. A No, it was used for these uses; it might have been adapted for anything.

Q Yes; it was adapted for farming, wasn't it? A Yes, adapted for anything, but it is the use it is being used for now.

Q And that you conceive to be the highest use? A For that territory, yes.

Q That's the highest use for that territory? A Yes.

Q Now, isn't it a fact that you value a piece of land always measured by its highest use, most profitable use? A Measured by the use to which it is put.

Q And that is the highest and most profitable use, isn't it? A Presumably so.

Q Presumably so. Then if you find a piece of land with a department store upon it then that is presumably the highest use to which it could be put and the most profitable use, isn't it? A It is.

Q As a matter of fact in Jersey City the land occupied by the department stores is the most valuable practically, isn't it? A In Jersey City?

Q Yes. Now, the presumption is therefore in your way of measuring, that that department store land is devoted to its highest use, isn't that so? A May be or may not.

Q Well, what is your judgment? A My judgment is in that case on Newark Avenue, it is.

Q Now, supposing you were asked to value a piece of land on Newark Avenue on which a department store stood; would you exclude from your value the fact that it was used as a department store? A I would.

Q On what would you base its value? A On what land sold in the immediate neighborhood for; it might be used for a hardware store, next door a candy store; next dry goods, next department store on either side of that; may be a jeweler; if that department store was on a certain 25 or 50 feet it would make that more valuable than land on either side of it.

Q You would value it with reference to the business in the neighborhood? A No, I would value it in reference to what the land was selling for.

Q Well, supposing there were no tracts of land of equal size in the neighborhood that had been sold? A I would have to base my judgment on what had been sold and use my judgment on it, that's all.

Q You would not reason that the department store fitted for a department store use gave it value? A I would figure that whatever business was there, whether department store or what it was, certainly gave it value.

Q Would you consider that its adaptability to that use would be an element of value, the fact that it could be used for that? A Not necessarily, because you take the opposite side of the street; it may be just as valuable but may not be used for the same purpose. You have that illustrated on Newark Avenue; on one side the lots are worth $40,000. On the other side $20,000, because more people travel on the south side than the north there is more business.

Q That means the south side is more adaptable to the retail business than the north? A Not necessarily, simply happens that the people flow there.

Q Why? A I don't know; simply a peculiarity; they did flow on the north side a few years ago; now they have started on the south side; they may switch back, if so, values will switch.

Q Well, where the people go, then, determines the value for retail trade purposes? A It does to a large extent.

Q So that the value on the north side might be more than on the south side? A Yes, sir.

Q Then if it sold on the north side at $20,000 that's no measure of value on the south side? A It is not.

Q Then the values right nearby may or may not be a guide as to value, isn't that so? A You have got to use judgment, of course.

Q Well, that follows, doesn't it? A We usually take it the same block; we don't go out of the same block for the value of a certain block.

Q Well, the value across one side of the street may vary materially? A It may.

Q And the value in the rear of the block may vary materially from the value on the other side of the block, may it not? A Yes.

Q As a matter of fact on Newark Avenue the lots that front on Newark Avenue are more valuable than those fronting on Railroad Avenue where they front on both? A A great deal.

Q So that even in the block itself the use to which the land is adapted or can be put determines its value, doesn't it? A The use to which it is put determines the value.

Q And the use to which it can be put determines it? A I don't think so; it is the use to which it is put that determines the value.

Q The use to which it is put; now will you carefully consider that and say whether you propose to stand on that or not as an answer, qualify it or stand on it or what? A I think so.

Q You will stand on it? A I do.

Q Do you know anything about whether the railroad use—whether the warehouse use is more a valuable use than the railroad use? A I do not.

Q Do you know anything more as to whether the warehouse use is more valuable than the factory or house use? A I do not.

Q Do you know anything about the value of a piece of property for railroad use? A I do.

Q I mean do you know what profit they make out of it? A No, no; I thought you meant railroad use to individuals.

Q I mean you don't know what the value is to the railroad company? A I do not.

Q In considering the value of this terminal front, you have considered it then, as though the railroad company withdrew from it on a fixed day and have measured what you think it would sell for? A I have.

Q In case they removed from it? A I have.

Q In considering that value, have you considered the fact as to whether that railroad or another railroad would be in the market for that large tract of land? A I have.

Q You have tried to imagine what they would bid for it? A I have not.

Q Then in what respect have you considered that they would be in the market for it? A I considered there is a chance that there might be a railroad would want it.

Q But if the railroad abandoned it you would consider that that was evidence that it was no longer suitable for their use? A I should imagine so.

Q That's your point. Now, supposing the Long Dock lease had expired—was to expire say ten years—five years from now and the Erie didn't want to leave but its lease was up and they must get either that tract or another equally as available for its purposes; under those conditions what would you consider to be the value of the property? A Wouldn't change my idea of the value, no.

Q What do you think that the Erie would bid for it? A I don't know; they would try to get it as cheaply as they could probably.

Q Supposing that you were advising the owner of that tract of land and knew that the lease of it to the Erie would expire in five years and the Erie were negotiating for a new lease, what would you advise the owners to charge for it? A I would advise them to get a price as high as they possibly could; get all they could for it.

Q Now, they could not get any higher price than the Erie could get, within five years, another equally available site, could they, couldn't hope to? A That all depends; they might get that plus the cost of the Erie in moving. I am assuming now that the Erie has got to move. The cost of that plus the cost of the Erie in moving, that would measure it.

Q Some other items they might take into consideration rather than upset the system; they certainly would do it if it was within a year or some time— A Yes.

Q If it was within a reasonable time, say five years, so they could change without interrupting

to their traffic it would only be the cost of shifting plus the value of getting a similar tract, wouldn't it? A Yes.

Q Under those conditions wouldn't you advise the owners of that tract if the Erie lease had expired and the Erie was in the market desiring to renew but not forced to renew except by their inability to get another tract equally as available, but not forced by an hour or a day or some immediate necessity, wouldn't you advise them to change and hold out for a price very much in excess of these values that you have given? A I probably would if they could get it.

Q Well, wouldn't you advise them to hold out for it? A I would advise them to hold out for it until they found they couldn't get it.

Q Well, now, what would be your judgment as to their ability to get it? A Would all depend on how anxious the Erie was and how necessary to them, that particular tract.

Q That's it exactly. A You can't tell what they would pay for it.

Q They certainly wouldn't pay any more than it would cost them to get another equally available tract, I mean, plus the damages of moving? A Might even do that.

Q For what reason? A Don't know.

Q Can't conceive of any? A I can't conceive of their paying such prices for some of the property they have paid.

Q They paid it? A I don't know why; we all know they simply paid it.

Q For land that you know about? A Yes, for land that I know about.

Q Those items are in excess of the values that you have given? A They are in excess of any value I could give.

Q Doesn't that indicate to your mind that the railroad use is more profitable than dwelling house use? A Not necessarily; it may indicate that the man who had charge of the purchasing was foolish.

Q What's that? A It may indicate that the man who had charge of the purchasing wasn't smart as he should have been.

Q Do you think it could be bought cheaper? A I don't know; I say it may indicate that; I know he paid an enormous price for it.

Mr. Corbin. You speak now of certain parcels?

The Witness. Yes, some parcels.

Re-direct examination by Mr. Corbin.

Q In speaking of depreciation which the construction of a railroad effects in certain cases you said if a railroad should go through Gifford Avenue it would injure the property on each side; why did you select Gifford Avenue? A Because it is the finest residential section in the city.

Q The best and most expensive houses? A Yes. There would be more damage than if it went through tenement house sections I mean.

Q Suppose it went through a district taken up with factories and warehouses, lumber yards; would it do any damage? A It would appreciate the property in that case.

Q The possibility of getting sidings would appreciate it? A Would appreciate the surrounding property, naturally.

Q I notice on these maps that have been exhibited that the Long Dock Road seems to run from the river back to the hill parallel to the numbered streets, 9th, 10th, 11th and so on and at right angles to the named streets, Coles, Jersey Avenue, Erie, etc. A It does.

Q Do you know what that lay out of streets is and who made it? A Do I know what?

Q What lay out it was? A That was the Coles property.

Q The Coles Farm? A Yes.

Q Laid out how long ago? A I don't know; about 18—20 years ago.

Q And the Long Dock Railroad runs parallel to the numbered streets from one to the other? A It does.

Q How long has it been there as far as you know? A I imagine about 12—15 years.

Q These blocks are of what size? A 200 x 400, all of them.

Q And the main stem as you state, takes the northerly half of one of these blocks? A It does.

Q That's what? A Between 10th and 11th.

Q Now on the ground how do you find it; is not that line of blocks for the most part all railroad property and occupied by railroad tracks? A It is.

Q Can you see any main stem on the ground when you are looking at it to distinguish from any other tracks? A No, you cannot see the line.

Mr. Corbin. It is purely an arbitrary thing; in fact I don't think anyone knows where to find it.

Q Then in that line of blocks in taking all that property for railroad purpose does there appear to be any cutting of lots or severing of lots at all? A There hasn't been.

Q How many lots are laid out on each block? A There are 32 lots to each block.

Q And the railroad, you say, owns most of the entire 32? A Yes.

Q Are these streets which I have mentioned, for example Henderson and Grove and Erie and Jersey and Coles and Monmouth,—are they actually open and even across the tracts? A Under the tracks.

Q And those which run alongside, 9th, 10th, 11th and 12th, are they likewise improved and paced? A They are.

Q How is the level of the railroad as compared with these different streets? A There is a depression; the railroad is a little higher and there is a depression.

Q No grade crossings? A None at all.

Q So that so far as the property on these maps is colored either green or red or yellow, that's all railroad property, then, is it? A It is, first, second and third class.

Q Well, do you see any place on any of your maps on the east side of the hill where any lot or any block has been cut or severed; is there any place where the railroad owns less than the whole lot or the whole block? A Only in third class in block 324 and 287.

Q Don't the railroad own all of it? A No, they don't own those.

Q But I say is there any place where any lot appears to be severed? A Oh, no.

Q So wherever the railroad owns anything it owns the whole lot? A Yes; I thought you meant the whole block.

Q And as indicated by the colorings it owns the whole block in many instances? A Yes.

Q Take the great triangular piece to the east of the hill bounded south by 9th street east by Monmouth and northwesterly on the hypothenuse of the triangle by the N. J. Junction Railroad. A That's the coach yard.

Q Any streets through that except— A There are not.

Q There they own all the blocks? A Yes.

Q Do you see any place, then of the Long Dock property or the adjacent company's property east of Bergen hill where there is any severance of any lot at all? A None.

Q How long have you known the Long Dock to be there in its present location? A I have known it for 10—12 years.

Q Now, coming to this tract which Mr. Record has suggested to you for a possible alternative terminal. A South of Exchange Place.

Q South of Exchange Place. To go back from the Hudson River, back along Exchange Place and its continuing street, Montgomery Street, you would have to go back at least as far as Henderson to find a similar piece? A I don't know the measurements; I presume so; you would have to go farther back, I believe.

Q Well, now, to do that you would have to acquire the great banking house, the Commercial Trust Company? A You would.

Q And the First National Bank of Jersey City? A You would.

Q And the Union Trust Company of New Jersey? A You would.

Q And the New Jersey Title Guarantee and Trust Co.? A You would.

Q And the Hudson County National Bank? A Yes, and the Provident Institution.

Q And the Government post office; well there is the bulk of the big capital of this city. A I think so.

Q And you would have to take the present post office? A You would.

Q And the new post office, the site the Government is now building on, and Colgate's Soap Works occupying some three blocks? A You would.

Q In fact, would you not have to take the very center of the office and law and banking business of Jersey City? A You would.

Q So far as uses by the people are concerned is there any real, true comparison to be made of those two tracts of land? A You mean present use?

Q So far as value is concerned. A The tract Mr. Record has mentioned is much more valuable than the Erie Terminal.

Q With the possible exception of the dry goods district which he has mentioned in Newark Avenue, is it not possibly the most valuable parcel in Jersey City? A It is.

Q Now, Mr. Record's questions, asking you about the value of the Erie I see were all the time limited to property equally near to the center of business in New York City but he didn't define to you what he meant by the center.

Mr. Record. I said whatever he concluded to be the center.

Mr. Corbin. You did finally come to that.

Q What would you think to be the center of business in New York City? A I mean equally near any point,—The Hudson Terminal.

Mr. Record. I meant what he might consider the center for railroad purposes.

Q It is true, isn't it, that if you go a little farther south— A I mentioned that.

Q I say, if you go a little farther than Black Tom there is a large extent— A I mentioned that you could get that.

Mr. Fort. You said Newark Bay.

The Witness. I said Newark and New York Bay.

Q Well, if you go south of the National Storage Company on Black Tom there is a good deal of unoccupied property? A There is lots of it. The Pennsylvania just acquired a terminal there in the last ten years.

Q If you go a little farther north, say the Weehawken Coal, there could be a site there? A I believe there could.

Q It is not often that a new one is developed. A The only one I know of is the Pennsylvania Greenville yard.

Q How long ago was that opened? A Within the last ten years.

Q There are only four or five of them altogether are there, Mr. Ryer? A That's all.

Q And when you speak of its being equally near the center of business in New York, the fact is that the first property developed in Jersey City was that directly opposite old down town New York, isn't it? A Yes.

Q Was the Pennsylvania Ferry at the foot of Exchange Place? A Aharsimus.

Q So the Pennsylvania Railroad and the Central and the Erie and the Lackawanna which practically adjoin each other are the oldest and first developed properties? A They are.

Q And are now spreading out north and south? A They are.

Q Are not developments made with tunnels and ferries and factories and docks already 6 or 8 miles north on the Hudson River? A I don't get that.

Q I say, present development, has it not already begun as high as 6 or 8 miles to the north? A Oh, yes.

Q And on the south has it not already been begun as far south as Kill Von Kull? A It has.

Q And is there not in fact a good deal of it not developed at all? A Oh, a great deal of it on the New York Bay.

Q Now, in speaking of this difference in values of property that really is neighboring, you encountered that in Pavonia Ave. did you not, a greater value in Pavonia Ave. than streets near it? A I did.

Q What values did you find in valuing Pavonia Ave? A $5,000 a lot.

Q And what did you find for instance the blocks near to it? A Twelve,—fifteen hundred per lot.

Q Is there anything in that vicinity other than what you found on Pavonia Ave. and possibly Grove Street that at all approach these figures, $5,000? A No.

Q In your experience of buying and selling is that usual to find some one business street where the prices are very high and find near neighboring properties much lower? A Very usual.

Q Take the illustration that Mr. Record gave you of Exchange Place, and I will say Montgomery Street which continues it; you spoke of the lots on that street as being valuable; they are very valuable? A They are.

Q For instance how much a lot? A $40,000 on Newark Avenue.

Q On Montgomery Street less I suppose? A $20,000.

Q Take something in the same block only 200 feet away fronting on York Street; what do you find there in the way of value? A $3,000.

Q That same thing prevails up on the hill for instance where Newark Avenue goes by the Court House? A Yes, sir.

Q Prevails down in the Bergen Section? A It does.

Q I will ask another question: do these values remain permanently higher in one place and lower in another or does that whim of the people shift? A It shifts.

Q You find the high values going lower? A I do.

Q Ever find low values coming higher? A I do.

Q How do you account for that if you can account for it? A Why, demand.

Q Earlier in your testimony I understood you to say special values that a whole right of way of a railroad might be supposed to have to the railroad company you don't undertake to value; I think you said you threw that into franchise? A I said I considered it franchise.

Q That of course is a matter of law and theory. Now, not to dwell on special instances, but I will call your attention to one or two; take the land on the east side of Provost Street between the Lackawanna Yard and the Erie Yard or land on the east side of Provost Street south of the Erie Yard, if you please; what are lots worth along Provost and along say 9th, 12th and 13th Streets? A On Provost Street they are worth from $1,500—$1,800.

Q How much on 9th? A On 9th, $1,800.

Thomas A. Ryer, re-cross.

Q How much on 12th? And on 13th and 14th? A $1,500.

Re-cross examination by Mr. Fort.

Q I just want to get one or two things clear if I may. I understood you to say, Mr. Ryer, that you didn't care to give us any valuation on the Terminal lands at all; that is on the lands lying next to the river? A East of Hudson Street extended; I placed no value on them.

Q And do you consider that terminals—if you are willing to give me an opinion—used as shipping terminals such as the Bush Terminal are any more valuable than any other terminal lands? A You mean the Bush Terminal any more valuable than railroad terminals, I don't know.

Q Then you wouldn't care to express an opinion on that? A No.

By Mr. Record.

Q What is your opinion as to the value of property with reference to its size; is this property more valuable because it is in one block or less valuable? A More valuable.

Q What percentage? A I don't know; in this case we allow a plottage value for certain plots up to say two or three blocks.

Q What do you mean by that? A I mean for instance you take in certain sections, a plot of three lots might have the same percentage as a whole block somewhere else; all depends entirely on its location and environment.

Q I am talking about this tract; you consider that because this is all in one tract that is an increase, increment of value? A I included that in my 25% extra.

Q That's your measure, 25%, I did not know that. A Oh, yes.

Q Isn't it a fact that a tract of land is usually worth what it would cost to get a similar tract for? (No answer.)

Q Do you know of any exception to that rule? A Yes, I think it is possible.

Q That's the rule usually? A No, it isn't the rule but it would all depend entirely on where the location was.

Q Well, do you know of any exception to that rule? Do you know of a piece of land in Jersey City that isnt' worth what it would cost anybody who desired it to get a similar piece of the same size and equally advantageously situated? A Well, in some cases they may have to pay more; in some cases less; I don't know; I cannot give any example of that.

Q I am asking you if you know of a lot of land in Jersey City, that isn't worth in the market today what it would cost any prospective purchaser of it to acquire a lot of equal size equally advantageously situated? A I don't know of any case.

Q As far as you know there is no exception to that rule, is there? A Not that I know.

Mr. Corbin. That is a rule of law if it is any rule at all.

Q You have run across no such exception in your experience? A I have never had occasion to acquire a similar tract of land to another tract.

Q Yes, you have had occasion to acquire one lot next to another, haven't you? A Oh, yes, and I have acquired it for the same as the other many times; sometimes paid more for it, sometimes less.

Q If a man is trying to get a residence in a certain general locality it would be worth to him what it would cost him to get a similar one to

some specific house or build it in some general locality? A As a general rule, yes.

Q Where do you consider is the central point in New York City for shore front values? A I don't know.

Q Don't know anything about that? A No.

Q Doesn't shore front value decrease as you go down the river beyond the Central Railroad, wouldn't you consider—A You mean opposite the Central Railroad?

Q Down, further down. A It might; I don't know. I don't see why it should decrease.

Q But you don't know whether it does or not. A I don't know; I should imagine the Chelsea Docks were the highest point in New York; they are the finest development.

Q And you would expect to see land values on the Jersey side decrease according to the distance from that point would you? A I would not.

Q You would not? A No.

Q You wouldn't consider that the value would increase as you approached that point? A No, I consider the values decrease as you go north on the interior property.

Q Not as you go south? A No.

Q Then you would consider a tract of shore front down in Greenville equal to a tract of shore front like this? A I am not talking about shore front. The shore front is just the reverse; I thought you meant interior land.

Q I am talking about shore front? A Oh, the value increases as it goes north on the water front.

Q Up to what point? A I don't know; that is owing to the contour of the land, depth of piers &c.

Q To what point? A I think the highest point in Hoboken.

Q Above that you would expect it to decrease? A I should imagine so.

Q Where would you commence the decrease on the south side? A To go down again?

Q Yes. A I think there is a gradual decrease all the way down the river.

Q When you say that you would include some element as a franchise element what do you mean by that? A I don't believe I said that, Mr. Record.

Q Well, you used the word franchise? A Yes, I simply stated that would be a franchise element.

Q What did you mean by that? A Well, if you will get my question I don't remember just what I said.

Q I mean what element of value of this property do you describe as a franchise element; describe it. A Why any value over the value that I place on it.

Q You call franchise? A I would consider franchise.

Q What do you mean by franchise? A The use to which it is put.

Q The use to which it is put? A Yes.

Q And its availability for that use? A Yes.

Q Is it not a fact that this unusually shaped piece of property may have a value way beyond the value of a single piece adjoining? A It may have.

Q Yes. You don't know anything about that? A I do not.

Q You just call that franchise? A Yes.

Q You cannot define it, you don't know what it is. A That's my idea of franchise, the idea

that is accrued to the land by virtue of the fact that they can run the railroad there.

Q By virtue of the fact that they can run a railroad there; by virtue of the fact that it is adapted for that use? A Yes.

Q And by virtue of the fact that it has continuity and the size that makes it available for that use? A Yes.

Q Would you consider in the shipping district that four or five lots or a block of land under one ownership would be more valuable than under detached ownerships? A I think so.

Q By this 25%? A Possibly; it would all depend entirely on the location.

Q Why should it be more valuable? A Because under one ownership and it can be used for different purposes; it would be more salable.

Q And being adaptable to purposes to which a detached lot would not be adapted, is that right? A It is.

Q You could build a bigger store on it if there was a demand for big stores, if the development was for big stores? A If that particular development was for big stores, of course it would.

Mr. Corbin. Somebody put it this way, that it gives you a wholesale purchaser as well as a retail.

The Witness. Exactly.

Mr. Record. In other words, whenever you bring property within range of an additional purchaser if that is a truck farm or a cabbage garden, you measure by that.

Mr. Corbin. Mr. Chairman, I want to put on the record a general offer of these schedules and maps which have been produced by Mr. Ryer and Mr. Gaddis; I think they have all been marked.

Testimony February 8, 1912.

MR. RYER, recalled.

Direct examination by Mr. Corbin.

Q Mr. Ryer, have you made a recapitulation of the areas and assessments and the values placed on the properties by Mr. Gaddis and yourself, as testified to here in this case? A I have.

Q I show you this paper entitled "Recapitulation of arrears, assessments and valuation by Percy A. Gaddis and Thomas A. Ryer of all land in the main stem and second class properties, &c." Is that it? A It is.

Q Is that a correct resume of the more elaborate schedules which you introduced and of the testimony—A It is.

Mr. Corbin. For convenience I offer that.

Mr. Fort. Main stem—second class— number of acres—it is done by acres, you see.

Mr. Corbin. It is a mere summary.

Cross examination by Mr. Fort.

Q As I understand this, Mr. Ryer, this is just —A A summary.

Q—a summary,—total of the figures which you have given on all the properties,—each one of these particular railways? A Yes, sir.

Received and marked Gaddis & Ryer Recapitulation, Feb. 8, 1912.

Mr. Corbin. With respect to the offer of the book,—volume of testimony, Vol. 2, which was before the Supreme Court in previous years, which I notified you in Trenton I might offer in evidence, Mr. Hardin and myself have had a conference as to what parts to

put in, and have come to the conclusion we won't put it in at all. I withdraw, therefore, that offer of testimony and when we come to print the case, if we do, I should think it would be as well to cross out any reference to it. With respect to the stipulation of which, on several of our hearings mention has been made by the attorneys of the State and by myself, I received, Mr. Chairman, from you, last Friday, a sketch of what is proposed on behalf of the State, and upon a careful examination of it, I cannot see that it is any stipulation of facts at all, but rather a resume of the decisions which have been made by various courts at various times, of the true principles on which an assessment of property should be made. It is rather a resume of propositions of law and as a statement of fact in this case would be of no value to me, and I cannot consent to it as a stipulation of facts in this case, and if that is all we can arrive at, it is useless to pursue the matter any farther with a view of getting the facts stipulated.

Mr. Fort. I thought all you wanted was a statement by the Board showing the method which the amount of the assessment on the main stem was fixed.

Mr. Corbin. Well, the single fact which I wanted I stated pretty clearly, I think.

Mr. Fort. I thought that was one of the things, as least, you wanted.

Mr. Corbin. I hardly think this will suit any purpose. I will call Mr. Floyd S. Corbin.

(*Qualification of Floyd S. Corbin in N. Y. L. E. & W. D. & Improvement Co. Case, on January* 17, 1912, *is as follows*:)

FLOYD S. CORBIN, called and sworn on behalf of the company, testified as follows:

Direct examination by Mr. Corbin.

Q Where do you live, and what is your occupation? A I live in New York City and my occupation is real estate broker, making a specialty of waterfront properties in New York Harbor.

Q How long have you been in that business? A About 15 years.

Q Does your business extend to the New Jersey side of the harbor, as well as the New York side? A Yes, only around the Port of New York.

Q Have you bought and sold in New Jersey? A Yes, many places.

Q Are you familiar with the properites and values on the west side of the Hudson River in Hudson County? A I am.

Q Do you know the property at Hoboken and Weehawken? A I am very familiar with it.

Q How long have you had to do with that property in the way of buying or selling or making studies of the values of it, or valuing it? A Well, on that New Jersey shore there, I have been very familiar with the entire New Jersey shore for about 15 years.

Q Have you acted as appraiser at times of values? A I have, many times.

Q And you have bought and sold also? A Yes.

Q Do you keep an account of all the sales that take place, so far as you can ascertain them? A I endeavor to do that. I perhaps do not get all, but I get the bulk of them.

Q This is your sole business? A That is my sole business.

Q Have you bought and sold in other parts of New York Harbor? A I have bought and sold properties in practically every part of New York Harbor, the Hudson River, East River, Newtown Creek, Staten Island Sound, the Kill, Newark Bay, Passaic River and inside properties all around in New Jersey, at Harrison and various other places.

Q Mr. Corbin, are there many other brokers in and around New York who, like yourself, are engaged solely in this branch of the real estate business? A In my experience I cannot recall any man in New York City who has persistently and consistently, I may say, followed out this specialty—who has made a study of it.

Q Well, of all the sales made in the harbor, so far as you know, what proportion have you had to do with? A I should think it would be very safe to say that of all the sales made in the harbor of New York in the last ten or twelve years I have perhaps made three-quarters of them.

FLOYD S. CORBIN, a witness, produced on the part of the Railroad Company, having been duly sworn in all the cases relative to the Erie System, testified as follows:

Direct examination by Mr. Corbin.

Mr. Corbin. Mr. Chairman, this witness was called in the case of the *N. Y., L. E., W. Docks & Imp. Co. v. State Board of Assessors,* with respect to the Weehawken property, and he gave 23 pages of qualification respecting water front valuations; unless you desire to repeat them, I will ask to—

Mr. Hendrickson. We have agreed that his qualifications in that case may be used in any other.

Q Mr. Corbin, have you examined the Terminal properties of the Long Dock Company in Jersey City? A I have.

Q And made an estimate of their values? A I have, yes, sir.

Q Have you any map before you so that you can show us what part and what parcels you have valued?

(Witness produces map entitled Erie Railroad Company, Map of lands lying East of the Bergen Tunnel in the City of Jersey City.)

Q In valuing this terminal property, taking it as a whole, into what zones or sections ought it to be divided to give it the greatest value and the best development? A I have taken Block 17 as assessed by the State; that is the entire water front from the pier head line back to Henderson Street and northward to 12th Street and bounded South by Pavonia Avenue; I have divided that Block 17 into three zones; the first zone is from the pier head line on the East to a line 700 feet West of the solid filling line, that is water front property.

Q Is that a proper amount of upland to give to that zone in your judgment? A I think it is.

Q You have gone then somewhat further West than the line of Hudson Street extended where it is divided by the State? A Yes, sir.

Q About how far West of that? A About 350 feet apparently; that is the first zone. The second zone is from a line 700 feet West and crosses to Pavonia Avenue.

Q 700 feet more you mean? A Yes, between zones.

Q And then the third? A And the third zone is from the last zone back to Provost Street. Of course this is an irregularly shaped parcel.

Q Then take the land under water, that is the land East of the bulkhead line, you have 700 feet of upland to the first zone? A Yes.

Q Then the next 700 feet constitutes the second zone? A Yes, sir.

Q And the remainder of it up to the hill is the third? A Yes.

Q Go ahead. A Now, the reason I did that in the sale of water front properties, of course, it is always assumed that you throw in fast land with riparian rights or can make fast land, and the 700 feet which I have adopted from the solid filling line back, is a fair distance back. Of course in many cases around the harbor the depth of these properties will vary, but I have taken as the highest type of development,—commercial development, on the water front in New York Harbor, the Bush Terminal, and the length of their blocks is 700 feet, and I have adopted that here, because I thought it was a fair method of comparison for ocean steamship piers, railroad uses and warehouse purposes.

Q Now, this first zone, which has its frontage on the river and which reaches back to 700 feet in shore beyond the solid filling line; how do you arrive at the value of that? A Do you want the total value?

Q How do you value it, what method? A I value it by the front foot, lineal foot per front foot on the Hudson River.

Q And how much do you value that land at? What is your valuation? A There are 1037.5 lineal feet on the Hudson River, at $1,800 per front foot, makes a total of $1,867,500.

Q What is your valuation of the second line? A The 2d zone?

Q And by what method do you value it? A I value that as a parcel of property having a frontage on Pavonia Avenue which is to be considered as any other street frontage, only one frontage; I value that simply as a solid block of ground or parcel of ground that is adjacent to this water front property; I value that as it stands 16.489 acres at $43,560 per acre, $708,261.

Q That is one dollar a square foot? A One dollar a square foot.

Q Now the third zone? A The third zone directly west of the second zone, is 10.711 acres at $39,204 per acre, or 90c. per square foot, is $419,-914. That makes a total of 64.772 acres, excluding the area occupied by the main stem shown on the map, makes a total valuation of $3,185,224.

Q Have you valued the land at the foot of Pavonia Avenue and south of Pavonia Avenue? A I have.

Q State the parcels and the valuations. A In Block 16 Plot B-7,—that is this plot—

Q Being plot at the foot of the avenue? A Yes, sir, this plot, the width of that is 130 feet on the river front, the area is 2.09 acres, valued at $46,173.60 per acre, or $1.06 per square foot, making a total of $96,502.

Q Does that include the land under water? A That is all land under water.

Q Well, up to the pier head— A Up to the pier head line from the solid filling to the pier head line.

Q Now, that is B-7. A Well this is all part of B-7. The next adjoining plot has a frontage of 140 feet on the Hudson River; all land under water; total area of 2.498 acres at $46,173.60 per acre, makes a total of $115,342.

Q Now, this land under water you seem to value it by the square foot; whereas you value the other by the front foot; why is that? A I value this by the square foot—I want to say in these valuations I have assumed in the valuation of these two properties that the ownership is also in Plot B-6 for the valuation—

Q How is that? You mean in the same parties? A In the same parties.

Q What is B-6 to the south of Pavonia Ave. and west of this plot? A To the south of Pavonia and west of these plots. If it was not in the same ownership I think the value of these two parcels under water would be very nominal. I doubt if it would have hardly any value.

Q Well, suppose they are all under the same ownership and you took these two small parcels and add to the land West; has it any substantially different value than you value on the North side? A Well, I have valued at the same proportionate price per front foot worked out into square feet area.

Q That is adding the land back; you have to add the land back? A Yes.

Q Well, what did you value B-6 at to the West of these parcels? A The total value of plot B-6 exclusive of the two parcels I have just mentioned is $914,854.

Q What is the acreage? A The total acreage there is 16.039.

Q That runs back to Provost Street, of course? A Within 100 feet of Provost Street; has a frontage on Pavonia Avenue.

Q Now, here is still a large plot on the river front, Plot 16 B-1 colored yellow; have you valued that? A I have not.

Q Suppose this all to be in the same ownership both north and south of Pavonia Ave. B-1, B-6 and B-7, is there any material difference between the valuations north and south of Pavonia Avenue, assuming tracts of equal size? A I don't think that there is any particular difference in value.

Q So if you were instead of cutting this up to the south, as the assessors have done in assessing, you should lay it out into big blocks, as you have done to the north, your frontage on the Hudson River would be the same? A It would.

Q Assuming them all to be in the same ownership and control. A Same ownership and same size.

Q In making these valuations, are they for the bare land, or have you added anything for the buildings and improvements? A For land values only.

Q In your judgment do these figures which you have given, express the full values of these properties on January 1, 1910? A It does; I think it is a full valuation in my opinion of the entire property.

Q Do you know of any sales on the west side of the Hudson River so high as the figures you have given, at any time? A I don't know of any sale ever made on the Hudson River that would equal that figure of $1,800 a front foot. The last sale that was made on the Hudson River was about five years ago, a sale by the Yellow Pine Company of New York, to Albert Dickinson of Chicago; that property sold for $1,293 a front foot.

Q That was at Hoboken near 14th Street, was it not? A Hoboken, between 12th and 13th, and the westerly line of the property was Hudson Street.

Q Mr. Corbin, in making these valuations of the property south of Pavonia Avenue, you are assuming that they be all owned and controlled by the same owner, do you not? A I do.

Q So that all the gain of plottage value comes in? A Has been estimated in these figures.

Q At the beginning of your testimony, you spoke of the land fronting on Pavonia Avenue, but didn't explain; what significance has that? A I took that merely as a boundary of the property; of course, in assuming these valuations I have taken into consideration that the property fronting on Pavonia Avenue, which was a public street and gave access to the property—(interrupted).

Q These frontages have a greater value than the general average, have they not? A Yes, of course Pavonia Avenue land has a greater value, but it doesn't extend in my opinion over 100 feet back.

Q Each side? A Each side; so that I have taken that into the average calculation.

Cross examination by Mr. Fort.

Q Mr. Corbin, in getting at these valuations, have you made any comparison with the values that have been assessed against the property by the Board? A Any comparison?

Q Yes. A No, sir, only that I know the figures.

Q Well, now, what is the difference between your figures and the figures assessed on this property taken as a whole, by the Board, if you know? A Well, I think on Block 17 a total of 64.772 acres, the average assessed value of the land by the Board for the entire plot is $55,595 per acre.

Q And you make it what? A $49,175.

Q There is a difference of about $5,000 practically, between you per acre? A Yes, sir.

Q That is on the first plot; have the Board assessed in the same way you have, by plots, just like these? A I don't know by what method they made their assessment; I simply know the figures.

Q In making your assessment—your valuation, rather—

Mr. Corbin. He calls them zones.

Mr. Williams. "Plot" has another meaning.

Q In making your valuations of this property, do we understand you to say that this water front is as valuable, with only 700 feet of fast land back of it, as it would be with the whole of this terminal as it lies? A Well, I have considered that you have got to have a line of demarcation somewhere, for the reflected values from a water front. You couldn't, in my opinion, add any great value to that property, even if you extended it a mile further west.

Q Well, now, I would like to have that question repeated; I want an answer to that definitely.

(Question repeated by stenographer.)

A Perhaps not; I think if there were just 700 feet of land it would not be worth $1,800 a foot.

Q I thought you testified that in making the value of $1,800 a foot you would put it upon the first zone, as you call it, which was, shall we say the riparian land and 700 feet of fast land—you say that land is worth $1,800? A Yes.

Q How much more is it worth taken by the front foot with the terminal? A I don't think my figures would be changed at all; I have assumed the entire block is under one ownership.

Q Yes, I understand you to say that, but you have made no figures except in these separate zones? A No.

Q You have not made a figure as to the valuation of this terminal as it is, running it back to Provost Street? A Yes, I have valued it at $3,185,224.

Q But you make it in the way you do, by zones? A Yes, you have got to have some basis to compute values.

Q Now, on what use or character of use have you based your values? A I have based it on the use to which it is devoted at present, that is a railroad terminal.

Q You said something about the Bush Terminal a little while ago; is the use to which that is put of any greater value than a railroad terminal? A Well, I think that would be difficult to say, because I don't exactly know the financial result of the operation of the Bush Terminal, but I will say that the Bush Terminal is conceded to be the highest type of development of water front in New York Harbor, or possibly in the whole country.

Q Then in fixing your values, you have fixed the value here on what you believe to be the most profitable use of the property? A Well, I think the property now is devoted to its highest use.

Q You put a value on these two tracts of land lying—I think Block 16; is that right? A Let's see; that's Block 16 Plot B-7.

Q What is the frontage of that block? A 270 feet.

Q 270 feet by the same depth of water front property that is adjoining it? A A trifle less depth.

Q Do you put the same value on that as you do on the other tract lying to the north of it? A I have placed the same valuation as on the northerly tract, assuming(as I stated before, that the ownership of these two parcels and Plot B-6 were identical.

Q That's the plot lying to the west of it? A The plot lying west. These plots alone would have really no value.

Q Well, if Pavonia Avenue ran down to these blocks wouldn't they have value as water front property, dock property, being 700 feet in length? A Without any fast land?

Q Without any fast land behind it, yes. A I don't think so; you couldn't ever make any commercial use of it.

Mr. Corbin. You see we are not allowed to fill that in.

Mr. Fort. No, but you are allowed to cover it.

The Witness. Cover it with a pier, but what could you do? You would have no access by land.

Q Doesn't Pavonia Avenue run down to it? A Just a public street, you wouldn't be allowed to load or unload anything on the public street.

Q But you wouldn't have any difficulty in doing the planking and covering of part of them as they have done at Atlantic Highlands, would you? A You could for some nominal purpose, not for any real development I know of that would be profitable.

Mr. Hendrickson. You might make an express office.

The Witness. Might do something of that kind.

Q There is room enough there to have 300 feet or 400 feet of land that would be covered—of water that could be covered and still have room for wharves 400 feet long, isn't there? A Yes, but a 400-foot pier is not a profitable pier, except for lighters and tugs and barges. That would be costly to maintain there, Governor.

Q Yes; but water front of that character around the Hudson River is getting scarce? A You can you only have 60 feet of access.

Q True, you have a street though, plenty of room there to get on, isn't there? A Yes.

Q Three or four hundred lineal feet and still leave 400 feet for slips or boats, or anything else to tie up to.

Mr. Henrickson. Governor, might I just call his attention to the fact that Adams' Express Company pier occupies just a tract as that, a little smaller, on the P. R. R. Yard here and their access from a street to that pier has to go through the P. R. R. Station shed.

Mr. Williams. Yes, but it has leasehold privileges.

Mr. Fort. Unquestionably; but here you wouldn't need any, because you have access by a public street.

Mr. Hendrickson. I cannot understand the witness' line of reasoning in regard to that fact; any city where we have ever investigated and find such a situation, we find the land in front of the bulkhead, which has no fast land behind it, is considered as worth exactly as much per front foot as the fast land behind it, when it has access to water front.

Mr. Hendrickson. You don't think there is any piece of property on the Hudson River that has earned more money for its owners than the Adams' Express Company pier, do you?

Mr. Corbin. I don't know what they earn there on the Pennsylvania property, but we are simply concerned with this particular piece of property.

Q Now, just one more question is all I think we want to ask. Mr. Corbin do you know anywhere within a mile or two miles, either north or south of that terminal, that you could duplicate that terminal on the Hudson River? A I think I could almost duplicate that terminal within a great deal less than a half mile.

Q I mean as large as that is, all the way back to Henderson Street? A Yes, far back as Henderson or Provost Street.

Q Provost Street, I mean? A Yes, I think I could very nearly get you a piece of property as large as that.

Q Whereabouts and within what distance? A Immediately south of this property.

Q Not occupied now, you mean? A It is occupied at present, but I think I could buy it for you.

Q Streets to be vacated? A The streets are already vacated.

Q Already there? A Yes, sir.

Q Is it occupied by any person now? A It is.

Q Whereabouts is that? A Just immediately south of this property.

Q Who is the occupant? A Jersey City Stock Yards Company.

Q Do you know what their frontage is? A I don't recall now, but it is a very large piece of property, and it would be suitable for a terminal if a railroad wanted to use it.

Q Same character of up land or fast land? A I think so. Has a great depth and good width all one solid block of ground.

Q Now, where do you get your information as to the value of that land, if you have any? A The value?

Q Yes, the value at which they hold the land; put it that way. A Well, I had a talk some time ago; it has been a year or two ago, perhaps a year and a half ago, with the secretary of the corporation that owns it.

Q Have these lands increased any in value within a year or a year and a half? A I don't— not particularly.

Q Not along the Hudson River? A I don't think so. There have been no sales anywhere in this section within the last six years, on the water front.

Q Nobody that has any river front property wants to sell it, is that it? A I have tried very diligently to find a buyer for river front property on the Hudson River, the last six or seven years; haven't found any.

Q Hard to get at any price. A I have one piece of property, about 5,000 feet frontage, on the Hudson River, I would like to sell.

Q Whereabouts? A Beginning at a point opposite West 79th Street and running north.

Q That is about how many miles above this property? A Oh, it is about 4 miles.

Mr. Hendrickson. That property has no depth of land back of it. Has it? Flat land on a level with water?

The Witness. Yes, indeed; the property has in some places extreme depth from the pier head line back of about twenty-two—twenty-three hundred feet.

Mr. Hendrickson. That is nothing compared with this piece?

The Witness. This is only 2,381 from Provost Street out to the pier head line; I could give you up there about 250 acres; about five times the size of this terminal.

Mr. Fort. That's all.

By Mr. Hendrickson.

Q Mr. Corbin, in dividing up this yard for the purpose of arriving at your calculation, you take a depth of 700 feet back of the bulkhead line; now, when you did that you noticed that the railroad company for its use of that tract didn't divide it up that way, didn't you? A No, I can understand that a railroad cannot—that tracts have got to be continuous.

Q The railroad for its use, put the actual bulkhead line 400 feet or more back of the nominal bulkhead line fixed by the Harbor Board? A Yes.

Q They ran their bulkhead line way back here, instead of actually at the place fixed by the Harbor Board. Now, don't you think that when you took your zones you were under an obligation to consider that and put such a depth of fast land behind the actual bulkhead line as would make the water front usable? A That is a difficult question. As I told Governor Fort, you have got to use some line of demarcation, because this—as an illustration the Erie main stem runs from the bulkhead line of the Hudson River out to Chicago; I don't think you could value the land all the way out to Chicago, because it is continuous.

Q Then you don't agree with me that in fixing the zone depth you ought to give some consideration to the railroad's intelligent use of its tract of land? A Well, I have given the State really the benefit of the difference between that solid land and the land under water.

Q I don't think you have; I think you have taken an arbitrary division of that yard to arrive at your own valuation and not one founded on the fact as shown by the use of the property itself. A That was given as the line of solid filling, and I have taken it from that line back 700 feet. Even if you should make that difference, the valuation of the total plot,—the difference in the valuation in the total plot would be very slight indeed.

Q Yes, to your mind, but to my mind it shows that the depth of land necessary for the proper use of the water front must be a great deal deeper than you give it.

Mr. Corbin. Now, you don't know the history of that land.

Mr. Hendrickson. No, but I am a tolerably intelligent man (at least I think I am) and when a man comes here and says 700 feet of fast land is all that is necessary for the use of it, I look at the map and find at least 300 feet of that is gone—

Mr. Corbin. The error is in your question. You say the railroad has carried its slip back 300 feet further than the line established by the State Commissioners. The truth is just the other way. The land has been filled; it was all water originally, and the piers were made first; the lines by the State have been made later.

Q Now, Mr. Corbin, this tract, if it lay along the river like the West Shore tract, you would get the same ideas of value on this land back here as you get on the front of it, wouldn't you? A No, do I understand you to mean that if this area was extended—

Q If this tract lay along the river, like the West Shore tract, would you get the same ideas of value on this land back here as you get on the front of it,—because this back land would then be on the river? A Oh, yes.

Q Now, you illustrated to us the other day that the West Shore tract, which is a little further up the river, but is approximately the same shape except that it lay longtitudinally along rather than perpendicular to the river, was worth less than the property down the river because it lacked the depth. A That was on account of the narrowness of the greater portion of the West Shore terminal there; it didn't have very much depth. Now, as I stated before, if this property was only seven or eight hundred feet in depth here, and this area was distributed along the river front, why naturally it would have a greater value, because the value here is really in the water front.

Q No, you said it would have a less value in answer to Gov. Fort's question, if it didn't have this greater depth behind it. A I don't think you understood me.

Q That's what I understood you to say. Isn't it true? Doesn't it appeal to you that the value of the West Shore property is less, because of the reason that because of the lack of the area in the rear it is impossible for an owner to use to its full value the great extent of water front? A No, there are two reasons why the West Shore property is not as valuable as this—and that applies

to the Weehawken Terminal of the Erie Railroad, —in the first place, it is further up the river; the depth of the water and distance from the channel is much greater. That is one thing.

Mr. Corbin. The depth of water of which is greater.

A The depth of water in the river; the distance from the channel a steamer can navigate. Another thing is you go further up the river, the cost of maintenance in keeping your piers dredged is very much greater. In the second place, in the instance of the West Shore Terminal they have no access to the West Shore Terminal except down that very steep road from the Palisades.

Q Now, Mr. Corbin, isn't it infinitesimal, the amount of business which the West Shore do down the road that leads down that cliff? A I cannot say. Referring to that as a piece of property it is a physical disadvantage.

Q It must appeal to you, as a sensible man, that the business which comes down that road is infinitesimal.

Mr. Corbin. Which road?

Mr. Hendrickson. The street which runs down the cliff to get to this road, the West Shore.

A The value of a property, Mr. Hendrickson, in my opinion, a great deal of the value of the property lies in its accessibility, both by water and land; that property is very inaccessible by land.

Q It is accessible to every point that the West Shore touches just as much as though the tract were laid down here, isn't it? A Yes, but the West Shore could undoubtedly develop a greater freight business over there if that hill was not there.

Q Why, of course, and that's what I say to you, that you have got to have enough land behind your water front, if you are going to have a valuable use for your water front. A It doesn't necessarily mean the West Shore itself would have to own that land; in case of the Erie Terminal they have access by wagon and trolley car back of it, where the West Shore hasn't, and for that reason I put a greater value on the Weehawken Terminal of the Erie than I did on the West Shore.

Re-direct examination by Mr. Corbin.

Q Mr. Corbin, your value of this property north of Pavonia Avenue, as I understand you, includes all the land, whether it be main stem or second class property? A Yes, sir, I have included the—

Q Now, what is your valuation worked out in areas of main stem? A Second class property north of Pavonia Ave.?

Q Total valuation of the main stem from the bulkhead line west to Henderson Street is $269,419.

Q And of the second class,—you make no difference between the two, do you? A No, sir.

Q Now, your total value of $3,185,224 for the whole of the land north of Pavonia Avenue, in giving that value, is that your judgment of the value of the whole of it, taken as a whole? A It is, I think, full.

Q Counsel suggested that by dividing it into zones you have omitted some part of the value; have you? A I have not.

Q And being all under one ownership, one time, and all available together? A I have taken into consideration all those elements of value.

Q Now, look at the map again, this part of the property north of Pavonia Avenue was originally all under water up to Provost Street, was it not? A Yes, sir.

Q And what you see there now as solid land down to the slips is made by filling? A Yes, sir.

Q And the slips represent what is unfilled and dredged out? A That's right.

Q Now, when the bulkhead line as actually bulkheaded there, a distance of some 300 feet from the legal bulkhead line was made, was there any legal bulkhead line out where you see it now? A I don't think so.

Q That's been changed repeatedly by the Government, hasn't it? A A number of times within the last 15-20 years.

Q Looking at the actual pier head line to which the Erie has built its piers, how far West of the actual pier head line as it now is, is that line? A About a hundred—

Mr. Corbin. Oh, now, about 500 some— A 370 feet.

Mr. Fort. 370 feet on the long side.

Mr. Corbin. These 4 piers I refer to.

Mr. Fort. It is an average of about 300 feet.

Q Now, that present pier head line, as shown on the map, is a line which was established within the last few years, is it not? A 1902.

Q And there have been no changes since that? A I don't think so.

Q Now, what is the distance, average distance there in front of these piers, between the pier head line and the bulkhead line as now established? A About 800-825 feet.

Q Yes. So the Erie could extend its piers some 300 feet or more there, couldn't it, and still be within the lawful line? A They could extend their piers about 370 feet on the north end.

Mr. Hendrickson. Don't you think the Erie will do that some day?

Mr. Corbin. They haven't done it for ten years; it hasn't been worth their while so far.

Q Now, 825 feet between the bulkhead line and the pier head line, as now established by law, is longer than the piers which the Erie actually has there, isn't it? A Yes, longer.

Q So that it could fill up at the rear down to the bulkhead line and still build piers longer into the water than— A Than it now has, yes.

Q How long have these piers been built there, if you know? A That I don't know.

Q How long have you known them to be there? A I have known them for the last 15-16 years; I have going over there about that length of time.

Q Now, take the piers to the South of Pavonia Avenue, of which there appear to be two or three. A A ferry slip and a pier.

Q How far are they from the present established pier head line? A The ferry slip is probably 600 feet from the present established pier head line.

Q And this to the south? A And the pier to the south is about 200 feet.

Q So the Long Dock Company has really a right to extend all its piers a very material distance into the river, further than it now extends, is that it? A They have the right.

Mr. Corbin. I offer in evidence the map which the witness has produced, to show the zones into which he has divided the property, and ask that it be marked.

Received and marked Exhibit Corbin Long Dock 1, Feb. 8, 1912.

Floyd S. Corbin, re-cross.

By Mr. Record.

Q Do you know of any piece of property in Jersey City, the size of this Erie Terminal, that you could buy for the amount of money that this is assessed at? A I don't know the exact price at which I could buy it, but I believe I could buy it for less, and the property is almost as large as Block 17 of the Erie Terminal.

Q What I am talking about is the whole Erie Terminal that you have got here on this may colored green—

Mr. Corbin. Suppose you indicate the lands you mean.

Year

Q I mean all that is colored green, this whole terminal. A I don't know any property in that immediate vicinity, that is, that is as large as those two parcels.

Q Who owns the property next, adjoining on the south? A I don't know the name of the corporation, but I think the exact title is the Jersey City Stock Yards Company.

Mr. Fort. Mr. Record, it seems there has been a misunderstanding between the witness and me, if that is so. Did you understand my question that I asked you, Mr. Corbin, if you could produce that entire terminal that lies there, or did you understand I meant part of it?

The Witness. I understand you mean this. I said the property was not as large as Block 17, but I said it was a very large parcel.

Mr. Fort. What I meant was, and I thought you understood me, could you reproduce that entire tract of land or a tract as large as that; I meant the whole thing that is colored on that map any kind of color, except white.

The Witness. Not in that immediate vicinity, no.

Q How near to that vicinity? A Well, the property adjoining on the South is the largest piece of property that I know of that could be bought in that immediate vicinity.

Q But that isn't as large as this tract? A No, I said it wasn't as large.

Q How near is there a tract which could be bought of this size? A The largest tract I know of for sale on the Hudson River is probably four miles north of this, which is about five times the size of the Erie Terminal.

Q How far south? A How far south?

Q I mean what is the tract next south? A I think two miles south you could buy a tract about four times as big as this.

Q Yes, but it is two miles away. Now, in answering Governor Fort, you had in mind the Jersey City Stock Yards' property, didn't you? A I did, yes, sir.

Q Do you know who owns that? A No, I don't know the owner. I have always assumed it was the Jersey City Stock Yards Company.

Q Well, do you know whether it is for sale? A It was for sale about a year or a year and a half ago.

Mr. Fort. Get the depth of water, Mr. Record.

Mr. Record. I am only trying to get now what this witness knows about that.

Q Did the owners of that property ever give you a price on it? A No, they never gave me a price on it, but I know they were considering a removal from Jersey City if they could dispose of the property.

Q But you do not know what price the owners of that property held it at? A They gave me an approximate price.

Q Who gave you an approximate price? A The Secretary of the Company.

Q Did he authorize you to bind the bargain on that basis? A No, because I don't know anybody that would want to buy it.

Q But he didn't give you any authority to sell? A He did not. I didn't ask for any authority to sell.

Q And you don't know of your own knowledge that that is in the market, do you? A It may or may not be today, because I haven't asked him for some time, possibly a year or 16 months—I don't remember the exact date.

Q He didn't give you the right to sell it. A No. I never asked him to; he might have, if I asked him.

Q You didn't get the right to sell it? A He told me it was for sale.

Q You didn't get the right to sell it at a price? A No, because I didn't ask for it.

Q You don't know what price the corporation that owns that has fixed upon it? A Well, at that time I was given to believe that between forty and forty-five thousand dollars an acre would buy the entire tract.

Q But it wasn't offered to you or you were not authorized to make any such sale on that basis were you? A No, because I tell you I didn't ask for it.

Q I don't care anything about the reason. I want the answer. You were not authorized? A No, I was not.

Re-direct examination by Mr. Corbin.

Q Do you know about the values of property for sale just to the north of this Long Dock Terminal? A I know the most recent sale of property that has been made on the Hudson River near this.

Q Well, what's that? Are you referring now to the Yellow Pine property? A Yes, sir.

Q I am not; I am referring to inland properties near this property to the north A Yes, I have an entire block of property just above here for sale, at the rate of $1.25 a square foot.

Mr. Williams. Improvements upon it?

The Witness. Improvements upon all four sides of it.

Mr. Williams. The price includes the improvements?

The Witness. The price includes the improvements.

Mr. Williams. What are the improvements worth?

The Witness. The improvements on the property itself is merely nominal. It is an iron shed.

Q Do you know any other piece between that and the Lackawanna? A I have another piece about half a block adjoining the Erie Terminal on the north, and the Lackawanna Terminal, that I can sell with one-story brick warehouse on it. I am anxious to sell it; now trying to, offering it at about $1.50 a square foot.

Q Does that include any building upon it? A Yes, of about 15,000 square feet, brick building, one story.

Q The first piece you mention, where you have the entire block, between what streets?

Mr. Record. Mr. Corbin, I don't want to be unreasonable about this; I know in these fights before we have always held down to the point of the sale, and it seems to me nobody can make a sale by saying at such and such a place I think I can get so much.

The Witness. I have the absolute written offer—authority to sell it.

Mr. Record. That should be put in evidence. That's my point; you could put on record a lot of testimony as to that and put us to the necessity of getting the man, putting him on the stand, cross-examining him to see if there is anything exceptional, &c. In our fights, years gone by, we never allowed that to go in that way. It seems to me a sale is a big factor in this controversy; somebody's guess that somebody else will sell at some price is pretty vague.

The Witness. This isn't the case, Mr. Record; I have the authorization in writing.

Mr. Corbin. What is it offered at?

A $100.000 for the entire block.

Q Between what streets?

Mr. Hardin. What is the property?

Mr. Corbin. I suppose it is the property of the Hudson and Manhattan Railroad Company.

Q Bounded by what streets? A Bounded by Henderson, Provost, 13th and 14th Streets.

Q What are the boundaries—

Mr. Record. Point that out to me. Will you.

(Witness indicates on Plat Book of Jersey City).

Q What are the boundaries of the block on which the other parcels you mention are, on which you have about half a block, you say? A That property is bounded by Provost, 12th and 13th Streets and Lackawanna Terminal.

Q That's the one which has the brick building upon it? A Yes, sir.

Q That's all.

By Mr. Record.

Q Have you gotten a written authority for this property you speak of? A I think I have. Mr. Jarvis has been in my office two or three times within the last week about it; he is anxious to dispose of it.

Mr. Record. It seems to me we ought to have the record straight on this sort of thing; if a witness can testify that somebody wants to sell.

Mr. Hardin. I don't think that is competent evidence, anyhow.

Mr. Record. It seems to me it isn't; at least it has always been held to the contrary in these fights I have been in; no chance to cross examine a man as to the property, and it isn't a sale. For we know a man may be a bankrupt and willing to make a sacrifice to get some money tomorrow. The Courts have uniformly held they are not evidence.

Mr. Corbin. I think we have actual proof of the sale of that Hudson & Manhattan Block.

Witness withdrawn.

MR. RYER, recalled.

Q Mr. Ryer, have you account of sales of Block 186, bounded by Henderson, Provost, 13th and 14th Streets? A I have.

Q How many sales have you got account of? A Two sales.

Q What is the first? A In January 24, 1892.

Q What was it sold for? A $60,000.

Q What is the next sale? A February, 1905.

Q What was it sold for then? A Sold to the Hudson & Manhattan Tunnel Company for the same price, $60,000.

Q Have you got a sale of the Jarvis property? A That is the Jarvis property; that is part of it

Mr. Record. All I am after,—he says Jarvis is running in his office and trying to sell that ought not to go on the record.

Q How recently has that Jarvis piece been sold that he is now trying to sell? A Give me the block number.

Mr. Hardin. 154.

The Witness. I know they are very anxious to sell it.

Mr. Record. That's easy to testify. I don't believe in any such testimony.

Q See if there is any recent sale of it. A My record shows they purchased it in 1894.

Q That was building and all? A Yes, with one 6-story brick warehouse on it.

Q What did it sell for them? A The consideration here is $22,500.

Q That is how much land? A The entire block, all but lot 16.

Q That included a brick warehouse did it? A The building, yes.

Mr. Record. Now how is that Jarvis property left?

Mr. Corbin. He has shown the actual sale.

Mr. Record. Can we have stricken out of the record of all the stuff about Jarvis wanting to sell, otherwise I want to get Mr. Jarvis down here; there is a good story about that; he does not want to sell.

Mr. Corbin. He doesn't want to sell?

Mr. Record. He does want to sell.

Mr. Corbin. I served notice on Mr. Hansel, yesterday, to be here and bring certain documents from Trenton. He telephoned me later, saying he had made an engagement to testify in Virginia to-day; Lynchburg; he said his assistant would be here and perhaps could give me some of the facts I wanted; then I said we might adjourn and get his testimony later.

Mr. Corbin. Mr. Hendrickson, I would like to ask you a few questions, if I may.

CHARLES E. HENDRICKSON, JR., having been first duly sworn, testified as follows:

Examined by Mr. Corbin.

Q Mr. Hendrickson, in making up the valuations of the land of the Erie Railroad system, did the members of the Board go upon the land and look at it? A Not this year.

Q Did you ever go over it piece by piece to look at it? A I have been over a very large part of it myself with Dr. Bogardus.

Mr. Hardin. I think this should be delayed, Mr. Corbin, until we have a Board here. (Mr.

Record having been called out to the telephone).

Q The main line of the Erie Railroad from Jersey City to Suffern, have you ever been over that line to examine it further than to ride through it on the train?

Mr. Hardin. I object to this examination. I don't think it is competent. I am not going to make any extended argument about it. The members of the Board are able to exercise their own judgment about it, but it seems to me very extraordinary to put men who are sitting in a judicial capacity through an examination of this character. If I remember, in 1884, Mr. Corbin, the Board in its return on Writs of Certiorari, certified their principles on which they had proceeded in making its assessment. I am not familiar with the methods pursued at that time, but I do not understand that the assessors were subjected to examination or cross examination as to the principles or figures.

(Mr. Record returns to the Chair).

Question repeated.

Mr. Hardin. I object to it, on the ground that it was, I thought, very extraordinary that gentlemen who were called upon to act in a judicial capacity should be cross examined about the fact of the performance of their duty. This complaint involves certain suggestions, and if the case goes further, the assessment may be reviewed upon the ground that the amount of the tax is excessive or insufficient, or upon the ground that the principle upon which the assessment is made is erroneous. The principle upon which the assessment is made can

be the subject of a return to Writ of Certiorari, and in 1884 the Board did disclose to the Supreme Court, in response to Writ of Certiorari, the methods by which they had made their assessments, and the questions that I suppose are desired to be raised in this case were then presented and argued upon these returns. It seems to me it is not competent to put members of this Board on the witness stand and put them through cross examination as to whether they have visited a particular spot in the State in performance of their duties, or subject them to an examination of that character. I told Mr. Corbin I would not make any extended argument of it. The members of the Board, it seems to me, are not obliged, and it is not appropriate and possibly not legal that they should submit themselves to an examination of this character.

Mr. Record. Do I understand, Mr. Corbin, that this proceeding goes up on review just as it is?

Mr. Corbin. The Supreme Court held, as I understand it, that no testimony practically could be allowed to be taken before the Supreme Court unless it was first taken here, and we took exception to the rulings upon it, and the same record goes up there; I cannot introduce anything new.

Mr. Record. What about this certiorari matter?

Mr. Hardin. That is an entirely different matter. The record made here is considered on certiorari so far as the facts are concerned. I suppose these gentlemen are entitled to get any evidence to show that the fact or conclusions ar-

rived at by the Board are incorrect, but these questions are not directed to that; they are directed to that; they are directed to the manner in which the Board have performed their duty, whether they have been diligent in it. When it comes to certiorari these facts go up from which the Court may determine whether the assessment is too high or too low, and the railroads are also entitled to have certified the principles. The Board can be compelled upon return of the writ of certiorari to disclose the principle (where a principle was involved) upon which the assessment was made.

Mr. Record. Do you hold that they cannot be compelled in this proceeding to disclose that principle?

Mr. Hardin. Yes, I think so; they are sitting as a court here.

Mr. Record. And that we cannot be put upon the stand in this proceeding to disclose the principle upon which we made the assessment?

Mr. Fort. That was exactly what happened in 1884. Allan L. McDermott was put on the stand, and refused to give any testimony on the ground that he was acting in a judicial capacity and the Supreme Court sustained him. If Mr. Hendrickson doesn't want to testify he should say no.

Mr. Record. Mr. Corbin's point seems to be that he has got to get his testimony in now. You agree to that point?

Mr. Hardin. So far as testimony is concerned, such testimony as this Board might act on. But the inside minds of the judges who made the assessment of the judicial officers who are exercising discretion or judgment in the

making of the assessment cannot enter into it. Now as to that principle that is involved, that can be reviewed on certiorari and if the Board has proceeded on some erroneous principle that development of that principle can undoubtedly be produced upon return of the writ of certiorari.

Mr. Record. But you say we couldn't take up any testimony on certiorari.

Mr. Hardin. My point is you cannot be subjected to examination here as to the principle on which you proceed but you can be, perhaps, in response to writ of certiorari. That isn't a question of whether additional testimony about facts can be taken that is a question of whether you can be forced to certify your judicial reasons.

Mr. Record. Now, Mr. Corbin, tell me what you are trying to get at; I would like you to get the record straight.

Mr. Corbin. I haven't had a chance to say anything yet; I just asked my question and have been very much enlightened by what I have heard. The State Board has been sitting in making up these appraisals as assessors, with the same powers and no others that any assessor has. Yours is a certain class of property while other assessors deal with other classes of property; the same practice that prevails with regard to them prevails with regard to you. To-day you are sitting here as Commissioners of Appeal. You might just as well be a different Board as far as that goes. You are now maturely and calmly looking into what you did. It is a new thought to me that I cannot call an assessor when I am doing it

in a Court of Appeals an assessor goes on to justify his assessment,—tell why he did it; and is often overset or sustained on his own testimony. My calling of Mr. Hendrickson this morning really grew out of the fact that several times during this hearing I have been challenged by the Board, "Why don't you put us on the stand?" Mr. Hendrickson has said at least once from this forum; others have said it,—"I'll be a witness." It is a very funny thing that I cannot call an assessor to prove the facts. Now, as to reviewing the case, we haven't got to that, of course, but it is true that if I should desire to review the action of this Board, I must take the case up to the Supreme Court on the same case that was heard here. It is true that following this Railroad Tax Act there was a new Certiorari Act passed which gives me the power to take testimony on my rule to show cause and that's in my rule, and will be in it when I take it.

Mr. Hardin. When was that passed?

Mr. Corbin. Soon after the Railroad Tax Act, '93 perhaps.

Mr. Hardin. No, the Supreme Court ruled within a year that no testimony could be taken.

Mr. Corbin. Assuming that's true, that no testimony can be taken in the Supreme Court, that's practically what the Chief Justice held in 20 Vroom. He said this: we took up several volumes of testimony taken before a Supreme Court Commissioner which the Board of Assessors had never seen at all; he said that was the proper place to present that testimony,—before them, not us and they should pass upon this in the first instance and it is only when they make a wrong decision upon that record

that you must come up to the Supreme Court and you must come up with the same record. Take the testimony there, if they decide wrong, the Supreme Court has a right to pass upon the facts; the Court of Appeals cannot; when you come to the Supreme Court that's a last resort on facts. We have a right to review your facts somewhere,—we can only do it by getting the evidence in. I am trying to get in here, for I can get in nowhere else, the facts. Counsel has entirely misconceived what I was driving at—and I cannot give at the outset all I have in my mind—I assume from the first answer Mr. Hendrickson gave me, that the Board has not personally inspected all this property these parcels of outlying property of second class, with the idea of finding the value. How then have they arrived at it? Why, their obvious answer would be by your returns as to quantities largely although we have corrected those by our surveyors and by our agents who have gone and who have made for us values. At the very outset of this you stated this; in fact you gave us copies of these field books, I will call them for want of a better name, and which are the returns made to you as I understand by your field men or your agents in the field, first main stem, second a book here of second class property. Of course you were not precluded by that but you took that and in most of the railroads which we represent you made your assessment double what they have returned as the value of the land in the main stem.

Mr. Hendrickson. I don't think I stated what you said then. I think you have misquoted it.

Mr. Corbin. You said you hadn't been over them.

Mr. Hendrickson. I said I had and that Dr. Bogardus had been over them.

Mr. Record. State that point accurately that return was the assessed value of the adjoining property; that's all they return.

Mr. Corbin. But what they assessed will show by the books in your office whatever that may be, and you made a certain multiple of that and applied it to the other. Now what I want is, and what, when I began the Board said I should have the right to raise, but which I find very great obstacles to my attempt to raise, is this question of your informing yourselves in that way,—which I am not now questioning at all the propriety of,—and then assessing in that way by the application of a multiple of anything you please. I want to raise before the Supreme Court the question of the validity of that principle and that action. That is a legal question and I certainly, it seems to me, have a right to produce that in the record some way. It was suggested by the Board that by the stipulation we get on the record what we wanted with respect to that, but we haven't been able to get it in that way.

Mr. Record. Now, that raises the old question. Why not put our minds on it? I want you to get your chance, but I don't want this thing handled in such a way that it isn't put before the court the way it should be. Here are four of us,—see if we cannot agree on a statement.

Mr. Fort. Now I want to make a suggestion here. I have heard Mr. Corbin and I want to see this thing done in the right way; but it cannot be done by taking the testimony of the individual commissioners and comply with the practice required by the Supreme Court. You might have four different returns if you allow that. When they got their Certiorari if they ask for a rule directing the Board to certify the principle on which they made that assessment and if they add any multiple to it as contradistinguished from the value of the land adjoining they can ask that question of you and that return is conclusive upon the Board and the Court will accept it. They never take testimony in a superior court of an inferior officer. If a justice of the peace is appealed from or a judge of the Common Pleas and a proceeding in certiorari taken to review his judgment, or if a District Court judge is appealed from or a proceeding in certiorari taken to review his judgment under the statutes, they don't allow you to call the justice of the peace, the Common Pleas judge, the inferior tribunal, but they require them to certify in answer to their question, what they did and how they did it; then you have the certificate of all the tribunals. If you have five judges, or five commissioners of assessment or anything else, whose proceedings are reviewed, you certify in answer to a rule of the Supreme Court how it was done; then you get the combined opinion, in one result of what was done by the Board. Now, that's what you want here.

Now, I want it done in the way this Board should have it done. Now, Mr. Corbin repre-

sented this Board in 1884; he knows perfectly well that the Board refused to testify, the individual men. Mr. McDermott was called on the stand just as he has called Mr. Hendrickson and he refused to testify. Nobody has ever questioned from that day to now, the right of a member of this Board to refuse to testify as to how he reached his result. I think the Commissioners here should do just exactly that. I have heard what Mr. Corbin says; you gentlemen have said "Call us." He is right; you have said it in my presence. That would be a very grave mistake if you allow yourselves to be put in that position in the Supreme Court because Dr. Bogardus may testify one thing, Mr. Hendrickson another, Mr. Record another, Mr. Halsey another.

Mr. Record. You certainly would.

Mr. Fort. In that case the only way the Supreme Court is to know what you have done, is for you to certify to a return which you must make.

Mr. Corbin. The difference between the Governor and myself is,—if I have a case pending before Judge Swayze and he knows certain facts, I have a right to call him off the bench and put him on the witness stand. I have a right to disclose his knowledge of the facts.

Mr. Fort. You want to say you can call Justice Swayze to testify as to the principle on which he is deciding his case,—you wouldn't call him to testify the state of his mind, but if Mr. Justice Swayze was trying a homicide case and you knew he saw some of it, you could call him as a witness.

Mr. Corbin. Exactly; I would say, "Mr. Swayze, you saw this shot fired?"

Mr. Record. What I am trying to do is get you in a position where this can be reviewed. Now, I want also to be very careful that we get so that what we have done is right. Now, Mr. Corbin, as a matter of fact, here are four men and each man has done something different. For instance this property of yours, I think is valued at about one-third or one-fourth or one-fifth of its value.

Mr. Corbin. Why not say one-tenth?

Mr. Record. I think you will be in court within five years swearing it at ten times the value.

Mr. Corbin. You mean this Erie? That is madness.

Mr. Record. It isn't because that's where you are coming to under the rate business in this country.

Mr. Corbin. When that comes, the terminal won't be in New Jersey any longer.

Mr. Record. I am trying to get at a way to help you out because I want you to have the right to review this. Here's what appeals to me as I get thinking it out. Here is assessment; it don't represent my judgment of what the value is; I think it is worth much more than the assessment; Mr. Halsey perhaps thinks it assessed too much. We differ about that. We finally come together, balancing here and yielding here and finally put an assessment on it.

Mr. Corbin. Suppose that is in fact twice too high, how much am I to review it?

Mr. Record. All you are trying to do now is to get before the Court the question of whether or not property in a certain shape can be valued for this purpose or can be valued by this Board at any higher rate of valuation than that of the adjoining property. Now that's awfully simple. We give you a statement that the property in the main stem is higher,—the value that we have put upon it is higher than the adjoining property values per square foot. That is the fact and that's what you want.

Mr. Williams. What we got is a long statement with a preamble—

Mr. Fort. That hasn't been presented to you at all only to look at.

Mr. Record. Now, that's the fact. Now we have presented to you our theory of a stipulation. You come back at us with your theory of a stipulation. Let's see if we cannot get together on that in such a way that you can raise your point.

Mr. Corbin. The stipulation, it seems to me, is in the form of a certificate by the Board, several pages almost of quotations from decisions by the Courts. It would be like putting me on the stand and asking me whether I practiced law properly. I would certify that I observed the rules of evidence strictly. Now, that settles that. I certify it, I have never lost my dignity and become angry in court, never lost my patience. That settles that. That's my principle on which I act, to keep my patience and keep my dignity. That settles that. Now, I go on and state my Christian principles. That settles that. Lord bless us. You have

tried to certify what an ideal assessment should be. I hope you have. Hope you have made it.

Mr. Record. Supposing you take the last four lines of that stipulation. Would that satisfy you?

Mr. Corbin. I would like to look at it. As I recall that, it is practically this, that comparing values which you have put upon the main stem with the values of parcels in the vicinity not taxable by the Board, in their several forms and shapes, odds and ends and every way, your valuation on the whole is on the average 75% higher than the valuation of that alongside.

Mr. Record. Isn't that the fact?

Mr. Corbin. I don't think so, but assuming it's the fact, it doesn't touch the question of principle. It leaves the question of value untouched. I want what really happened. I am going to offer this book whether you accept it or not.

Mr. Fort. I don't see how it can go in.

Mr. Corbin. Whether it is lawful or not, I am not now maintaining, but what has really happened is this. You have sent your agents, —and I am not questioning whether you have good ones,—to the ends of the State. Before me for instance is Bergen County Railroad. They have by going there and seeing the assessors and seeing real estate agents and making inquiries,—your agents have put down here the number of square feet of each of these parcels, number of acres, estimated value per square foot and appraised value thereof.

Now, that they have laid before you as your field book and information and as a matter of plain truth, in some of these cases you have simply doubted them and your assessment is double that. Now, I want that fact, that's all. This is the value, made up by the best information you could get, as compared with adjacent values there.

Mr. Hendrickson. How does that value in there compare with your valuation of it?

Mr. Corbin. I think it is high enough. But this is another thing I want to raise in the argument that in doing that you have taken the adventitious values, the damaged values by cutting and all that, and all sorts of additional values which are costs necessary to encounter if you are going to buy a railroad line, and you have said that will double it. I say all those things don't go into the value of the land, but if they exist—and for the sake of argument I will concede that they exist—they go into the ultimate value of the property which is franchise value; that's one of the arguments I want to make.

Mr. Record. Can't you make it on my theory?

Mr. Corbin. Your stipulation, as put to me, makes no sort of concession as I see it. You emphasize very greatly the fact that your land is in one kind of strip and the other land is in all sorts of places.

Mr. Hendrickson. There isn't any doubt about the shape of the strip, is there?

Mr. Corbin. No, but you bear upon the fact that the other may be in all sorts of inconvenient strips.

Mr. Record. That's a fact; now there's where you fall down on your statement of the fact. Our agents come in with some information in a column which says appraised value. We say to them "How did you put your yard stick to that fact?" Our yard stick is the adjoining value." All right. Then we proceed to put our minds on it and we say that the adjoining value is not the sole thing to be considered. Now that fact appears by your proving the fact that the value which is now placed on this main stem strip is in excess by a certain percentage of the immediately adjoining land as shown by sales. Now, just listen to me, now if that is a fact and we have assessed that higher then if your contention is right we have plainly made a mistake. If the adjoining property value is the true measure, once you have got the fact before the Court that we are higher than the adjoining value, you have got all you need to argue.

Mr. Corbin. I am not quite sure of that.

Mr. Record. I am sure of that.

Mr. Corbin. Your stipulation seemed to me framed exactly to fall in with the decision of the Chief Justice in 20 Vroom. He says we all know that in buying a strip through property we have to pay more in cutting the properties. If you had said that as he put it, that by reason of the cutting of properties, and the damage to properties which remain we estimate that this property has cost 75% more than it would have cost to buy an equal acerage in the plottage in which we find it. Then the question is raised to review the correctness of his decision. But you don't say that. How-

ever, the question is whether these damaged values should be added to the true values.

Mr. Record. You have never grasped this point yet; there is something there that is deeper than you think. The cost of reproduction may or may not be a measure of value.

Mr. Corbin. That's true.

Mr. Record. Now, we start with that proposition; we start with the information from our employees that while property is only worth $50 adjoining, to reproduce this peculiar strip would cost $100. Now we start with that proposition. Now with some railroads in this state we say plainly that the cost of reproduction isn't too high; in other railroads we say plainly that the cost of reproduction isn't too high and we bring in other elements of value to arrive at that proposition that you ignore.

Mr. Corbin. I don't know what you mean by that.

Mr. Record. I mean by that this: I want you to get this where you can have it reviewed. I say all property is not worth what it is valued by assessors; nor can it all be valued on the principle of reproduction value. Now, I took up before the State Board of Taxation this watch factory property out here; it had lain idle five years; they had it assessed at its reproduction value. I said that is ordinarily the sound rule but this property has lain idle for five years, couldn't get a tenant. It is obvious therefore that that property isn't worth what it would cost to reproduce it but if it had been a bustling factory for five years, I couldn't have made that plea for exception. Now, if you have a road jam full from morn-

ing till night and has every appearance of prosperity and success, then you haven't set up any reason to my mind why you should escape from the universal rule of the cost of reproduction which is applied to every other tax payer in the country.

Mr. Corbin. You haven't certified that at all.

Mr. Record. We haven't certified to anything.

Mr. Record. In our stipulation what we have done is we have considered every possible measure. You have considered what the thing would bring for cabbages; we have considered that too low. We have considered every element; now we have considered also the fact that you are a prosperous railroad and as I have told you, some of these men—George Gould builds his terminal into Pittsburg,—it obviously isn't worth as much as it cost; the Pennsylvania Railroad built its big terminal in New York; it obviously isn't worth what it cost. They haven't worked out. Then our rule doesn't apply but in your four big roads where you have got a successful road in active use, we have gotten as the facts show, something like 75% on an average that we give you the benefit of the fact in our statement that on an average the value there is, as we have found it, more than the adjoining value and you can go into Court and you can argue that the adjoining value is the only yard stick.

Mr. Corbin. I want to get in why it is worth more.

Mr. Record. Because it costs more to reproduce it, my answer to it.

Mr. Corbin. If that's all the element—

Mr. Record. That isn't all the element because it costs more to reproduce it and because it is obvious that it is in full efficient use.

Mr. Fort. For a much more valuable use.

Mr. Record. Yes, and is put to a use which we have no measurement of. You will never get anywhere in the world if this thing is fought out right unless you come in and show the Court that the railroad use is less valuable than the cabbage use.

Mr. Corbin. I think the Board ought to give us a fair opportunity and assist us in raising these questions fairly. You say as it comes now, when I go to the Supreme Court you have a right to exercise your judgment about it. I put in all the experts I can find in the state; they all differ, they all say you are too high. We cannot sell the property—

Mr. Record. For what use?

Mr. Corbin. Any use. This is the point as you attempt to refuse us the opportunity to get in evidence and prove your way. We know that you haven't considered all these things in considering the value; you haven't even seen the property. No such duty comes on you perhaps to go there. Here is the point; your judgment is set up as evidence; we put in some more evidence. Therefore you can go on in your judgment year after year piling up value until you can ruin any property. And you have ruined some. Now that's administrative justice but that isn't common law and we have a right to show the things so the Court can pass on them; they have a right to review you

in facts and your conclusions of law as well. I want to show just what you did. There ain't any doubt what you did; when we come to prove it your counsel scare you off.

Mr. Record. I am asking you to answer me why my proposition doesn't state what we did? What I say we did is value this property at a higher rate than the adjoining property which is the fact, isn't it?

A It is in some cases.

Q You claim, don't you, that the selling value of the adjoining property is the actual true measure?

Mr. Corbin. Not necessarily.

Mr. Record. What is the true measure?

Mr. Corbin. The immediate selling value is a very important element, chief element.

Mr. Record. What is your yard stick, if there is any?

Mr. Corbin. There is no yard stick; the element of judgment has to come in it in the end.

Mr. Record. How would you arrive at the value of main stem through a farm?

Mr. Corbin. In the first place I would not value the land—I would value it at the selling value of land adjoining. I would do the same in that second class property. Now, when I come to ascertain the entire value of that railroad and all other values and adventitious values and everything else which go up and down with foreclosures and fortunes and misfortunes, I would get in that last class all the value there was but I wouldn't go on setting up fictitious values.

Mr. Record. See how much we give you your rope and how you have everything you want. We say we don't do it the way you think it ought to be done. We say we have taken a 1000 ft. strip of bare land and have valued it at an excess price over the adjoining land.

Mr. Corbin. I think I had better go on with the questions.

Mr. Fort. I hope the commissioner will refuse to answer and I will consent that you go and get an application to force him to answer. You have got a lot of records here which never should have been given to you by the Secretary of this Board; they are not records of this Board. Everything Mr. Hansel has done is outside the records of this Board. Now, it was not intended that Mr. Hansel was intended to be in the Board by the act which I signed, nor the supplemental act; he was simply authorized to do this work under your direction. Now his records are in evidence. If they want Mr. Hansel, call him; he will swear exactly what you want; he will go on the stand. Now, I insist that it isn't fair,—you cannot find any authority for a sworn officer who has to exercise judgment, being called as a witness to show how he exercises that judgment. Now, you are a sworn official. Nobody knows that better than counsel on the other side.

(Question Repeated).

A I decline to answer the question or to stand for further examination as a member of the Board.

Q Did you inspect any of the Erie Railroad property for the purpose of making the assessment of the year 1911?

Mr. Fort. I submit that Mr. Hendrickson should leave the stand and refuse to proceed any further. It is just simply a farce and because you gentlemen happen to be laymen, it isn't the thing for a distinguished member of the bar like Mr. Corbin to go on in this manner.

(Question repeated).

Mr. Hendrickson. I will ask the stenographer to repeat my last answer.

(Answer repeated).

Mr. Corbin. You mean you won't answer any further questions of any kind?

Mr. Hardin. I object to that.

A It depends on the subject matter, so far as relevant to this hearing I would say yes; so far as the questions are relevant to this examination I would say yes.

Q That is you will answer them? A I will not answer them.

Mr. Record. You don't mean that? You mean so far as they are relevant?

The Witness. No, I mean that any questions with regard to the matter under investigation here I will not answer.

Mr. Corbin. I will ask you one or two more.

Q Did your Board authorize Charles Hansel and certain other employees to examine in detail the land of the railroad company and to make an estimate and appraisement for your use of the several parcels of land in main stem or in second class property? A An Act of the Legislature was passed directing a re-appraisement to be made and Mr. Hansel was appointed by the then Governor of the State and so far as the Board of which I

am a member was able we facilitated his work; his report under the act was to come in for the benefit and use of our Board as well as other departments of the State Government. We used it wherever we could. Used it in making these appraisements this year, but our assessment is not a copy of that revaluation.

Q You mean to say that the valuation which he made in 1911 was not made in connection with your Board but under some statute or other law?

Mr. Fort. Yes, it is perfectly clear; here is the statute which explains exactly what it is.

Mr. Corbin. Yes, but Mr. Hansel has explained under oath—

Mr. Fort. He doesn't bind this board.

Mr. Corbin. You put him on the stand as your witness.

Mr. Record. Consider this point a minute. Mr. Hendrickson, nor I nor any other man can testify as to what this Board did; that's a matter of record, what it did; it seems to me you should produce the record. I don't think any man can actually state what we have actually done with Mr. Hansel.

By Mr. Corbin.

Q Didn't Mr. Hansel and his assistants lay before the Board their books of values entitled Railroad and Canal Revaluations Second Class 1911 and a similar book Main Stem? A I don't remember the labels. I know we have an enormous amount of schedules inventories and appraised values made by him or his assistants.

Q Is this book produced by your Secretary at this time one of these books? It is entitled Erie

Railroad System Land Second Class? A I have no doubt of the authenticity of this book.

Mr Fort. I object; that book was not produced by the Secretary of this Board; that book was produced here by Mr. Hansel.

A But I don't believe that book in the shape in which it is bound up here gathered together ever came to our board because the ones we had were separate sheets.

Q Look at the one before you now, Main Stem Erie Railroad. The same is true of that is it? A I could hardly recognize it myself. If Mr. Brophy said that was the book I would say yes. We have similar sheets.

Q In this book I see that the total valuation of New York and Greenwood Lake under head of appraised value is $420,679 and the State Board of Assessors valuation on the same property for 1911 is $841,358. Was not that valuation by the State Board arrived at by doubling the figures furnished by Mr. Hansel? A I should say to that no.

Q You think it a mere coincidence that the figures are exactly double? A No, the figures are exactly—

Mr. Hardin. I want it understood I am objecting to this.

A The process by which the Board arrived at is entirely different from the one you suggest in your question.

Mr. Record. Why not let's have this thing settled.

Mr. Fort. If you don't want to go on—

Mr. Record. My vote here is to follow advice of counsel.

Mr. Hardin. I want to go on record, that this record shall go to the Court protested against as to any member of the Board testifying and it was on this protest if they do not testify that they refused to testify. I want to take the responsibility for it.

Q In the case of the New Jersey and New York Railroad I find the appraised value stated at $109,853 and in the assessment of the State Board of Assessors on the same property $219,706.

Mr. Hardin. I object to this.

Q Which is exactly double.

Mr. Hardin. I object to this question.

Q Was not that assessed valuation by the State Board of Assessors fixed by doubling the valuation returned by Mr. Hansel?

Mr. Hardin. I object to this question and object to the witness' answering it because the record read from is no record of this Board and is a mere paper that is supposed to have been returned and which he suggested to have returned to Mr. Hansel who is not a member of this Board and whose findings, statements or valuations in no way bind this Board under any circumstances.

Mr. Record. I think the way we will have this record made up if you lawyers agree, Mr. Corbin asks the question, counsel object and the Board will pass on the objection as to that question and the ruling of the Board is that the question is excluded.

A I decline to answer it under the direction of counsel.

Mr. Corbin. I don't want to waste time.

Mr. Record. State your questions each time.

The Witness. I am not going to stand for any more questions until the matter can be brought before the Court.

Q Mr. Hendrickson, I had intended to ask you similar questions with regard to each of the Railroads of the Erie System for 1911. Is it your intention to decline to answer each one? A Yes, sir.

Q I desire to ask the same question with regard to the New York, Susquehanna & Western; do you decline to answer? A I intend to follow the same course.

Q Is not the information obtained by the Board in assessing these lands of the Erie Railroad system such as has been obtained by the work of your engineers and assistants and their reports?

Mr. Hardin. That's objected to.

Q And not by a personal investigation of the values?

Mr. Hardin. That's objected to as entirely immaterial and incompetent. The issue here is an appeal from the assessment that has already been made by this Board. The appeal is on the ground that the assessment is excessive. Even if the information came from sources which might not be approved by counsel, unless the information resulted in excessive valuation its source would be entirely immaterial. That question in no way involves values.

Objection sustained.

A I decline to answer the question.

Complainant excepts because the ruling and refusal are not lawful.

Q Have not your values been based upon the returns of the companies and the information furnished by subordinates without any inspection by the Board to ascertain values?

Mr. Hardin. Objected to.

Same ruling.

A I decline to answer.

Complainant excepts because the ruling and refusal are not lawful.

Q In the matter of the main stem of the different lines of the Erie Railroad system has not the Board in most cases merely doubled the summary of value supplied to you under the head of appraised value by your engineers and assistants?

Objected to.

Same ruling.

A I decline to answer.

Complainant excepts because the ruling and refusal are not lawful.

Q Did you not in every case of the Erie Railroad case either double or by some other figure multiply the appraised value so returned by your employees?

Objected to.

Same ruling.

A Decline to answer.

Complainant excepts because the ruling and refusal are not lawful.

Q In the case of the terminals on the Hudson River assessed to the Long Dock Company did you not take the appraised values so returned by your employees and increase them by an arbitrary addition or multiplication of some percentage?

Objected to.

Same ruling.

A I decline to answer.

Complainant excepts because the ruling and refusal are not lawful.

Q In what way did the Board proceed to inform itself of the values of main stem and second class property?

Objected to.

A I decline to answer.

Complainant excepts because the ruling and refusal are not legal.

Mr. Corbin. Mr. Chairman, I don't know about the practice before the Board. I want to make an exception to all the refusals to answer.

Mr. Record. Put anything you want on the record.

Mr. Fort. I think it fair that Mr. Corbin should have a right to take an exception; it is understood there is no objection on it.

Mr. Corbin. With the permission of the Board I will ask the stenographer after every ruling on a question and every refusal to answer to enter these words: Complainant excepts because the ruling and refusal are unlawful.

Adjourned to Tuesday, February 13, 1912, at 2 o'clock.

Testimony, February 13, 1912.

CHARLES HANSEL, called and sworn in all the cases of the Erie system, testified as follows:

Direct examination by Mr. Corbin.

Q Mr. Hansel, you are an engineer? A Yes, sir.

Q And have been the expert for the State in the matter of re-valuation of railroad properties, have you, for the last year or two? A Yes, sir.

Q And also valuing,—making values for the assistant of the State Board of Assessors? A Yes, sir.

Q And have you valued the railroads of the Erie system? A Yes, sir.

Q Have you valued the structures? A Yes, sir.

Q And the land? A And the land.

Q Made a detailed examination, have you, of these properties? A Yes, sir.

Q You have also made a valuation and report, transmitted to the legislature under your appointment as special expert, have you not? A Yes, sir.

Q That is not yet in print, is it? A It is in the hands of the printer.

Q But not yet issued? A It is not issued, no.

Q You have handed me a book, bound volume of typewritten sheets, entitled Erie Railroad System Land First Class, Main Stem, 1911. What does this book contain? A It contains a description of the various items of land, together with the area and value of same.

Q This is value made up by whom, whose value? A Value made up by me and my assistants under my direction.

Q This colmun marked Appraised Value, is that your appraised value of the land? A It is.

Q And how did you arrive at that, Mr. Hansel, what were your methods of coming at the value? A Briefly, it was intended to be the value of the land for any reasonable purpose. The determination of the value varied under different conditions; we took into consideration all the elements that we could discover to decide what the normal value of the land would be, regardless of its use for the railroad purpose.

Q But what elements, for instance, did you take into consideration? A Well, in the first place, our engineers were instructed to show in their field books the nature of the land on either side of the railroad, describing it as cultivated, swampy, timber or barren land and without any estimate of value upon their part, this description was intended to guide us to some degree in determining the value of the land on either side of the roadbed. Then we had the assessed value of the land on either side. We also had opinions from various individuals, familiar with the—said to be familiar with the going price of land, and it was such an estimate as I would make to express the normal value of the land if I were employed to report upon the cost of construction. The value, however, of the land, would not include the element of forced purchase or abuttal damage, but was only intended to be the normal value of such land for any purpose to which it would reasonably be applied.

Q And by value you mean selling value, I suppose, merchantable value? A That term is not definite in my mind.

Q In making up these values did you add something to the value of land for engineer,—

railroad engineering? A Yes—on main stem are you now discussing only?

Q Yes, main stem. A I added something to it, yes.

Q You do? A I added for engineering and interest 7 per cent.

Q So that this column Appraised Value for each parcel of land, includes 7 per cent. added for engineering. A The total does; the individual items do not, in order to save effort.

Q The individual items then show your value of the land? A Yes, without 7 per cent.

Q What was the idea of adding 7 per cent. to the value of the land, Mr. Hansel? A In order to adopt—to apply to everything—had we only added engineering to the items of bridges and buildings it would have been a higher per cent. than we used there; and then there is, of course, some engineering—some supervision necessary, and indeed the survey of the route itself is included in the value of the land.

Q Have you added 7 per cent. also to the cost of the track, the bridges and the construction? A Everything but the track, and it was estimated as a constant. Our report shows exactly how we determined the value of the track.

Q But as to all other items which go to make up the railroad, you added 7 per cent. for the item of engineering, did you? A Except on second class land; we didn't add either interest or engineering to second class land—only the main stem—to cover the survey cost of the line and the engineering that would ordinarily follow the acquisition of parcels of land for the main stem.

Q So instead of adding all the cost of engineering to the items of construction, you have added it to the land as well? A The item, as I said,

of the cost of the survey; oftentimes it is necessary to survey several different routes; that may cost a great many thousands of dollars and does generally and finally one route is determined upon but all the cost of all the other surveys that have been of benefit to this particular case have to be charged to that case. According to the Interstate Commerce classification, all sorts of things—legal fees—are apprehended in that—in engineering. I used the term engineering in a broad sense there; I could have itemized it and said administration, legal, and so on, but I did not; I intended the term to be comprehensive of every administration expense.

Q In your statement you have also put an estimate of the value per square foot or acre, have you not? A Yes.

Q As well as a summary of the total parcels? A Yes.

Q And you have treated each taxing district by itself, have you not, as a rule? A We did, generally, yes, sir, on the land; we were not asked to do that, but we didn't know but what it might be valuable some time to the State to have it in that shape.

Q Did you lay these books before the State Board of Assessors when your work was completed? A I did.

Q When was that? A At different times during the year 1911, as I finished a book I forwarded it.

Q I refer you, in this book which you produce, first to the Arlington Railroad, Hudson County, Town of Kearny; that road lies entirely in the Town of Kearny, does it not? A I believe so, yes.

Q I note this item, Hudson County, Town of Kearny. Appraised value, $2,274. Add engineering and interest 7 per cent., $160. Total, $2.434. That, then, is you estimate of the value of the land in the main stem of that company, is it? A It is.

Mr. Corbin. I was going over this, Mr. Chairman, with two or three of them, to show the method. I should think I could put the book in for all of them, but I thought first I would show what I was really offering.

Mr. Record. Just put the whole book in; then you can comment on any part of it you want.

Q I will take the second one, Bergen County Railroad, which seems to be in several of the Boroughs and Townships of Bergen County.

Mr. Hardin. Main stem?

Mr. Record. Yes, main stem.

Q You have valued the land in each taxing district separately, have you not? A Yes, sir.

Q And made a summary of it? A Yes, sir.

Q Adding to the summary the 7 per cent? A Yes, sir.

Q That makes the total of the land in that railroad line $47,504? A Yes, sir.

Q And to go with the Bergen County Railroad a little further beyond the summary, I find the item under Rutherford Junction to Carlstadt—I see you have 4.160 acres; your estimate there was $2,500 per acre, was it not? A Yes, sir.

Q Making the total valuation for that acreage $10,400? A Yes, sir.

Q And you followed this same method of dealing throughout all these valuations, have you not? A Yes, sir.

Q Of the Erie system? A Yes, sir.

Q And you have for each railroad, first a summary sheet, have you not, to which you have added your 7 per cent. in one single item? A Yes, sir.

Q Then you follow it with a more detailed sheet of each taxing district, is it not so? A Yes, sir

Mr. Corbin. I offer the book in evidence and I don't know as it is necessary to mark the Board's records, but I ask it to be designated by the title Erie R. R. system land first class main stem, 1911.

Q On the first page of it, to which I now particularly call attention, is this heading, "Recapitulation of land Erie Railroad system, Jan. 1, 1911, containing an enumeration of all the railroads and first class property carried out and totalled at $3,919,695, signed Charles Hansel, Expert in Charge Railroad and Canal revaluation.

Mr. Corbin. For convenience, I ask that the stenographer copy that recapitulation page right into the record.

(Attached at the end of this testimony).

Q Now, have you a book of the second class of the Erie Railroad system, land second class? A Yes, sir.

Q This book that you have produced, Mr. Hansel, is labelled July 25, 1911, Erie Railroad system land second class, 1911. In valuing this second class land or the land used for railroad purposes other than main stem, did you follow the same method in arriving at the estimate of value? A All except tide water terminals.

Q And I think you said you omitted the 7 per cent.? A Yes, I was going to say.

Q Now, as to tide water terminals, what difference— A In all second class land other than tide water terminals we endeavored to determine the value of the land,—the normal value of the land for any reasonable purpose, and then in the item of graduation under another book we showed the value of the graduation on the tide water terminals; we were unable to determine the old natural surface of the land, and we incorporated in the value all of the graduation, and there is, therefore, no item of graduation appearing against the tide water terminals.

Q You assumed that it was up to fair grade in valuing it, did you? A Well, I knew that we could not determine the graduation, and we therefore took the property as it was, as if it was the original surface of the land. Then we—

Q Excuse me; as a matter of fact you found the tide water terminals all fair grade, didn't you, a few feet above the water? A Yes.

Mr. Hardin. Is that strictly true? Some of them are covered with planking.

The Witness. Down to the bulkhead line if I understood you correctly, it is filled, with general uniform surface.

Q And a few feet above tide water? A Yes.

Q And whether that is brought to that level by its natural state or by artificial filling, you value it the same in either case, didn't you, valued it as you found it? A Valued it as I found it, assuming that the surface we found today was the surface given by nature.

Q Proceed, Mr. Hansel. A The terminal land was valued by taking that part of the terminal north of Pavonia Avenue and planning on it a system of piers, warehouses and factories, and we

divided up that tract into different areas—into four different parcels, in fact, the total of which was 64.772 acres, at an average of $49,600 an acre. South of Pavonia Avenue the strip known as the ferry slip, 130 feet wide and extending from the bulkhead up Pavonia Avenue to the pier line some 700 feet, has been taken at the same rate per acre as the land for piers in the main body of the terminal, north of Pavonia Avenue, that is at $46,330 per acre. The strip of land immediately south of this slip, which we understood has not heretofore been assessed by the Board, containing 2.498 acres and extending between the bulkhead and the pier, has been taken at the same rate of $46,330, and the land on Pavonia Avenue, for a distance of 1,200 feet, has a water front valuable wharfage, and this strip of land on Pavonia Avenue, has been estimated as follows: 16 lots at the rate of $8,200 a lot.

Q That's a lot of 25 x 100 feet? A Yes. Well, it is a lot extending to the water line of the Basin there from Pavonia Avenue to the water line.

Q As the water line now is?

The Witness. How much is that, Mr. Focht, do you remember?

Mr. Focht. What's that?

The Witness. That strip between Pavonia Avenue and the Basin, that's over 200 feet, isn't it?

Mr. Corbin. To the basin as it is now.

Mr. Focht. One hundred and some feet; you mean from the end of the ferry?

The Witness. Yes.

Mr. Focht. A little over 100 feet.

A Well, whatever it was, we took it, assuming that it was sold in lots.

Q You valued it at $8,000 for every 25 feet of front? A Yes, and 32 lots at the rate of $8,000 per lot, and 36 lots at $5,000 a lot, these $5,000 lots having no water frontage. The balance of the area south of the lots on Pavonia Avenue has been taken as acreage. First piece east of Provost, average depth of 160x390 feet in width, at $40,000 an acre. Second piece has been taken at 650x390 feet, at $50,000 an acre. The summary of these various divisions amounts to $1,162,489.

Q That's the part south of Pavonia Avenue? A And the total area included is 20.714 acres. The appraised value averages about $5,000 an acre, which includes all the area to the pier head—

Q That's south of Pavonia Avenue? A Yes.

Q Now, you said that the area north of Pavonia Avenue you divided into 4 parcels. Please describe the four, or show where the lines of division are. A Well, I can only describe them by acres here. I can describe them by acres.

Q Very well. A The first parcel being 25 acres of land for piers.

Q That goes to the pier head line, I suppose, does it not? A Yes.

Q And runs back perhaps to the bulkhead line? A Beyond it, in order to construct a pier that would be feasible to use.

Q And how much beyond it did you allow? A It varies, because the bulkhead line and the pier head line are not parallel.

Q But can you tell me about how much? A I did so many of these that I cannot quite recall how far it was back.

Q I won't bother you on that now. Then the next parcel? A Do you want the acreage? There

is 25 acres at a total of $1,158,250. The second was an area of 13.75 for warehouses, $60,000 an acre, total $825,000. The third parcel was 19 acres for lots or factory sites, high class factory sites, similar to the Bush Terminal, at $50,000 an acre, $950,000. The fourth and last was 7.0222 of the same character, but at a less value, $40,000 an acre, or $280,880, making a total of 64,772 acres and a total value of $3,214,130, which was taken afterwards at even figures at $49,600 an acre for the whole area.

Q Mr. Hansel, why did you divide this parcel into four parcels, for the purpose of valuation, and why did you make these assumptions with regard to piers on part and warehouses on part, and factories on part? A I am unable to determine the value of any terminal for railroad purposes. I have felt there is no value that the railroads could properly place, if they intend to continue business. I, therefore, couldn't satisfy my own mind that any body knew the value of railroad terminals,—tide water terminals as such. I considered that the next highest reasonable use for that land would be for piers, warehouses and factories, and I therefore assumed that I had that tract of land to show a prospective buyer what he could afford to pay for it for that use. I considered that it wasn't suitable for banks or opera house or other uses, except some such use as piers and warehouses and factory sites.

Q And shipping at the front, I suppose? A Yes.

Q Well, you say you couldn't value it for railroad purposes, and what it was worth to the railroad; what you mean is a terminal is indispensable to the railroad, isn't that it? A Why, I considered the first factor in the construction of a railroad— I may say that I was asked by a firm in New York

if I could give them an estimate as to the cost of a double-track railroad from New York to Chicago. I told them that I could, perhaps, if I surveyed it, but anything short of that would be folly, but I said if they were contemplating such a project they should have $100,000 for every mile of road between New York and Chicago, which is practically 1,000 miles, in order to produce terminals as far down as 42d Street in New York City; in addition to that they would have to consider the terminals at every other point on the line and in Chicago, that $100,000 a mile for terminals would be a necessary factor in the beginning. I freely confess that I don't know how much terminals are worth for railroad use, because there is no value that they themselves can allocate to them except as they do arbitrarily by an arbitrator.

Q Indispensable to a railroad, aren't they? A I think so.

Q Well, the bridge across the Hackensack is just as indispensable to a railroad, isn't it? A You can say that every foot of railroad is just as valuable as every other foot of railroad, as far as the traveller is concerned.

Q But the continuity of the line is absolutely indispensable? A Absolutely.

Q So when General Sherman blew up one tunnel he destroyed the railroad just as much as if he tore up the whole road? A I don't know, he may have built a shoo fly. That is a term commonly used; that wasn't used in any way of airiness at all; a shoo fly is a term to go around an obstacle, and I guess Sherman could do that as well as anybody.

Q But when you say that you couldn't value it for railroad purposes, why cannot you value it for railroad purposes, as well as for steamship pur-

poses? A Why, because I have no means of knowing what income could be produced from that.

Q That is, what part of the income of the company to allot to that, that's about the size of it. A That's it. I would like to know the man who can.

Q There is no expert who can come and tell us that, is there? A I don't know anybody.

Q But when you come to the item of indispensability, that's just as applicable to every bridge and every mile of the road, isn't it, as it is to the terminal? A In the sense of continuity, it is, but terminals aren't as easy to duplicate as different variations in the line of road. I might destroy a bridge and build another one right along side of it.

Q Well, the use which you have chosen, that is of steamship docks with warehouses behind and high class factories back of that, is a similar use to the Bush Terminal development in Brooklyn, isn't it? A Yes, there is—there may be a higher use, but I don't know it.

Q Unless the railroad use is higher, you don't know anything higher for that, do you? A No, I don't say that there is or isn't. I felt that it was a reasonable use. That's what I wanted to impress.

Q Well, did you make inquiry as to the selling value of the land adjoining or adjacent? A No, sir.

Q You based your value then, upon what you thought the property was reasonably worth if developed in this way that you have described? A Yes, sir. I treated the subject in every case as if I had a client who had come to me to ask me how much he could afford to pay for that land for such development, and I would say that he couldn't afford to pay any more than that for that development.

Q Now, as to the Erie lands at the Weehawken Terminal there; did you make a similar valuation? A A similar one, yes.

Q Did you divide that into parcels for the sake of valuing—I see you have one parcel called Excess from easterly side of main stem New Jersey Junction Railroad, to exterior line for piers, 75.084 acres, at $22,500 per acre total, $1,689,390 and then you have another item Excess lying west of main stem, New Jersey Junction Railroad, 10.997 acres, at $22,500, $247,433. Grand total, $1,936,823. You divided that into two parcels, Mr. Hansel, for the purpose of valuation, did you? A Yes, sir.

Q And did you in that case suppose docks and factories, and warehouses? A Well, I took that on a different scale, owing to the facts that the possibilities of development were not as favorable as at the other place,—shallower water there,— a longer channel had to be maintained to deep water, the upland was not as favorable, and altogether I considered that it wasn't suitable for the development (the area being smaller, too) of the other tract, but in general—and I may say in all these cases I want to have it understood that I did not try to discover what any land had been sold for, for the reason that I had before me all the so-called expert testimony for years on these cases, and they had apparently developed every sale, and I thought it was unwise to go over the same ground, and to my mind these sales did not aid me much; they did not reflect the value of that land; sometimes I thought they showed a higher value than it ought to have, and at other points not so high, and I attempted to keep my mind on the point of the value to a client that I was engaged to advise on the subject. That may not have been the proper attitude, but it was my attitude.

Charles Hansel, direct.

Mr. Corbin. I offer in evidence this second book produced, dated July 25, 1911, entitled Erie Railroad System Land, Second Class, and ask that it be designated as an exhibit, and I call attention specially, for convenience, to the first or recapitulation page, entitled Recapitulation of land, Erie R. R. System, Jan. 1, 1911 and I will ask the stenographer with the permission of the Board, to copy that into the record.

(Copy attached to this testimony.)

CHARLES HANSEL, called and sworn in the above matter, testified as follows:

Direct examination by Mr. Corbin.

Q Have you a book with the same data of the New York, Susquehanna and Western Railroad, main stem?

(Witness produces same.)

Mr. Hardin. Part of the same system?

Mr. Corbin. The New York, Susquehanna & Western is a separate system under its own charter, but the majority of its stock is owned by the Erie.

Q You have produced a book here entitled New York, Susquehanna & Western Railroad System, land first class main stem, 1911; does this contain similar data to those you have described in the matter of the Erie Railroad? A It does.

Q And with the same amount of detail? A It does.

Q And your estimate of your appraised value is here in like manner? A It is.

Mr. Corbin. I offer this book in evidence and ask it be designated as an exhibit. And ask

with the permission of the Board that the recapitulation sheet at the beginning of the book be copied into the record, entitled Recapitulation of Land, New York, Susquehanna & Western Railroad, Jan. 1, 1911, First class.

Mr. Hardin. Main stem?

Mr. Corbin. Yes. You might say Main stem; it doesn't say so here, the total whereof is $599,001.

Q Have you a similar book for the second class land of the Susquehanna? A I have.

Witness produces book labelled July 25, 1911. N. Y., Susquehanna & Western Railroad System land, second class, 1911.

Mr. Hansel. I want to call your attention to the fact that those dates are only just the date that they were sent to the office. The estimate is all of Jan. 1, 1911.

Q And does this book, with respect to the second class land of the Susquehanna, go into the details as in the other cases? A It does.

Q And the values are made up in the same manner, are they? A Yes, sir.

Mr. Corbin. I offer this book in evidence, entitled as aforesaid, and ask that the recapitulation sheet at the beginning of the book be copied into the record. Recapitulation of land, N. Y., Susquehanna & Western Railroad System, Jan. 1, 1911. Total, $573,038.

Mr. Hardin. The right to cross examine is reserved in both these cases.

HARRISON WILLIAMS, witness called and sworn in all the cases of the Erie System, and in the N. Y., Susquehanna & Western Railroad Co. case, testified as follows:

Direct examination by Mr. Corbin.

Q What is your position in the Erie Railroad and its associated companies? A General Land Agent and General Tax Agent.

Q And with the New York, Susquehanna & Western do you hold a similar position? A I have the same position with that by separate appointment.

Q How long have you occupied a position in the land office of the Erie Railroad? A Nearly 15 years.

Q And how long have you been their Land & Tax Agent? A Part of that time I have been Tax Agent, part General Tax Agent and part General Land Agent and Tax Agent.

Q What duties have you had with respect to ascertaining the values of land or the acquiring of land for the railroads under your charge? A Part of the time I have been with the road I have actually purchased rights of way myself and for many years have had supervision of the purchase of all right of way or any other land acquired by the Company.

Q Has the Company made many purchases during your administration? A It has; it has constructed several roads.

Q And have your purchases continued on up to the present time? A They have; they are now being made.

Q And for what are these purchases made, whether for new lands or widenings or straightenings or what? A For all those purposes, for ex-

tension of present facilities, for entirely new lines, for the correction of errors in old construction and I should say for almost all railroad purposes.

Q Have you made a special study of this matter of cost of land for railroad purposes? A I have.

Q For how long a time? A During my employment by the Erie Company.

Q Have you kept yourself informed as to values in New Jersey? A I have.

Q What has been your experience, Mr. Williams, as to the cost of acquiring lands for railroad purposes as compared with the selling values of the same land or adjacent lands for other purposes? A It has been very diverse. At times we have been able to get land at materially less than its value to induce us to locate a line; at other times we have bought land and many times at the value of that land in the general market for general purposes; at other times we have been compelled to pay that value and damage to adjoining property of the same owner because of talking the property for railroad purposes.

Q Well, taking your experience as a whole, what is your judgment as to whether you get the land for the fair selling value or whether you have to pay more on the whole? A We have to pay somewhat more not always but as a whole we have to pay more than perhaps would be the case if the purchase were made by a private individual.

Q How much more? A In my judgment it will not exceed 20% of the market value. Of course that is determined very largely by the exact conditions, the territory in which the land is to be acquired, but it is not the usual thing to meet with general hositility on the part of land sellers. There are occasional owners who seek to put an extraordinary price upon their land and hold up the com-

pany of its necessity but in the majority of cases we are able to arrange an amicable settlement at a fair value based on what property in the neighborhood is selling.

Q Where you take a whole lot or a symmetrical slice off the side of a farm so that there is no material injury to the remainder by reason of the shape of your taking, what is your experience as to damages, whether you have to pay special damages? A In such case if no portion of the farm is cut off from the remaining portion, there is seldom consequential damages to pay. In cases where a portion is cut off from the remaining portion there are two courses open to us upon amicable settlement, one is to agree upon the consequential damages to the part cut off or the part separated and that depends on whether we can give them a crossing. The other way is to buy not only the right of way we desire, but also the land cut off and then re-sell so much of the land so bought as we do not require for our purposes to any purchaser we may be able to find. We have done a great deal of that sort of thing in the country proper and have usually been able to find purchasers.

Q Have you found it necessary to make many condemnations to get what you need? A In proportion to the number of purchases no.

Q What is your experience with condemnations, whether you have to pay as much for more than the market value? A We usually have to pay—condemnations more frequently come in cases where there is a disagreement upon the consequential damage to remaining holdings of the owner. Where that question is not involved it is our experience that we do not have to pay largely in excess, if any in excess of the actual market value of the property.

Q Taking your railroad acquisition as a whole in your experience, is the element of consequential damage to the property remaining, a large percentage of the cost of what you have to get? A It varies so that it is almost impossible to give a direct answer; it depends upon the character of the country. For example we have recently been purchasing for a new road through Ridgewood. The consequential damages have been a comparatively small factor. Again at other places where we have constructed, consequential damages have been a considerable factor, in the case of the land. But they are not constant; not every purchase carries consequential damages with it and where they do occur they are never upon exactly the same ratio to the value of the land acquired.

Q Take a series of miles, new line you are constructing, in all your experience in it, enough land to get an average on it, does it cut any percentage and if so in your judgment what percentage of the total value of your necessary acquisitions? A It cuts—I should say that it added in my experience in the State of New Jersey particularly where we have purchased land for railroad purchases, I do not think that altogether with all other hindrances it aggregates over 25% of the market value of the property.

Q You have had experience in New York State and Pennsylvania also have you not, in the Erie systems? A I have.

Q Is your experience there similar or otherwise? A The conditions have been somewhat—in New York the greatest amount of our purchases in late years have been through agricultural communities, whereas in Jersey a great portion has been in very densely populated communities.

Q You have got some new lines in New York? A We have built several within the past five or six years.

Q Well, is the element of damage greater or less in agricultural communities than in towns and villages? A It is greater in my experience in proportion to the actual value of the land, the actual value of the land being very low.

Q And why greater? A Because the value of the area of the land is so low comparatively in agricultural communities that the same amount of consequential damages bears a greater ratio to it than it would in communities where land value is higher. Perhaps that is not very clear. To illustrate, if land is $50 an acre and the consequential damage happens to be at a given point $50 or $100 an acre, in proportion to the land taken, it is, of course, very much higher than if land is worth $5,000 an acre and the consequential damage perhaps has been one or two thousand dollars.

Mr. Record. I don't follow that; I won't interrupt you.

Mr. Corbin. Take a little more concrete illustration.

Mr. Record. I don't see the difference in the principle; it seems to me the arithmetic of it would be the same wouldn't it?

A Well, I am not attempting to lay it down as a matter of theory but am simply giving it as a practical result, as what my experience over a number of years and purchasing a great deal of right of way has shown me and in calculating in estimates the probable cost of a right of way, I bear that experience always in mind as I find it to be very trustworthy in application to new problems.

Mr. Record. Do I understand you to say then the percentage of this extra cost is greater through a farm community than through a city or a village, is that your point?

The Witness. I have said that I have found it greater in purely farming communities in New York State than through such territory as we serve in the State of New Jersey where we purchase land.

Q You have recently run a line through Orange County in New York, have you not? A We have.

Q Cutting farms, I suppose that were not cut before? A Cutting farms that were not cut before. Have also run a line, new line in Western New York, two new lines in Western New York and a third parallel to an existing line which is practically a new line.

Q Was your experience similar there, that is a greater percentage of damage in farming communities? A Yes.

Q Mr. Williams, with the permission of the Board, while it may not be strictly evidence, I would like to have you state to them as a student of this subject your theory of where the damaged value of land which is encountered in obtaining railroad right of way, where that should go in allotting the taxable value of railroad, under what head, what you think is the just basis of valuing land. A The matter has been given a great deal of consideration in New York State and I am in agreement with the position taken by the Courts there that consequential damages paid as an incident to the acquisition of right of way are not an element of value in that right of way, they represent the necessary destruction of value in someone else. The payment for such necessary destruction is made

possible by the expected earnings of the enterprise as a whole, but when it comes to assessing the amount so paid for damages,—repeating that they do not represent value but rather destruction,—they cannot in my judgment be assessed as part of the value of the land acquired any more than the value of an ox is augmented by the value of another ox it may have killed. At the same time that value is still assessable; it is assessable in the form of personal property in the hand of him to whom it was paid, that is the value is destroyed in the land, but it is replaced in personal property and there should be assessed. There is no loss of assessment value, but the character of the property is changed from real estate to personalty.

By Mr. Record.

Q Hasn't all the money you paid to the man outside of damages gone into personal property also? A Yes, but he has lost so much land to offset it and that land is still assessable. That personal property—I am seeking to show that the—to distinguish between the money paid for the land itself and for consequent damages. The money paid for the land itself is still assessable.

Q You don't make any division when you pay him, you pay him in a lump sum don't you when you buy? You don't say we hereby give you $100 for your land and here is another $25 in a separate pile for damages? A We usually calculate, when the matter is arrived at amicably, the sum which is to be arrived at by considering the value of the land and the consequential damages separately, if there be any.

Q But you actually hand over, pay him a sum of money? A Yes.

Q That either goes into personal property or of whatever he chooses to spend it for? A It is personal property when it is paid him.

Q It is personal property irrespective of the element of damages, isn't it? A Yes, the money is personal property, surely.

By Mr. Hendrickson.

Q When you pay those consequential damages in the strip, it stands you in a given cost. Take your Orange County Line, for example and suppose you went right away to sell that—went into the market to sell that for another line; you would charge that other line what it cost you to get that strip wouldn't you? A We would seek to. I don't think we would get it for that particular land, but it would be only as a whole organization not as that particular piece. I may add that in my judgment if one were obliged to pay consequential damages upon every piece of right of way as it is acquired, we couldn't afford to build railroad lines. It is only by the building of a continuous line that you can afford in certain cases to pay heavy consequential damages with the expectation of getting the value out of the earnings which the whole property will bring back, including the contracts, expert management, all that kind of thing.

Q I am only talking about such consequential damages as you actually pay; now certainly the cost is some *indicia* of the value of that strip of land after you have got it, and the fact that you go in there and acquire such a strip seems to me to show that there is a demand for that kind of a strip in that kind of a locality or you wouldn't go and do it. A In my judgment I don't think it is an indication of its value at all; I think it is simply a measure of our necessity as for ex-

ample, a bridge over a stream adds nothing of value to the railroad; on the contrary it is an increased operating expense to keep that bridge up but the stream must be crossed and our necessity to cross it justifies the expenditure which we make for the construction of the bridge.

By Mr. Record.

Q Then you wouldn't tax the bridge? A I have heard a great deal of arguing against the policy of taxing a bridge as being a hindrance instead of an advantage.

Q Well do you put the bridge— A As for example—

Q I beg your pardon. A As for example I classify a bridge in railroad value as all other obstacles which are overcome, methods of overcoming obstacles, I would say, and a road which has had to overcome a vast number of physical obstacles in the country which it traverses is not as an operating proposition (all other conditions being equal) as valuable a property as one which has had to overcome no, or comparatively no physicial obstacles in the country which it traverses and therefore has a very much lower upkeep cost.

Q Would you, under your theory of taxation which you are now addressing yourself to, place a bridge in the same category as these consequential damages? A No, I would not; I am not announcing any theory of taxation.

Q Well, you were stating—I understood that Mr. Corbin asked you to give us the benefit of your judgment. A As to consequential damages.

Q As to where the value should go. Now, under that you liken consequential damages to a bridge. A bridge is not an element of value but is a measure of your necessity; I am asking you to distinguish

between the measure of your necessity in the bridge and the measure of your necessity in consequential damages and I am asking you further whether you would exempt them both from taxation. A I would not exempt the bridge. I would exempt consequential damages.

Mr. Corbin. That is, the value of the land you are talking about, I take it?

The Witness. Yes.

Q Then what is the force of the illustration of the bridge? A I referred to the bridge as illustrating that frequently large occasional expenditures were justified to overcome obstacles which could not be constantly and continuously met. In other words you could not continuously build a road made of bridges.

Q Flagler did it, didn't he, just finished a road made all of bridges down in Florida? A I don't know; I never have seen it.

Q It is all bridges according to the papers. A I haven't seen it, Mr. Record, and I no longer trust to the paper accounts.

By Mr. Hendrickson.

Q Is it your idea that the standard unit we should adopt per mile for taxing a railroad is that of the cost of the cheapest mile of construction? A No.

Q Well, that would seem to me to be the result of your argument? A No.

Counsel for the State offered in evidence the valuations under the original assessments and the reassessments made by the State Board on certain parcels of second-class property of Long Dock Company for the years 1906, 1907, 1908 and 1909, as shown on a schedule thereof, marked Schedule "X."

Exhibits.

Counsel for the Railroad Company made no objection to the form in which the offer was made, agreeing that the same might be used in lieu of certified copies of the original assessments and of the re-assessments, and objected to the admission thereof as evidence on the ground that such assessments for the previous years were immaterial, irrelevant and incompetent.

This objection was overruled by the Board and the evidence received and marked Exhibit Schedule "X", *ex parte* State.

Exhibits.

Long Dock Company's Exhibit No. 1, Jan. 29, 1912. (Tabulation by Gaddis and Ryer).

Long Dock Company's Exhibit No. 2, Jan. 29, 1912. (Tabulation by Gaddis and Ryer).

The above mentioned exhibits are included in Long Dock Company's Exhibit No. 2, on complaint against assessments for the years 1912, 1913 and 1914, *post.*

Schedule "X," on the Part of the State.

Description of Property. City of Jersey City, Hudson County.	1906		1907		1908		1909	
	Original Assessment.	Re-assessment By Order of Court.	Original Assessment.	Re-assessment By Order of Court.	Original Assessment.	Re-assessment By Order of Court.	Original Assessment.	Re-assessment By Order of Court.
All the lands, including value of land under water in front thereof, described in first item of original assessment containing 43.872 acres	$2,914,740	$2,850,616	$2,914,740	$2,850,616	$2,914,740	$2,850,616	$2,914,740	$2,850,616
Land foot of Pavonia Avenue 130 feet along the exterior line for solid filling, from the northerly side of Pavonia Avenue southward, including the value of land under water	136,500	136,500	136,500	136,500	136,500	136,500	136,500	136,500
Block 182, Lot C, 9,225 square feet	13,838	13,838	13,838	13,838	13,838	13,838	13,838	13,838
Block 183, north and south of Main Stem, 49,350 square feet	74,025	74,025	74,025	74,025	74,025	74,025	74,025	74,025
Block 218, north and south of Main Stem (excepting land occupied by warehouse) 27,200 square feet	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000
Block 323, north and south of Main Stem, 40,000 square feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Block 360, north and south of Main Stem, 40,000 square feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Block 395, north and south of Main Stem, 56,800 square feet	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400

40 30 20 10

Description of Property. City of Jersey City, Hudson County.	1906 Original Assessment.	1906 Re-assessment By Order of Court.	1907 Original Assessment.	1907 Re-assessment By Order of Court.	1908 Original Assessment.	1908 Re-assessment By Order of Court.	1909 Original Assessment.	1909 Re-assessment By Order of Court.
Block 421, excess width south of Main Stem, 78,200 square feet	31,280	31,280	31,280	31,280	31,280	31,280	31,280	31,280
Block 547, north and south of Main Stem, 57,000 square feet	17,100	17,100	17,100	17,100	17,100	17,100		
Block 547, plot 4-A, south of Main Stem, 56,630 square feet							16,989	16,989
Block 547, part of plot 2-B, south of Main Stem, 11,900 square feet							3,570	3,570
Block 547, plot 2-D, north of Main Stem, 25,000 square feet							7,500	7,500
Block 547, plot 4-B, north of Main Stem, 7,400 square feet							2,220	2,220
Block 961, plot No. 1, 3.35 acres	14,405	14,405	14,405	14,405	14,405	14,405	14,405	14,405
Block 961, plot No. 3, 5.79 acres	37,809	37,809	37,809	37,809	37,809	37,809	37,809	37,809
Block 961, plot No. 5, 2.265 acres	14,790	14,790	14,790	14,790	14,790	14,790	14,790	14,790
Land outside Main Stem, block 1200, plot 57-A, 34.55 acres	51,825	51,825	51,825	51,825	51,825	51,825	51,825	51,825
Land outside Main Stem, block 1200, plot 59-A, 32.18 acres	48,270	48,270	48,270	48,270	48,270	48,270	48,270	48,270
Block 1200, plot No. 12, 14.18 acres	28,360	28,360	28,360	28,360	28,360	28,360	28,360	28,360
Terminal station, including ferry buildings, racks, platforms and floats	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000

10 20 30 40

Testimony before the State Board of Assessors on complaint of the Long Dock Company against assessments for the year 1912. This testimony was also offered by the Company and received by the Board on complaint against the assessments for the years 1913 and 1914.

WALTER M. DAWLEY, called and sworn, on behalf of the Company, testified as follows:

Direct examination by Mr. Hobart.

Q Mr. Dawley, I show you a map in various colors and ask if this was prepared by you or under your supervision? A Yes, sir.

Q The map referred to has marked in the corner, "Prepared for Percy A. Gaddis and Thomas A. Ryer"; you are a civil engineer, are you not? A Yes.

Q And have been for a number of year? A Yes.

Q In the employ of the Erie Railroad Company? A Yes.

Q Have you marked on this map the main stem of the Long Dock Company? A Yes; the main stem is shown in pink.

Q And have you also marked on it the second class property of the Long Dock Company which is under appeal in this proceeding? A Yes.

Q How is that marked? A That is shown in green.

Q What do the red boundary lines indicate? A The red boundary lines indicate the parcels as assessed by the State Board.

Q The figures and the various blocks were given to you by Mr. Gaddis and Mr. Ryer I understand? A Yes, sir; the figures of value and area.

Q Now I call your attention to a line marked on the map which is the "line 700 feet west of solid fill"; does that correctly represent the location of a line 700 feet west of solid fill? A Yes, sir.

Q And have you also indicated on the map the exterior line for solid fill? A I have.

Q And the exterior line for piers? A Yes, sir.

Q And what is the distance from the exterior line for piers to the exterior line for solid fill? A It is 879 feet.

Q You have indicated that by a legend on the map have you not? A The distance is also shown along the north line.

Q So that brings the line 700 feet west of solid fill 1579 feet west of the exterior line for piers, as shown on your map? A Yes, sir.

Q Now have you computed the area of certain parcels under review, comparing the area east of the 700 foot line with the area west thereof? A Yes, sir.

Q Now take the first one in order as given in the assessment, block 16B6, what is the area of that parcel to the west of the 700 foot line? A 12.665 acres.

Q And is that indicated on your map? A Yes, sir.

Q Now take the area east of the 700 foot line of the same parcel? A 3.374 acres.

Q Take the next one in order on the assessment, which is block 17, plot A2; have you computed the area west of the 700 foot line, and if so what is it? A Yes, sir; the area is 27.2.

Q And the area east of the same line; same parcel? A 37.572 acres.

Q Now take the next one in order, which is described as the ferry plot, what is the area of that? A The area of the ferry plot is 2.09 acres.

Q That is all to the east of the 700 foot line? A Yes, sir; that plot is east of the exterior line for solid fill.

Q Now take the next one which is described as block 16, plot B7; what is the area? A 2.498 acres.

Q And that is also east of the exterior line for solid filling? A Yes, sir.

Q You made these computations yourself, did you? A Yes, sir.

Q You spoke of certain acres that were given to you by Mr. Gaddis and Mr. Ryer; I understand you were referring to the areas west of Provost Street, and in blocks 150, 149 and 148 just east of Provost Street? A Yes; those I have checked and verified.

Q Have you marked on this map the distance from one side to the other of the terminal site north and south? A Yes.

Q What is it? A Block 16B7 is 140 feet; the ferry plot 130 feet, and the large terminal plot in from of block 17A2 is 1,037½ feet.

Q All there is along the exterior line for solid filling? A Yes; and so indicated on the map.

Mr. Hobart. That is all from this witness on this point; I want to recall him later on another point.

Mr. Fort. I understood this witness to say he made these himself?

The Witness. From the records in the office.

Mr. Fort. Then they are not actual surveys on the record?

The Witness. The records are the result of actual surveys on the ground, but I did not make the actual surveys.

Mr. Williams. Mr. Dawley, what position do you occupy in the Erie?

The Witness. Engineer for the General Land and Tax Department of the Erie Railroad.

Mr. Williams. Have you access to the records of that Department?

The Witness. Yes, sir.

Mr. Williams. And do those records include the surveys of which we speak?

The Witness. Yes, sir.

(Map received in evidence and marked "Long Dock No. 1.")

FLOYD S. CORBIN, called and sworn, on behalf of the Company, testified as follows:

Direct examination by Mr. Hobart.

Q You reside in New York City I believe? A I do.

Q And what is your business? A Real estate broker, making a specialty of waterfront property.

Q How long have you made a specialty of such properties? A 15 or 16 years.

Q Does your business include the New York side as well as the New Jersey side of the harbor? A It does, yes.

Q Have you bought and sold real estate waterfront properties in New Jersey as well as in New York? A I have.

Q And with particular reference to he properties on the west side of the Hudson River? A Yes; I have sold several properties on the west side of the Hudson.

Q How long have you been dealing with properties in New York harbor? A About 15 years.

Q Are you familiar with the waterfront properties in the harbor? A I am familiar with practically the whole harbor of New York, having sold properties on every navigable stream tributory to the port of New York.

Q Have you also bought properties? A I have, yes, sir.

Q Acted as appraiser at times? A In many instances.

Q Do you keep any track of the various sales of waterfront property in New York harbor? A I have endeavored to keep posted as far as possible as to all sales or transactions on the waterfront.

Q Are you engaged in any other business except that of dealing in waterfront properties in New York harbor? A None whatever.

Q That has been your sole business for how long? A For the time I stated,—about 15 years.

Q Do you know of any other man in New York city or vicinity who is engaged solely in this line of real estate business? A I do not know of any one who follows it out solely as a business.

Q During the last 15 years since you have been engaged in this business, can you give some idea of the number of sales that you have personally had to do with out of the total number? A Oh, I should say I have sold two thirds of the properties sold of this character in that time, outside of private sales where they have been made direct.

Q Have you made an estimate of the value of certain waterfront property of the Long Dock Company? A I have.

Q As of January 1, 1912? A Yes, sir.

Q And is your estimate limited to the value of the land without regard to any structures or improvements on it? A Yes; my estimate is of the land value only.

Q You are familiar I believe or have seen this map "Long Dock Exhibit No. 1?" A Yes, sir; I am familiar with it. I have examined it a number of times.

Q I call your attention to the line on that map marked "Line 700 feet west of solid fill" which Mr. Dawley says gives us a total of 1579 feet from the exterior line for piers. I ask you first, how far back from the exterior line for piers in your opinion can the waterfront property be used to the best advantage? A I should say about 700 feet would be the limit,—from the bulkhead line or line of solid filling.

Q And in this case a trifle over 1500 feet from the exterior line for piers? A Yes, sir.

Q Upon what do you base that view? A Well, I base that view upon the—my experience in the sale of properties here and in the development of these properties,—I find that in these large plots that no greater distance than 700 feet has ever been taken up by any one in developing them as a continuous piece of property.

Q That is 700 feet from the exterior line for solid fill? A Yes, sir.

Q Are you familiar with various waterfront properties in New York harbor which have been developed in that way? A I am familiar with all large developments. I have in mind particularly the development of the Bush Terminal, which is considered the highest type of commercial development in the port of New York; perhaps in this country.

Q Then in order to get the greatest value for waterfront property in New York do you need any more distance back of the exterior line for solid fill than approximately 700 feet? A I don't think so because the haul would be too great.

Q The haul of what? A Well, the handling of merchandise.

Q Well, what use of the waterfront property have you in mind in expressing this opinion? A For general purposes, a terminal, a railroad or

steamship terminal, bonded warehouses, docks for handling general merchandise.

Q Now have you prepared an estimate of the land value of the various parcels under review in this proceeding so far as the same are to the east of the line 700 feet west of the solid fill? A I have.

Q Well, first take up the large parcel, although that is not the exact order of the assessment, the one called block 17A2. What is your estimate of the value of that parcel so far as the same is to the east of the 700 foot line? A I figure the value of that parcel—you just want the figures?

Q Yes. A $1,867,500.

Q Please state how you arrived at that figure? A I valued that per front foot from the pierhead line back to the line 700 feet west of the bulkhead line, $1,800 per front foot.

Q Well, is $1,800 per foot your estimate of the value of that property considered on a front foot basis? A Yes, sir.

Q And you have multiplied that value per front foot then by the total lineal feet? A Yes; 1037.5 feet front.

Q And that then gives you a value of an area of 37.572, the area testified to by Mr. Dawley, as being east of that line? A Yes; but there should be deducted from that figure the main stem there, which is 100 by 700 feet, $79,870, leaving the net total value $1,787,630.

Q That excludes that part of the Long Dock main stem which is east of the 700 foot line; is that the idea? A Yes.

Q How did you arrive at the figures for the main stem; you took 100 feet as the width— A 100 feet as the width and 700 feet as the length, that is 70,000 square feet.

Q As a matter of fact the main stem ends at the exterior line for solid filling. A I have just taken the square foot area out.

Q Now in order to arrive at the value of the 70,000 square feet of the main stem, you have had to take a square foot valuation have you not? A I have.

Q And how have you arrived at that? A I have taken the total value of the property, and the total area and the average price per square foot for the land under water I figure at one dollar and fourteen one-tenth cents (1.141) per square foot.

Q And you have applied that valuation per square foot to the 70,000? A To the area contained in that part of the main stem.

Q And taking that average valuation what do you get for the value of the main stem property east of the 700 foot line? A $79,870.

Q Which, deducted from the total value, gives what? A $1,787,630.

Q Is that your estimate of the value of block 17A2 so far as the same is east of the 700 foot line, and excluding the main stem area? A It is.

Q It covers an area of how much? A 37.572 acres.

Q Take what is known as the ferry plot, what it is called on the map, the ferry plot, where the area is given as 2.09 acres, what is your estimate of the value of that? A $96,502.

Q And how did you arrive at those figures? A Why I have estimated the value of that property as of the same relative value as the property to the north; the larger plot, in valuing the larger plot I have taken the average value per square foot of the land and land under water, as the land and land under water is almost equal,—figures out $1.14 a square foot.

Q That is for the big parcel to the north? A Yes; I have applied the same valuation here excepting this being all land under water I deducted about one-half or eight cents a square foot for the value of the fill, which would leave $1.06 per square foot for this fill, or $46,173.60 an acre.

Q On the basis of the cost of the fill being $0.16 a square foot? A Yes.

Q Is that a fair estimate of the cost from your experienie? A I think so.

Q Now take that next parcel, block 16B7, with an area of 2.498 acres and with a frontage on the water of 140 feet; is that all under water? A That is all under water.

Q And what is your estimate of the value of that? A $115,342.

Q Is that arrived at in the same way? A That is arrived at in the same way as the ferry plot.

Q And the same reason applies to that as to the ferry plot, viz, that that is all under water? A Yes, sir, it is all under water—the same valuation per square foot. I have assumed in valuing these two small plots of land under water that the same ownership was in plot B6; that is a larger piece there that has a frontage on the canal and Pavonia Avenue.

Q And you have taken that element into your consideration in giving your value? A I have; that shows the reflected value of the land to the west and south.

Q Now take the next, the parcel described in the assessment you value 16B6, and referring to that part of the parcel which is to the east of the 700 foot line, what is your estimate of the value of that? A I value that parcel 700 feet on the Canal by 210 feet depth at $245,000.

Q That has an acreage of 3.374. A I valued that per running foot; I didn't value that by the acre.

Q You figured 700 feet on the Canal? A 700 feet on the Canal.

Q And because of the frontage on the Canal and also on Pavonia Avenue you gave— A I estimated that at $350 per front running foot.

Q And that I observe according to the map is really the solid land of the other two parcels,—the ferry plot and the 16B7? A Yes.

Q And you have considered that fact in preparing the estimates of their values? A I have, yes.

Q I want to make sure of one thing, Mr. Corbin. The area that you have, the estimates that you have gives for that part of block 16B6, which is to the east oft he 700 foot line, which you gave by the running foot, the area of that is how much? A 3.374 acres.

Cross examination by Mr. Fort.

Q Mr. Corbin, in making your estimates you have figured upon the solid fill being at least 700 feet, is that right? A Yes, sir.

Q And that is all you think that it is necessary to have back of the piers? A I think so.

Q But you think that is necessary? A I think it is necessary to—for the best development of a property of that character,—a property that is available for ocean-going vessels.

Q Now when you are speakng of that solid fill being necessary and that amount only being necessary, do you apply that to railroads? A Well, I wouldn't say that a piece of property of that size would only be necessary for a railroad, no, but I am figuring it merely as a basis for applying this property as a waterfront—

Q Yes; but if there were more solid fill for the purpose of using it as a terminal yard for the storage of trains, it would be better for a railroad purposes would it not? A It would be better for the railroad, but I don't think that would affect the value of the waterfront.

Q Now you allow only on your estimates which you have been giving 879 feet I think it is, for piers? A Yes, sir.

Q Are you familiar with the present agitation with relation to the length of piers in New York? A I am.

Q Do you express it as your opinion that that is the full length now requested for piers for ocean-going steamers along the Hudson River,—879 feet? A No; I think that undoubtedly there will have to be built longer piers in New York city than 879 feet.

Q How much longer? A Possibly a hundred feet longer.

Q Well, wouldn't you say that those piers should be 1200 feet? A I don't think so. They may build them 1200 feet, but I think they have practically reached the limit of steamship construction for the present time at least.

Q Well do you not know the fact to be that the Lackawanna has its piers 1300 feet at the present time? A Well, they use that for a different purpose.

Q Well, I am only asking you whether you know that to be a fact? A I don't know that they are, but I know they have some long piers.

Q Do you not know,—you seem to be familiar with all this property or claim to be,—that their piers are 1300 feet and they use them now for lighterage purposes, the same as the Erie uses them? A Well, on the same theory I presume

that the bulkhead—you can't call it exactly a pier—down here in the Morris Canal Basin is several thousand feet long.

Q Any advantage in that do you suppose? A That is due entirely to the shape of the property.

Q Yes. A The object being to make as much waterfront as possible.

Q So that the more waterfront they can get along their piers the better, isn't it? A Not in the case of a long narrow piece of property.

Q Are you familiar with this land of the Long Dock property that is shown on this map marked Long Dock No. 1? A Yes.

Q You have been over all of it? A Quite a number of times.

Q Well, is the lay of the land such so far as being level and accessible that it is possible to run the pier back a distance of twelve or thirteen hundred feet? A It could be by cutting in, by excavating from the solid fill.

Q I mean it is not hilly or anything like that? A Oh no.

Q Then if a 1200 foot pier is necessary for ocean-going traffic at the present time, you would still say that you needed 700 feet behind that pier of solid fill, wouldn't you? A No, I wouldn't, because it is very seldom that they ever construct warehouses now much over 500 or 600 feet in length, so that you would have here a total of 1500 and 79 feet on the northerly end of the property from the pier head line to the rear.

Q Yes; but then that would leave you about 279 feet if the piers were 1200 feet long, you wouldn't think that enough, would you? A I don't say that they would be.

Q Now just answer that question, that wouldn't be enough, 350 feet for the warehouse? A Not if you built 1200 feet.

Q Then your ideas would be that those warehouses should be at least 500 feet? A Well, I say that 500 or 600 feet would be about as long as they could build warehouses.

Q Well, then you want additional space for drives and other things, do you not? A That depends, entirely, Governor, upon the type of improvement.

Q I am talking about an improvement of piers 1200 feet in length and 500 feet of warehouses behind them; now how much additional room will you need for driveways and accessories of that kind? A Well, as I say that would depend upon how you improved it.

Q I have given you the way I want it improved, —1200 feet of piers and 500 feet of warehouses? A You would probably need 100 feet additional if you improved it in that way.

Q Do you know the fire underwriters' regulation in regard to the distance that a warehouse must be from the dock or pier? A No, I don't, I am not familiar.

Q Have you any idea on that subject? A I have not.

Q Do you know of any warehouse that is allowed to be built nearer than 100 feet of the pier? A Yes, sir, I do.

Q That was built some time ago was it not? A I couldn't tell you the exact time. I can tell you of some that are building over in Brooklyn now that are not much over 100 feet from the dock.

Q I asked you if you know of any that are less than 100 feet? A I know of several.

Q Those that are being built in Brooklyn now are a 100 feet though? A Just about.

Q Don't you know that this is the fire underwriters' rule at the present time? A No, I don't.

Q You have figured the value of the main stem in block 17, I think it is, A2, is that right? A That is right.

Q In so far as it is within what you call the eastern area of 37.572 acres, have you valued that main stem on the same basis that you valued the rest of the property? A Yes, sir, I have valued that at $1.141.

Q And did you value it all on that basis of $1.141? A Yes, sir.

Q Did that include the value that you based upon the land lying between the exterior line for solid filling and the exterior line for piers, did you value that at $1.141 also? A Yes; I figured the average value of that entire fill.

Q That is, you take in making your appraisal that entire plot from what you call the solid fill line out to the exterior line for piers? A Yes.

Q That 1579 feet you value all at the same rate? A At $1.141 per square foot.

Q I don't understand that you put any different value upon the land lying between the 700 foot point of solid fill and the exterior line for solid fill, from that which you placed upon the land lying under water between the exterior line for solid fill and the exterior line for piers, it is all the same? A All the same,—you want me to explain why?

Q Well, if I do I will ask you. A All right.

Q You notice I suppose that on this exhibit Long Dock No. 1 that the piers running alongside of what is marked on it as "freight sheds," show that they extend up say about I should imagine from the map, 300 feet into what you call a point between a line 700 feet west of solid fill and the ex-

terior line for solid fill; did you notice that? A Yes, sir.

Q You have taken no account of that fact? A No.

Q Then if these piers were extended—that are now called freight sheds—say pier No. 9, Pier No. 8, Pier No. 6 and Pier No. 5 were extended to the exterior line for piers, how long would they be? A 879 feet.

Q Oh, no. A You mean the total length of the pier.

Q Yes. A 1119 feet.

Q Then the excavation is already there of these four piers which I have named for 1119 feet of piers? A Well, only to a limited extent.

Q Mr. Corbin, where did you get your basis for placing $1.141 per square foot on this land? A Well, I figured the value of the property per lineal foot,—$1,800 per lineal foot front. If you divide the total amount by the total area of the property you get an average of $1.141 per square foot.

Q Did you figure that value on improved or unimproved river property? A On the land itself, as it is.

Q As you find it there to-day? A Yes, sir,—partly under water and partly solid ground.

Q You stated in your examination—direct examination, "My estimate is on land value only." What do you mean to imply by the use of the word "only" there? A Well, I mean that I have not estimated the value of any buildings or improvements, tracks—

Q Then you have taken it as if it were naked land on the Hudson River, without and improvements? A Exactly; I haven't made any estimate of the value of the piers.

Q You haven't taken into account in any way the purpose for which the land is used? A Oh certainly, I have valued it for what it is used now, as a railroad terminal.

Q Well, do you not mean that you have valued it for what it could be used; you have treated it as if the railroad was not there. A Decidedly; I have made no estimate of any value of tracks or buildings or sheds or anything of that character.

Q Well then, in making your estimate you have treated it as if it was so much riverfront land just lying there ready for development, haven't you? A Yes.

Q Well, in that estimate of value have you in any way considered the location of this land as to value? A That is a very decided element of value.

Q That you think increases or decreases, which? —the value of this land? A I think it increases the value of the land.

Q Why? A The location determines the value of this land. I can give you waterfront property just as good land as this in the harbor of New York for $2,500 or $3,000 an acre. It is simply the location, that is all.

Q Yes. Can you tell us any where where you can get for twenty-five—anywhere in the City of New York proper— A Yes, sir; in the City of New York 2600 feet of waterfront at $2,500 an acre.

Q How deep? A How deep,—the land you mean? About 3500 feet in depth.

Q You mean to say that is on this Hudson River here? A No, I said it was in the City of New York,—having a depth of water in front of it of 26 feet, and the land itself from the waterfront to the extreme rear, in this particular track, is about 3500 feet in depth.

Q That is down on Staten Island somewhere? A That is on Staten Island.

Q When you speak of New York, you mean Greater New York, which covers Richmond County? A Yes, City of New York.

Q Now then, as to the value of this land that you put down at $1.14 per square foot, with relation to what sales have you made that comparison in that immediate neighborhood? A With sales in the north of this property particularly.

Q Where? A Well, the property of the Yellow Pine Company in Hoboken, bought by Albert Dickinson & Company of Chicago, some four or five years ago,—sold for $1,293 a front foot.

Q How far is that above this property. A I think it is about 2000 feet, probably 3000 feet.

Q Well, isn't it just above the 14th Street Ferry in Hoboken, the land that you speak of? A South of the 14th Street wall.

Q South of the 14th Street wall? A Well, right near. It isn't very far.

Q You haven't measured this to see whether it is 2000 or 5000, have you? A I don't recall exactly now. I can easily tell by referring to the map.

Q So then you don't want to say that you are accurate? A No, I wouldn't say that that is absolutely accurate.

Q Any other piece of property sold in that neighborhood? A Not in the immediate neighborhood, but further north I sold some—2165 feet of waterfront on the Hudson River.

Q How many years ago? A That was in 1905 I think, or 1906. It was about six years ago.

Q Hasn't there been a great increase in the value of waterfront property on the Hudson River, particularly on the New Jersey coast, within the

last five years? A I wouldn't say that there had been.

Q Well, would you say that there had not been? A No great increase, yes.

Q Do you not consider and estimate that the valuation of the railway lands on the New Jersey shore, lying between Fort Lee and Communipaw, has increased very largely within the last five years? A I do not think they have, because I know of some properties that are still being offered for sale at the prices they were offered for four years ago.

Q Available for railroad uses? A Yes, sir; I can give you one 1900 foot deep that would do for a railroad terminal.

Q Is it behind the mountain, or hill? A It is east of the Palisades.

Q East of the Palisades? A Yes, sir.

Q You would have to go through the Palisades to get to it, wouldn't you? A If you built a railroad on it you would; you would have to go under the Palisades.

Q Just for the sake of locating this, Mr. Corbin, these Chambers Street ferries, so-called on this map, and 23rd Street Ferry shown on this exhibit Long Dock No. 1, are the first ferries north of Exchange Place in Jersey City, are they not? A Yes, sir.

Q Well, what way of communication as to the center of travel is the Yellow Pine tract to be compared to this location? A Well, the Yellow Pine tract—to reach it from New York you can only do so in a direct way by ferry service.

Q I am speaking of the land approach from this side? A Oh, the land approach is all right, because it is all level back of it. You can have a car track within a block of it.

Q But there is no New York approach. A None, except by ferry service.

Q To be established? A Well, the ferry service has been established near there for a good many years.

Q Where at, Fort Lee? A From 23rd Street.

Q To what? A About a block above the property.

Q A block? A You're speaking now of the Yellow Pine property?

Q Are you speaking with any definiteness on your part when you say "within a block"? A It cannot be over,—not exceeding three or four hundred feet.

Q To what ferry? A The ferry from 23rd Street.

Q To what point on this side? A 14th Street, I think is what they call it. I can give you the size of that property if you would like to have it.

Mr. Fort. Mr. Hobart, have you got the examination of Mr. Corbin at the last hearing. Mr. Hardin had it and promised to send it to me and I would just like to run through my examination just a minute.

Mr. Hobart. There is part of it. That is the principal thing. The other part was simply his qualification and examination on the Weehawken property, which of course is not in this proceeding.

Q In making your estimates, Mr. Corbin, has the depth of water anything to do with it? A Why? the depth of the water always is an element of value in a waterfront property. That is, not perhaps immediately adjacent to the property itself, but the channel leading to it.

Q In making your estimate of the value of the land, did you consider that it added any value to it for railroad purposes because of the fact that

there was 1483.9 feet, I think it is, of solid fill behind what you make as a point 700 feet west of solid fill? A I think that in making this estimate there is a reflected value there necessarily in this $1,800 a foot.

Q And in making the $1,800 a foot, you have considered that? A Yes, sir; otherwise I don't think it would bring $1,800 a foot.

Q Then land which is only 1579 feet in depth, wouldn't bring $1,800 a foot in your estimate? A Just as a separate parcel by itself, I doubt that it would.

Q Doubt that it would. Then there is added value to waterfront land resultant from the depth of the solid land behind it to some extent? A But there must be necessarily some line or some unit where you would stop. Otherwise a continuous strip of land from the Hudson River could be purchased out to Newark or Philadelphia—that wouldn't be reflected on the waterfront here on the river.

Q Wouldn't it on a terminal for a railroad? A If it was a railroad for a main stem, it might be, but I am speaking as a general matter of land value. You couldn't call it all waterfront property.

Q Then what you have been speaking of is land solely as a waterfront property, without any reflection whatever from the purposes for which it is used? A No, I have taken into consideration the fact that this land itself is admirably fitted to the use it is being put to now as a railroad terminal; otherwise I wouldn't value it at $1,800 a foot.

Q Then what I understood you to say a little while ago—I was mistaken was I, that you had only fixed on this land what you considered would be the value of this land if it stood here as unim-

proved property, but available for railroad purposes? A Yes; I am not figuring any improvements on the property.

Q Only land available for railroad purposes. Now then, after the railroad purposes have come and the railroad has been constructed, tracks and piers and all the rest have been built, you would still put the value of the land on that property, the same value on that land as you did this? A No; I am valuing the land as it is now and for the purposes for which it is used—a railroad terminal. If there was no improvements nearby of any character at all, why I wouldn't value that land at any such figure as $1,800. I am taking all those elements of value into consideration.

Q Then you wouldn't say that this land was worth $1,800 a front foot if the piers and the railroads were not there now? A No; I say that I am taking all of those elements into consideration.

Q Well, but you can answer that plain question. You would not value this land at $1,800 a front foot as you have, if the railway tracks and the piers were not there now? A No; because if there was no railroad near there and no improvements of that character in that immediate vicinity, the property wouldn't be worth that much.

Q That's all right. There are improvements in the immediate vicinity. Now I am asking you —considering the improvements in the immediate vicinity,—if there were no piers, no railroad tracks and no construction on this piece of land and it was where it is now, you wouldn't value it as high as you have? A I don't think I would.

Q Well you say you don't think. Have you any doubt about it? A No, I wouldn't.

Q Well, how much less? A That would be merely a guess.

Q Well, isn't the present a guess? A That is too much of a speculation; I wouldn't like to say offhand.

Q You say that would be too much of a speculation; how much of a speculation is your present estimate? A Well, the present estimate is simply based on my knowledge of what other properties bring in different parts of the port of New York. In the valuing of any waterfront property in the port of New York my experience has been that it is merely a matter of comparison. No two waterfronts as a rule are exactly alike in their physical characteristics, and you have to take into consideration a number of reasons in arriving at an estimate of value.

Q This piece of property is well located, isn't it? A It is.

Q And easily available for railroad purposes? A Yes, sir.

Re-direct examination by Mr. Hobart.

Q You spoke of a property that you knew of now that was available for railway purposes, I think you said, substantially as large as this. You weren't asked where that is located. Do you care to state where that is? A I know of two properties, one immediately to the south of this property and another property further up the River, about opposite West 79th Street, New York.

Q Substantially of the same general character as this terminal? A Except very much larger, both in frontage and area.

Q I guess for both of those properties you would have to go through the Palisades or under the Palisades? A Well, they both have rail connections now.

Q Already have rail connections? A Yes, sir.

Q And both of them are larger than the terminal tract of the Long Dock Company, are they? A That is the property to the north is about—nearly five times as large. The property to the south is not quite so large.

Q You spoke of the Yellow Pine tract in answer to some questions of Governor Fort's—are there means of communication with that tract from New York City by way of a Hudson & Manhattan Railroad, the McAdoo Tube and trolley cars? A Yes, by taking a trolley car from the—

Q Reference was also made to the possible extension of some of these piers that now appear under this tract marked "Freight Sheds" on Pier No. 9, 8, 6 and 5, your figures could be extended out to the exterior line for piers? A They could, yes.

Q Could they also be extended to the rear by taking out the land as it now is? A They could very easily.

Q So by that means could they as they now stand be made approximately 1500 feet from the exterior line for piers? A Yes, sir.

Q Do you happen to know where the old shore line runs along there with reference to this 700 foot line, as indicated on the map? A No, I don't recall. The bulkhead and pierhead lines on the Hudson River have been changed a number of times in the last 15 to 20 years.

Q All right. Now with reference to your estimate of $1.14 per square foot, as I understand it you arrived at that by first taking the front lineal foot value and then you simply apply that to the square foot area? A I did, yes, sir, that is correct.

Q Giving an average of $1.14 for the entire area east of the 700 foot line? A Yes, sir.

Q Reference was made to the possible use of 1200 foot piers. Do you know if there are any such piers as that in the Hudson River? A I don't recall any; I don't think so.

Q Referring to these 1200 foot piers that have been discussed, do you know for what purpose they are intended to be used,—whether for long ocean steamers, or for what? A You mean the piers that have been—New York City?

Q Yes. A For the highest type of passenger service—passenger vessels.

Q Do you happen to know how long at the present time the longest ocean steamers are, approximately? A The longest ocean steamer I think in service to-day is about 876 feet. That is the Oceanic.

Q How many of those, what we will term the longest boats, are there now in use, approximately? A I think there is only one of that size.

Q Are there very few of anywhere near that size—

Mr. Fort. He isn't qualified as an expert on steamships or knowledge of steamships. I don't think that ought to go in. It is true there are only a very few now, but there is one being built now that is 1100 feet long.

The Witness. No, Governor, you're wrong. It is 900 feet long. It is the Imperator. It is the largest vessel laid down.

Q This valuation is of January 1, 1912? A Yes.

By Mr. Williams.

Q Are you familiar with this agitation for longer piers in New York harbor? A Yes, sir; I followed it with a good deal of interest.

Q And what part of the harbor are those longer piers contemplated for? A Manhattan Island.

Q What part of Manhattan Island? A Between—the idea now is to build them between 44th and 59th Street.

Q Is there any general demand so far as your study of the situation has developed, for longer piers generally throughout the harbor? A No, sir, I don't—

Q What class of traffic are those long piers designed to accommodate? A Only the highest class of passenger vessels,—the larger vessels.

Q That is in fact a very small percentage of the traffic of the harbor? A Extremely small.

Q In your judgment is there any demand for that class of piers on the western shore of the river? A I don't think so. I doubt if they would be successful.

Q If accommodation can be had for them on the New York City side? A Not by any means.

Q Where piers on the river have been developed to approximately 1200 feet in length, has such development been affected in any manner by the relation between the waterfront—the length of waterfront and the depth of the parcel, in your opinion? A Yes, sir.

Q In what manner? A That is true down in South Brooklyn, in the Bush Terminal section.

Q Will you explain how the depth of the parcel of land in one ownership is apt to force an abnormal length of pier? A Well, where the waterfront is limited and the land in the rear is much greater in proportion than the frontage, all to be occupied by one owner, necessarily they build as long piers as possible in order to accommodate the greatest number of steamers.

Q A greater number of steamers of no individual greater length? A No, but simply to utilize all the land in the rear.

Q Do you consider such conditions apply to this piece of the Long Dock? A I do not.

Q Do you consider there to be a sufficiency of waterfront for the depth of land you have taken? A Yes, sir; quite ample.

Q If you were called upon with your knowledge of waterfront properties and their development, to lay out this parcel afresh, without any restrictions being imposed upon you by its present improvement,—its physical characteristics other than its area and frontage,—would you consider it desirable to lay out piers 1200 feet in depth? A I would not; I don't think they could be used to advantage.

Q Could you as profitably use a pier of approximately the length of the present piers? A Yes; you could use those to advantage, or perhaps a trifle longer than the present piers.

Q How far out? A I should not think that you could use there piers over six or seven hundred feet in length to any advantage.

Q Would they extend to the present exterior line for piers? A Yes, sir,—well, it wouldn't extend out to the present exterior line for piers.

Q So that you regard the space at your disposal from the solid fill line to the exterior line for piers as more than sufficient for the most profitable development? A I do.

Re-cross examination by Mr. Fort.

Q Mr. Corbin, if these longer piers are placed there,—they can now run a number of lighters alongside of the piers, can't they, and sub-divide their work and use them all? A Yes; they can

do that and they do do that in the instance of the Bush Terminal, but the Bush Terminal is antiquated by reason of its limited waterfront and its very large area of property back of the waterfront which they must serve.

Q That's all right; but do you know anything about what the D. L. & W. do with regard to that? A I do not know anything in particular about the practice of the D. L. & W.

Q They are limited the same way the Bush Terminal people are, are they? A I am not so familiar with their property as I am with the Bush Terminal.

Q The Bush Terminal piers are about 1100 feet, aren't they? A Some of them are longer than that.

Q About what length? A They have one pier about 1300 feet.

Q But their business is not a railroad business? A Exactly the same as a railroad; it has a terminal. They have a railroad.

Q You spoke of no demand on the Jersey side for the extension of the length of the piers; are you familiar with the controversy now going on between the North German Lloyd and the Hamburg American Line in Hoboken on that very question? A I know that they have asked for an extension of their pier line.

Q And threatened to remove their line to another place if they couldn't get a larger extension of piers? A No; they deny that they threatened to do that.

Q Where did you get that information from? A Why, I saw that published in two or three different papers. I know one of the Directors of the Hamburg American Line. I have acted for them in a couple of cases.

Q Then you do know that they are seeking larger piers, do you not? A Yes; I do.

By Mr. Hobart.

Q They have to go out into the river at that point because they cannot go back on account of the rock? A They can't go back,—not only that, but the street and improvements there, without a terrific expense.

Q And besides that as I understand it, there is only one vessel which is now under construction which will require such a long pier as that?

Mr. Fort. I don't think that is competent evidence.

By Mr. Williams.

Q You consider the waterfront at that point completely developed from the point of view of maximum profitable use? A Yes.

PERCY A. GADDIS, called and sworn on behalf of the Company, testified as follows:

Direct examination by Mr. Hobart.

Q Do you live in Jersey City? A Yes, sir.

Q And your occupation is what? A Real Estate.

Q How long have you been in the business? A Twenty years next month.

Q All of that time in Jersey City? A Yes, sir.

Q Have you bought and sold properties in Jersey City? A I have.

Q Many of them? A Hundreds of parcels.

Q Have you acted at times as appraiser? A I have.

Q About how many times? A Probably 150 times,—as appraiser you say? Oh, five or six hundred times.

Q Have you kept yourself posted as to values in Jersey City? A I have.

Q Do you keep track of sales in the City? A I do.

Q I call your attention to this map Long Dock No. 1, marked at the bottom, "Prepared for Percy A. Gaddis and Thomas A. Ryer, December, 1912," and ask you for some further explanation of it, with particular reference to the figures that appear in the various block numbers. A They are indicated on that map the block number and the market value of each separate block, and the area in acres.

Q The block numbers I presume you have taken from the official map of Jersey City? A From the official map of Jersey City.

Q And the areas and the valuations, where did you get that? A We computed them, and they were checked by Mr. Dawley, the Railroad Company's engineer,—by Mr. Ryer, myself and Mr. Dawley.

Q And with regard to the valuations, did you and Mr. Ryer prepare those? A Our joint judgment.

Q Do these valuations represent your own personal judgment of the valuations of the various parcels? A They do.

Q And what is that based upon? A Based upon my knowledge and experience in the business for the past twenty years and sales throughout the section and all over.

Q Have you made an examination for the purpose of determining the various sales made in the section of Jersey City immediately to the west of the property we call the Long Dock property, as indicated here between 12th Street on the north and 7th Street on the south, and running as far west as the foot of the Palisades? A I have.

Q I notice on your map you have indicated "north section" and "south section"; what does that refer to in particular, that is which is north section and which is south section? A The north and south refer to the points of the compass. The division line is the center line of Pavonia Avenue wherein there is a change of values in the two sections, the southerly being of higher value. The map is so divided for convenience of comparison.

Q Please bound by reference to the streets the section called on the map "south section." A The south section lies between Pavonia Avenue on the north and 7th Street o nthe south; the yard on the east and the junction railroad property on the west. The north section is bounded on the north by 12th Street, on the south by Pavonia Avenue, on the east by the railroad yard, that is, the yard of the Long Dock Company now in question; and on the west by the Jersey City junction property and the Monmouth Street coach yard.

Q Have you indicated those boundaries by heavy black dashes and dots? A Those are so indicated in the map.

Q You spoke of examining certain sales made in that vicinity; for how long a period of time did those sales cover? A For about the last ten years.

Q Have you included every sale of which you could get knowledge during that period in that section? A Every one; also including the purchases of the railroad company by themselves, and they total 185 in both sections.

Q 185 sales? A Yes. that I know of,—knowing the consideration, grantee, grantor and such other data. 99 of those sales are in the north section and 86 are in the south section.

Q Based upon your knowledge of land values in that neighborhood and also upon the sales to which you have referred, what is your estimate of the value per acre of land in the north section? A My estimate per acre in the north section is $20,000, and in confirmation of that judgment after arriving at the market value of my appraisal I looked up the tabulated sales and also the city assessments, which of course included the third class property of the Erie Company in that territory,—resulted as follows: 99 sales include in area acres 22.665, the aggregate consideration was $435,065,or an average per acre of $19,195. The city assessments,—the territory includes 65.343 acres. They are assessed at $1,366,050, making an average per acre of $20,921. The market value of some 61.934 acres was $1,284,739, or an average of $20,743 in the north section. The south section—

Q One moment before you go on with the south section. You speak about market price; do I understand that you have put on every one of these blocks your estimate of the market value of each separate block? A I arrived at the market value of each separate block by basing my best judgment of front foot value in the street, or lot value, which is the same thing, on the four sides of the block, and then taking and adding together the number of lots in the order shown on the city map, that fronted as nearly as possible on each street. For instance, where they come in Pavonia Avenue, usually that is the highest valued property and the highest developed, and in nearly every instance there are 16 lots fronting on Pavonia Avenue, which would result in producing a much larger value than the average price.

Q And are those the figures that appear on this map, Long Dock No. 1? A The figures that ap-

pear are the result of computations arrived at in the manner that I have described.

Q Now take up the south section, with the number of sales and consideration, assessments, market values, and so forth. A In the south section I found some 86 sales covering an area of 7.847 acres, with an aggregate consideration of $188,300, —average value per acre $23,996. I found city assessments covering that territory of 52.116 acres, $1,246,900, or $23,925 per acre. It is within just a few dollars of the other. Then on the market value, arrived at in the manner that I described for the north section.—it is the south I am alluding to,— acres 48.707, aggregating $1,183,016, or a total of $24,288.

Q Now, you have already given us your valuation per acre of the north section,—I think you said $20,000; what is your valuation per acre of the south section? A $24,000.

Q Now, have you prepared an estimate of the value of the parcel described in the assessment as block 16B6, so far as the same is located to the west of the line 700 feet west of solid fill? A I have.

Q The area is what? A 12.665 acres; total value $495,240.

Q That is on the basis of $24,000 per acre? A $24,000 for the interior lands and at the rate of $50,000 per lot or $200 a front foot on Pavonia Avenue for a depth of 100 feet. The figure that I have testified to includes the basis of $24,000 per acre for the interior and the $2 per square foot or the $200 per front foot for the Pavonia Avenue frontage.

Q What is your opinion then of the value of lots fronting on Pavonia Avenue in that block? A My judgment of the value is $5,000 per lot. I

think they would sell in the market at that if they were offered with the Pavonia Avenue frontage, a main thoroughfare of the ferry,—a width of 80 feet.

Q And how much per front foot? A $200 per front foot.

Q And how deep a lot? A 100 feet in depth.

Q And the parcel in question is deeper than 100 feet, and so you applied your base rate, as I understand it, to the remainder of the parcel? A Yes.

Q After deducting 100 feet frontage for Pavonia Avenue? A I have.

Q Giving a total value of $495,240? A I have; that is giving a higher value to the parcel immediately in front of the section than is shown by this section, in the manner I have described. For the final result I included the high values for Pavonia Avenue in my basis, and I have added it again; so the yard is about 15 or 20 per cent. higher than what is shown for that reason.

Q That additional value is all incorporated? A It is incorporated in the figures, but I have described it as it does not show very clearly.

Q Now take the next parcel, block 17A2, how have you figured the value of that? A I figured the value of that in the same manner as I did the southerly portion,—by taking the front foot value on Pavonia Avenue for a depth of 100 feet at $200 per foot for a length of 1170 feet, which would give $234,000 for the frontage, and then the remaining 24.515 acres at $20,000 per acre for back or interior land, making a total valuation on the 27.2 acres of $724,300.

Q Does that include the main stem, or does it exclude the main stem? A Includes the main stem.

Q And your frontage of 1170 feet, does that include block 150? A It includes portion of block 150, as indicated on the map, by being lined around.

Q Also includes another small portion which is known on the city map as Kelso Street? A It excludes that.

Q That leaves a frontage of 1170 feet, which is the basis of your estimate? A Yes.

Q Now, have you also prepared an estimate of each of the other parcels of second class property which are under review in this proceeding? A I have.

Q Will you please take them in order, beginning with block 182, plot C? A That is known as land opposite of the main stem,—southeast corner of 10th and Provost Street. That is the northeasterly corner of block 182, the triangle containing 2625 square feet. And I have applied the lot value of $0.80 per square foot for a corner lot there and an additional 20 per cent., making it an even dollar per square foot, because it has a larger area in the street than through this cut up there, as indicated on the map, which gives the value of $2,625.

Q It is on the basis of $1.00 per square foot? A On the basis of $1.00 per square foot. Block 183, plot A; that is a portion of the block outside of the main stem between the southerly line of 11th Street and the northerly line of 10th Street and the easterly line of Henderson and the center line of Provost, 1.110 acres; value of that $27,400.

Q Now, have you the details in your record there showing how you arrived at that valuation? A I have.

Q Please state how you arrived at the valuation of $27,400 for that parcel? A In actual area it is one half the block, because the main stem goes through it. I took it as follows: Two lots fronting

on Henderson Street at the rate of $2,400 a lot; two lots more on Henderson Street at $1,800,—the corners at $2,400; the interior lots at $1,800,—eight lots on 10th Street at $1,500; two corner lots on Provost Street at $2,000 each, and two interior lots on Provost Street at $1,500. It makes the total of $27,400.

Q The next one is block 218. What value do you put on that and how did you arrive at it? A Block 218 is the excess land outside of the main stem. I arrived at it in the same manner,—Grove Street frontage there is 27,200 square feet, or .624 acres, the land outside the main stem on Grove Street, 6,800 square feet at $1.40 per square foot that is at the rate of $4,000 a lot. On Henderson Street 6,800 square feet at 72 cents per square foot, $4,896 and interior land of 13,600 feet at $0.60 per square foot, or $7,160, making a total of $22,576 for the plot.

Q Why do you make a difference in the valuation between Henderson Street and Grove Street on this parcel? A Because Grove Street has developed,—is the main thoroughfare and has a car track on.

Q Now, take the next one, block 323. A Is excess land also, .413 acres. I arrived at that in the same manner, applying Jersey Avenue corner lots, $2,666; interior lots $1,600. 10th Street, 9000 square feet at $0.52 a foot, which is $1,300 a lot. Coles Street, one lot at $2,000 a lot; another lot at—2000 feet at $0.60, $1,200.

Q Why do you make a difference between Jersey Avenue frontage and 10th Street? A Jersey Avenue is likewise a main thoroughfare, running through Hoboken, through the heart of Jersey City, crossing Hamilton Park,—is 80 feet wide and a very nice city street in the major part of it.

Q Finer than Coles Street? A Much finer than Coles. That makes a total of $12,146.

Q Now take the next one, 360. A 360 is likewise excess land,—same area of .413 acres. I arrived at that in the same manner,—lot on Monmouth Street at $0.666 a foot. Interior lot at $0.50 a foot; 9000 ft. on 10th Street at $0.50, $4,500. Then on Coles Sreet, corner lot of 2500 feet at 80 cents, $2,000 and an interior lot at $0.60,—

Q The difference between $0.80 and $0.60 per square foot being due to the fact that one is an interior lot? A Yes.

Q And speaking in general, does that account for the difference in other cases where there are interior lots? A It does. That results in $10,350 for the plot in that block.

Q Now please explain why you give a difference in the valuation between the Monmouth Street frontage and Coles Street. A Because Coles Street is an asphalt street and the general automobile road through that section. Monmouth is just the stone pavement and just borders on factory development.

Q And 10th Street, why is that less valuable than either Monmouth or Coles? A Because it is unpaved at that point if I remember rightly.

Q Take the next one, 395. A .362 acres in area; Monmouth Street frontage of 4000 square feet at $0.49 a foot, or $1,200 per lot, gives $1.920; and interior land of .270 acres, at the rate of $10,000 per acre, gives you $2,700, or the result of $4,620 for the entire area at that point.

Q Is $10,000 an acre your estimate of the value of the land at that section? A $10,000 per acre, and is based upon the Erie Railroad's purchase of the coach yard at about that rate.

Q Now take another portion of block 395 to the south of the main stem. A Has an area of .470; interior land entirely. The area is 20,473 square feet, at $0.50 a foot, making a total of $10,236.

Q Now take block 421 to the south of the main stem; what is your estimate of that? A Block 421 is a small triangle apparently to the north of the main stem. It is north of the Penhorn Creek main stem. It is triangular and is described as land outside of main stem between the northerly line main stem of Penhorn Creek Railroad main line and southerly line of the main stem branch A.

Q With an area of what. A .09 of an acre, entirely interior land. I have valued it at the rate of $10,000 per acre, or $900.

Q Now take the other parcel in blick 421, which is to the south of the main stem. A That is described as land outside of main stem south of main line Long Dock Company between the center line of Brunswick Street to the center line of Division Street. I valued that,—total area is 1.29 acres. I valued that at the rate of front foot value on 10th Street, or the rate of $1,000 per lot, or $0.40 a foot, making a valuation of $16,596.

Q Now take the parcel known as block 547, plot A. A That is 1.09 acres. I valued that at the rate of $5,000 per acre, or $5,450. That is an interior piece of Meadow land, without any street frontage, adjoining the Junction Railroad tracks.

Q Next is block 547, plot 23. A .250 acres, which I value at $3,000 per acre, or $750.

Q And why the difference in value per acre there? A It is the other side of the junction road, entirely interior, and I have given it the same land value as the City paid for the Jersey City high school property and it is a portion of that tract; so I have used the municipal purchase within the last five years as a basis of value.

Q It has no street frontage? A No street frontage whatever.

Q Next is 547, 2D. A .310 acres, at the same rate $3,000 an acre, $930. It is similarly situated land to the other.

Q Now take block 961, plot 1. A That has 3.957 acres.

Q It is on the other side of the hill? A It is west of Jersey City Heights.

Q And what was your valuation of that? A At the rate of $3,000 per acre, or $11,971.

Q 961, plot 3. A 6.315 acres, at the rate of $3,000 per acre, $18,945. That is likewise situated in the same territory, west of the Heights.

Q 961, plot 5B. A 2.180 acres, at the rate of $3,500 per acre, or $7,630.

Q These are all on the other side of the tunnel? A All west of the tunnel; west of the Heights as I have described, and they are right on the border of the meadows.

Q Now take block 1200, plot 12. A 14.180 acres, at the rate of $1,500 per acre, or $21,270.

Q And why is that less than the others? A On account of its situation; that is interior meadow land lying off to the northwest, to the rear of St. Peter's Cemetery. This is in the meadows.

Q Block 12, plot 59A. A That is another piece of meadow land lying much further west, with an area of 32.180 acres, at the rate of $1,000 per acre, or a valuation of $32,180.

Q And the last one is block 1200, plot 57A. A That has an area of 32.195 acres, at the rate of $1,000 per acre; valuation $32,195.

Q Now Mr. Gaddis, have you prepared with Mr. Ryer a summary of the testimony which you have just given, including for convenience the estimates of Mr. Floyd Corbin? A I have.

Percy A. Gaddis, cross.

Q Is this the paper which we have before us and a copy of which Governor Fort had been handed? A It is.

Q Does this give every item of the sales to which you have referred and the items of your valuation in each separate block in both the north and the south sections? A It does; it also gives the summary that I have testified to.

Q And does it also give a specific reference to the particular pieces of property sold, with the dates and the areas, and the consideration, and so forth? A It does give the detail of each sale.

Q For the past ten years approximately? A Yes, sir.

Mr. Hobart. I will offer this summary in evidence if the Board is willing to take it that way, rather than have Mr. Gaddis read it.

(Summary received in evidence and marked Long Dock No. 2).

Cross examination by Mr. Fort.

Q Mr. Gaddis, referring to exhibit Long Dock No. 1 on which you have north section and south section and all the figures on the different blocks, together with the pink marks or lines which indicate where the railway main stem runs, I ask you if the character of the land,—what you call north and south section and the main stem, is the same all over this tract? A No, sir.

Q Some of it higher than the rest? A Do you allude to value or elevation?

Q No, no; character of the land I am talking about. A The only difference,—the main stem is elevated through the City as it leaves the yard above the city level; outside of that it is practically of a grade,—I don't suppose there is a 5% variation in that entire tract from the bulkhead line to the back of the hill.

Q This north section practically runs to the New Jersey Junction Railway? A To some five or six hundred feet this side of the tunnel.

Q In the figures which you gave, the value of the land say in plots 323, 360, 286, 253, 218 and 360, you put the same valuation on that land that you did upon the land lying in blocks 285 and 322 adjoining; then you value practically at the same rate the land in the main stem that you valued all the other land lying between 12th Street and Pavonia Ave. A I do.

Q This second class property that lies adjoining the main stem. A That is valued the same way, yes sir.

Q In what way is this property in the north section used for railroad purposes,—I mean lies next to the north in the north section; that is taxed here as second class property? A By having tracks on in the majority of instances.

Q Are those through-going tracks, or only tracks that are laid there for sidings? A I wouldn't necessarily say they were laid there for sidings. They are not through tracks in the sense that the main stem is a through track.

Q You spoke of making sales, I think, 99 sales in the north section and 86 in the south section; just where were those sales; in which blocks? A Do you want me to encumber the record? You have before you a list of each individual sale.

Q Are any of those sales in the blocks which abut on 10th Street? A A great many of them are.

Q Are any of those sales in lots which abut on 11th Street? A Yes sir.

Q And are those the sales which you have used for comparison? A Those, together with the sales in the balance of the area,—all the sales

are confined within the limits of 12th and 7th Streets.

Q To what extent have you differentiated between those sales on the two streets I have mentioned, 10th and 11th and the others? A I don't know as I differentiated at all. I put them in exactly as they were.

Q Were they higher or lower than the others? A Those between 10th and 12th Street, the majority of them were very, very much higher,—abnormally so, because they were Erie purchases and they were notoriously stung badly in the purchasing through that section there.

Q Then I understand you that the value of the lands which the Erie have purchased, taking them at the purchase price, exceed the others? A That is true.

Q Were they purchased through you? A No sir.

Q You only know from the record? A It depends on which way you mean the record; not from just looking at the court house, I know from the books in the Erie's office.

Q Then you know the facts from the information you received from the Erie Railroad people as well as from the record? A From the record the purchaser outside, the agent.

Q Do you know who that was? A Well, it was a three-cornered affair; the Mathews Company were the Jersey City representatives, and I know Mr. Brown, he has testified in a great many of these heretofore; I saw a good many of the original contracts in his office.

Q Do you remember or recall the excess in price over the price which you have fixed per acre which was paid for the land adjoining the Erie main stem? A I do not. It is about a two-days'

work to figure that out,—to make a new computation, and then it would be my opinion as against the other.

Q You didn't figure that out? A No sir.

Q You cannot give me the cost then of the land in blocks 365, 323 and 363 to the Erie Railroad Company? A There is no 365.

Q 395, I beg your pardon. A Yes sir; that is in there.

Q The cost is in there? A The cost is in there and everything—in the schedule.

Q Did you not testify to the value of the land which is second class property in block 323, which is in red lines there,—the green color? A I did testify, yes sir.

Q Then do I understand you that the land in 361? A That is Erie land, yes sir.

Q And 324 and 287 and 254 and 219 and 184, is all land owned by the Erie? A All the land in those blocks? No sir.

Q Some of it is not? A A good deal of it is privately owned.

Q That which is owned by the Erie was purchased at a higher value than you have put upon the other land here, wasn't it? A In some instances—on the average it would be a trifle higher.

Q How much do you mean by a trifle higher? A I cannot give you that unless I analyzed each individual sale.

Q Is it not true that in purchasing land for railway purposes you do pay more for it than you do for land for residential purposes? A That is the usual result where it is known it is bought for railroad purposes.

Q Would you consider that the land adjacent to the main stem of this road—for instance the land that is lying in block 322, was worth as much

to a private owner as the land that was lying upon Pavonia Avenue? A What part of Pavonia Avenue?

Q Well, along near Hamilton Park. A No. You will notice the blocks Pavonia Avenue I have valued at $91,200 and $111,200, whereas I have only valued the block in question at $65,500. That shows the difference pretty clearly.

Q You made that difference because of this approximation to the railroad? A Why certainly not. It is the shape and condition that the land is in as I found it, as the city develops.

Q Would you not say for residential purposes that land that was lying adjacent to the railroad and its noise was less valuable for residential purposes than land lying two blocks away? A Yes sir; but then you see that all the south section is not fit for residential purposes; otherwise it would not have the value that obtains in this section. It is a business development that has created the values in the blocks that I have just referred to, 250 and 251.

Q Then your whole estimate on this tract is upon a business basis? A No sir, it is upon the purposes as it is used this year.

Q Well, Pavonia Avenue is residential, isn't it? A No sir.

Q All business? A No sir.

Q Hamilton Park property is residential, isn't it? A Well, 75% of it is residential; the other portions, a church and a hospital,—that is 25% cut right off,—a Catholic church,—well, there is not more than 66% of the frontage on the park that is used for residential purposes, and that has gone from handsome residences into a flathouse development during the last 10 or 15 years.

Q Your figures on this second class property are fixed on a basis of the average value of this tract in sections, north section and south section, aren't they? A No sir.

Q Well, how did you arrive at it? A I arrived at it from my knowledge of the values and experience that I have had in the entire section of lower Jersey City,—the past 20 years of experience. The introduction of these schedules of the result of the sales and of the assessments and such other information are merely corrobative and support the figure that I have arrived at from my knowledge.

Q Without going into this vast mass of detail here, you have fixed prices on all this second class property? A I have.

Q Now, how did you do that? A By placing the value upon that property in that particular block, situation or neighborhood that it is worth, and I have shown in this mass of detail as you call it the basis which I have used in every instance; that is, I have shown whether giving the value per front foot—

Q What I mean is, you have reached your result on this second class railway property which you have valued, by taking the values of the land not only adjoining, but adjacent? A Well, particularly adjoining.

Q Then I understand you have taken the whole of the land, reached a result from those valuations, and given your best judgment as to the value of this second class property from that? A The result of all this was the average that I placed upon the large plot in particular, and also upon the individual plots, block by block, as cut up in the developed site. I have used my knowledge of the individual sections, taking each section in detail.

Q Well, then to get at your result as to the value of the second class land you have used all that data to reach what you think is a fair value? A Applying to the large plot particularly. I am speaking now of the large plots, for instance 17A2 and 16B6,—those were taken on the general average. The small parcels going west to the hill are valued on their own merits, as they are situated throughout, according to the development in the city, according to the section through which they happen to pass.

Q I had intended to have my question apply only to the land lying west of Provost Street? A I answer, yes.

Q I was intending all these questions which I have been asking you now to apply to the land which is second class property lying west of Provost; I have intended to apply them to the land west of Provost Street which is second class land, —that you have arrived at by taking what method of average on land? A No method of average at all. As I have answered several times, I have valued in accordance with the development and the condition as it now is developed at the present time between the different streets, from street to street, going west; on the merits as the city developed, with a knowledge of those individual blocks, from block to block.

Q Do you think it is a fair way to get the result of the value of land which has tracks upon it and which is used for railroad purposes to take the value of land, for instance, lying in block 393 and block 282 and similar blocks? A I didn't use any such process.

Q Then I don't see how you get an average? A I don't get any average. It is not a question of average. It is a condition as developed in the ques-

tion,—I mean from street to street and block to block, as the conditions exist there.

Q Then what benefit is it to us in arriving at a result as to land lying in—that is, to second class property lying west of Provost Street and adjoining the main stem, to consider the values of land in block 392 and block 282? A It is of no value considering the value of the land in the main stem, or the small second class parcels adjacent to it in the individual blocks; no value whatever. I have not attempted to use it with a view to proving any such value.

Q Then all this estimate of cost figures that are in the north section and the south section, particularly the south section, are not helpful at all on the question of value in the main stem? A The main stem adjoining after leaving the yard, no sir. They are only for the purpose of proving the value on the large terminal tract.

Q Then we get to the terminal now. Now then we will talk then about block 17A2 and block 16B6. In making your estimates where do you stop at your values,—at what line near the Hudson River? A At the line 700 feet west of solid filling, which was the end of Mr. Corbin's testimony.

Q Your testimony you intend shall begin where Mr. Corbin's left off? A Yes sir, and in order to get at a proper value of the whole thing you would add the two together.

Q Then in fixing your value on block 17A2 and block 16B6 did you take an average of this other land; by that I mean the north and south sections? A Yes sir, with the exception of the portion of the two tracts you have spoken of, being 17A2 and 16B6, that front upon Pavonia Avenue. That particular portion I valued as having a frontage on the main artery to the ferry on Pavonia Avenue, at the market value per lot.

Q And you fix your value upon the basis then as to those two tracts upon the fact that they are on that avenue? A The frontage of course per lot and the depth of a hundred feet. The balance behind it on the average value.

Q Will you tell me what advantage it is to have that ferry avenue run through there for railroad purposes? A Not any. It is only an enormous gift to the city. It is a big thing to the city to have it there.

Q As railroad land it is of no advantage? A I think it is no advantage to the Erie system or the Long Dock system, but as it does run there and is developed with that part of the street I placed the frontage value on it accordingly.

Q But as railroad land it would be worth just as much without the street? A I don't think it would be worth any more.

Q It wouldn't affect it? A Only to the extent of the frontage, which I allowed for.

Q You mean that would be an advantage for a few people that went down in wagons to the ferry? A A great many people go down in trolley cars now.

Q But for railroad purposes the land would be more valuable without the street than with it? A I hardly think so.

Q Well, it would be none the less value then? A It wouldn't, I am sure. It would have so much more territory then.

Q Do you consider it a fair way to value that railroad property as a going concern and as a whole to bother with streets that run through it? A Why if the streets exist you certainly have got to include them. My understanding is that we should appraise this as of today, as it now exists.

Q Then your values on the land on Pavonia there have been placed on a basis of 25 foot lots 100 feet deep? A Yes sir; $5,000 a lot; yes sir.

Q That is about $60,000 an acre? A Yes sir.

Q Have you valued the rest of the tract on that basis? A No sir.

Q Why not? A Because it has not the frontage; for the same reason that I didn't value in the north section for instance the reason I didn't value blocks 287 and 254 on the same basis with blocks 251 and 216; because they are not in the same relative position.

Q Did I understand you to say that the fact that the street went through there did not add to the value of the tract for railroad purposes? A I am not considering its value for railroad purposes; I have considered the highest possible value I can place upon it as it is developed.

Q Don't you think that the proper way to value that tract is to value it at its value to its owner in the way in which it is used; for the purposes for which it is used? A That is what I have done.

Q Then why don't you value it as a whole, all alike, rather than higher on Pavonia Avenue than you do elsewhere? A Because it is worth more in that section.

Q More to the railroad along there? A It has a greater market value.

Q I am asking you now as to the railroad? A Yes, because they could get more for it. They could sell it for more money.

Q But I am speaking for the uses for which it is now used. A I do not consider its special use an element of value.

Q That may be, but it might, you know? A That is a franchise value.

Q I am asking you now irrespective of the other method of valuing it which you have put upon it; taking it for the special use for which it is used, that is for railroad purposes,—I understand that is practically all tracked,—is any part of that land worth more than any other to the railroad? A If I took that for the special use for which it is put, I would have to compare it with another tract of land that could be bought, equally well situated on the shore front, of like area, and then I would have to put a much lower value, because I know of so many places that can be bought for so much less money that would be capable of duplicating the property.

Q You didn't arrive at any value based on the special uses to which it is put? A I didn't consider it fair to do, as I have described.

Q You can say whether you did or didn't? A I didn't for the reasons explained.

Q Now you have averaged this land, block 17A2, —I am not sure about 16B6,—on the basis of $20,000 an acre? A Exclusive of the frontage, yes sir, on Pavonia Avenue.

Q How many acres are there in one of these blocks, do you know? A The acreage is on each one of them. They are very similar.

Q Here is a block, 285, where you have practically put a valuation it looks to me of about $20,000 an acre. Your valuation is $65,000 on that and it is 2.8 acres. A A little over twenty an acre.

Q You consider then that that land is as valuable in that block as the land in block 17A2? A Yes sir.

Q Why? A Why it is more highly developed, more readily salable—well, it is more readily salable and could be used for a general run of purposes.

Q That is because it lies along the railroad? A No sir, it does not; it lies a block away from the railroad.

Q Well, hardly a block. A It doesn't touch the railroad property. There is a space of 100 feet between it and a street.

Q Well now, the block 420. A About 2.7 acres or more.

Q That you got at $37,000; how far is that away from block 17A2? A Oh, 3,000 feet.

Q A little over half a mile? A Yes.

Q Do you consider that land as valuable as the land in block 17A2? A Not quite.

Q Practically then? A No, oh no.

Q Well, that is worth $15,000 an acre, you say? A Yes.

Q That is because, I suppose, that land could be sold for business purposes, isn't it? A It could be sold for manufacturing purposes.

Q Well that is business purposes? A Yes.

Q It wouldn't be valuable for residences there, would it? A No sir.

Q Then you have put your value on that because of the special use to which it can be put? A No sir.

Q Why not? A Put upon it a value for what you would be likely to sell it for; for what you could sell it for.

Q For what purposes? A I think that business would prefer it to tenements. Possibly it would divide between the two.

Q You don't consider that property lying adjacent to the railroad company, where trains are running through, is very valuable for residential purposes? A No, not particularly choice, but the majority of it is used for that purpose. If you will go through Jersey City on the Pennsylvania

Railroad, you will discover that both sides are used for residences.

Q Then you consider the land along the Pennsylvania Railroad to which you have just referred, is as valuable as the main stem of the road? A Yes, unless you want to consider the franchise element.

Q I want to make it perfectly clear on the record. I will exclude franchises. Then your basis of estimate here is on the theory of the land being cut to pieces, block by block, is it? A No sir.

Q I am talking about a continuous line of railroad through Jersey City, upon either side of which there are these old tenement houses to which you have referred,—you mean to say that is valuable for residential purposes? A It must be, or it wouldn't be used that way.

Q Can you use it for any other purposes? A Yes sir, for warehouses—

Q More for business purposes than it is for those other purposes, isn't it? A I don't think so.

Q Isn't it a fact that you have valued section 420 on either the basis of residential purposes or business purposes? A Neither one; for the purpose of sale; for what it would be likely to bring; what the adjacent block, for instance, brought when it was sold.

Q Then you have valued this railroad tract, block 17A2, not for railroad purposes, not for factory purposes, not for tenement house purposes, but for any old purpose that you thought it might be used for? A No sir, I valued it for the purpose for which it was used, just as I found it in the year of our Lord 1912.

Q But is it as valuable for other uses as it is for railroads, in your judgment? A I do not see why there should not be a number of other uses where it would be more valuable.

Q Then your value for this block for any use, outside of the frontage on Pavonia Avenue, is $20,000? A That is my valuation, yes sir.

Q Would it be more valuable in your judgment if the line called "line 700 feet west of solid fill" were extended so as to take in 500 feet further west of the land in block 17A2? A Why it would be just about the same.

Q Ought 500 feet then if that was added to the river front make it more valuable? A No sir.

Q You said speaking of the Pennsylvania Railroad you could not estimate the value of the adjoining land, without you took into consideration the question of franchises? A I didn't make any such assertion.

Q What did you say, I thought you said that? A I said I could not value the main stem of the Pennsylvania Railroad as it ran through Jersey City for special use as a main stem continuous, without considering the franchise element,—considering the special purpose for which it was used.

Q Tell me what you mean by franchise when you use that expression? A Why the right of the State to close the gaps that are normally open. If a man, a private owner, buys a block in Jersey City and then buys the adjoining block, he can't connect those two blocks together without permission from the city. There has been only one or two instances where such a thing has been done by private individuals. Colgate did it and they paid rent to the city for putting a bridge there. That's the nearest example I can think of a private owner connecting in any way two parcels.

Q Then your idea of what makes franchises of railroads is the right to connect up a thing and cut off the streets, is that is? A It is one element.

Q That is the element that entered into your valuation, the difference between the land on the sides and the land in the middle? A No. I am not valuing the main stem now from the yard to the tunnel but should I consider it, I would not consider it of any different value than the value of the adjacent territory block to block as the city is now developed bordering it.

Q You regard the land that lies alongside of the main stem of the railroad of equal value to the land in the main stem? A I certainly do; location determines value, of course, everywhere. It is one of the principal elements of value.

Q Can you buy land for railroad purposes through the heart of a city as cheaply as you can buy land when you are buying it for other purposes? A Not if you are known; if they see you coming as it were. I have done so, but I wasn't fool enough to advertise the fact.

Q Then you do not consider that a strip of land carved out of a city for railway purposes and used as the main stem of a railway that runs into a terminal, had any more value than the land adjacent to it? A Certainly not, until it is used for railroad purposes.

Q Then after it is used for railroad purposes it is of more value, is that it? A No, I don't think it is, not as land value. There may be an element of value that enters into a road on account of being a going concern.

Q Then I understand you that a terminal like this great terminal of the Erie, which runs back from the river front 3,000 feet and is in width

about 1,300 feet, is to be appraised in the matter of its value on a basis of the average value of land lying back of that 3,000 feet in the city? A I have not done any such thing. A parcel 3,000 feet in depth as this parcel is, has two elements of value, the water front value,—the land that is necessary for its use, directly back of the same, which has been so ably stated by Mr. Corbin as being in his judgment the line 700 feet west of the line of solid filling,—back of that the interior land, and then in back of that comes the small pieces appraised as I have appraised them.

Q But the land in the small pieces, as you have put it, is in your judgment as valuable as the land lying west of this point 700 feet from solid filling? A No, I do not say that. I have valued them a great deal higher in several instances. By reference to my testimony in detail it will give you—

Q Some of these blocks you have valued at more than $20,000 an acre? A A good deal more and they are worth more. Some of the railroad I valued a great deal more in the terminal yard. I valued it over $60,000 per acre.

Q Have you valued the terminal yard as a whole or have you valued it in separate prices? A No sir; I have valued it as a whole, and an analysis of my valuation will make it clear to you how I arrived at it.

Q I know. I mean this land west on Pavonia Avenue you value at $5,000 per acre; land that lies back of 700 feet on Pavonia Avenue you have valued that less? A Most assuredly.

Q What I mean is, you have not valued the whole tract at the same rate? A With my knowledge of real estate in Jersey City I would be insane to do such a thing as that. Otherwise the Penn-

sylvania terminal would be of the same value as the Erie and the Lackawanna as the Erie, and you know yourself it isn't.

Q Why? I don't see why the Pennsylvania Railroad terminal would not be of the same value as the Erie,—because of its location being different? A Now you have answered my question for me,—thank you,—because of its location. That is the controlling element of my valuation. Of course, of necessity we had to make a somewhat arbitrary line, but the street was there and of course—

Q Tell me what influence location has on block 418 in fixing the value on block 17A2, half a mile away? A I did not consider it at all directly or indirectly.

Q Then you think up there the location is sufficient to put the valuation on that tract at the price you have fixed at more than 50 per cent. of the value that you have put on this block 17A2, wouldn't you? A Yes sir.

Q You have disregarded then, have you not, all valuations on block 17A2 based on any continuity to the water front? A No, sir.

Q Well, you have not then considered, as Mr. Corbin does, that the water front reflects no value beyond this point which is 700 feet west of solid filling? A I have. Mr. Corbin very clearly stated that he did not consider that the water front reflected any value behind that line.

Q But you do. A I have considered it from the—suppose in front of that line there were a wall and the land in front of it were of less value, I would not have then put this high value that I have upon it. But, of course, I had to consider it as situated at the present time.

Q Certainly. And you do consider that it has reflected value on this tract west of the 700 foot

line? A It supports value, yes sir. It is not of any less value and therefore wouldn't reduce it.

Q Does it increase it? A No, it maintains it, because I have got the higher value, or equally high value on either side.

Q The fact that this is required to be used for a yard for the handling of freight and other traffic in connection with the shore front you don't think adds any value to the land because of its approximation to the shore front? A Of course it does. As I have said, if the land were less valuable in front of that line I would not have considered it fair to apply an average value as I have.

Q Does the uses to which the property east of that 700 foot line is put and the fact that it is adjacent to the river,—for ferries, freight sheds and other things, have any value to this block 17A2 west of that 700 foot line? A It certainly does.

Q Would you be willing to give us a percentage? A No sir, because I could not conceive of a piece of land that size being cut off blank, without anything. I have considered it with such adjacency as it now has.

Q But you say it has some additional value? A Of course it has.

Q Now what?—20 per cent? A I couldn't place a valuation. I couldn't say arbitrarily what percentage was reflected in it.

Q Your judgment is good; you have had a lot of experience; can't you give us some idea? I have confidence enough in your judgment to ask you, or I wouldn't do it. A I appreciate your flowery question, but I don't think I am equal to an answer.

Q You would rather let that go without making any answer? A As to the percentage it reflected? —certainly.

Q Or any estimate at all as to the difference in value? A You cannot fairly do it; it is not definable.

Q I suppose that is because of its use that it is not definable. A Oh no; I have placed the value as it now is situated.

Q I am speaking about the increase in value which you say exists there; it might be of more value to one than it is to another, might it not? A That is very possible because—

Q Of more value for one use than for another? A Why, suppose a man conducted a saloon and another a grocery store, side by side, and the lots were of equal value; one man might make a fortune and the man alongside of him might fail. That would be an element of special use. But that wouldn't be an element that reflected into the land value. Now if the Erie is successful or unsuccessful,—I didn't consider that circumstance at all. It is simply a matter of how the property is now used, as I see it to the best of my judgment.

Re-direct examination by Mr. Hobart.

Q With reference to the separate parcels of land that lie west of Provost Street and including block 150, which lies east of Provost, is there any continuity of value in those separate parcels of land? A No sir.

Q They are separated by blocks in each case? A By streets. They are more valuable being so separated than they would be connected up.

Q So, of course, in considering those values you have not taken into consideration any continuity of value, because there isn't any? A No.

Q But when we come to blocks 17A2 and 16B6, you consider the continuity of value in giving your estimate there? A I certainly did.

Q Now with particular reference to Pavonia Avenue and the land on either side to the north and south, is it a fact that Pavonia Avenue also gives access not only to the ferry, but also to the passenger station of the Railroad Company A It does.

Q And if that were shut off at Provost Street, would there be any access to the station? A No, there wouldn't be any access.

Q Passengers going down Pavonia Avenue east of Provost get to the station that way. A They certainly do; that is the only way they can get in.

Q Is it also a fact that on the south side of Pavonia Avenue by reason of the fact of the street being there in front of block 16B6 there is access to the warehouses and freight houses? A That is true, yes sir.

Q Warehouses are indicated, I think, on the plan here? A They are shown on the plan.

Q And there is a public freight house, is there not, to the south side of Pavonia Avenue and east of Provost Street? A There is.

Q So that the fact that Pavonia Avenue is open east of Provost Street gives access to all of these different buildings,—ferry house, passenger station, —is that correct? A Yes sir.

Q Now reference was made to the Pennsylvania Railroad and the tenements on each side of the Pennsylvania Railroad. Do you know whether as a fact the Pennsylvania Railroad runs right through a public street in Jersey City? A It does.

Q So that the houses on either side of the Pennsylvania Railroad also have access, or at least are open to a public street? A Yes.

Q Underneath the elevated tracks? A Yes.

Q The tracks being in the middle of the block? A Yes.

Q That is not true as to the Erie? A No sir.

Q There are no public streets under its tracks? A No; it is all solid

Q The Governor asked you some questions about the possible reflection of the values here on water front property You do not claim to be an expert on water fronts, I understand? A No sir.

THOMAS A. RYER, called and sworn on behalf of the Company, testified as follows:

Direct examination by Mr. *Hobart.*

Q You are engaged in the real estate business in Jersey City? A I am.

Q And have been for a number of years past? A About 11.

Q Do you do any business except real estate business? A Real estate and appraising.

Q You have made a number of appraisals? A A great many.

Q About how many would you say? A About many millions of dollars; I cannot tell. For the last four years I have been working on practically nothing else.

Q Are you in the employ of the city for the purpose of making appraisements? A I have been for the last four years, purchasing tracts, on assessment work, appraisals of different kinds; also for the State Government.

Q Have you bought and sold property, real property, in Jersey City? A About ten million dollars worth in the last ten years, in small parcels.

Q Could you give us any idea of how many different sales that would cover? A Probably a thousand,—average of about ten thousand dollars apiece.

Thomas A. Ryer, cross.

Q Have you bought and sold property in the vicinity of this section shown on this map, between the Hudson River and the foot of the Palisades? A I have.

Q Frequently? A No, not frequently in that section. I have made some sales in there.

Q Did you take part in the preparation of this schedule, Long Dock Exhibit No. 1, that has been referred to by Mr. Gaddis in detail? A I did.

Q Have you gone over it personally? A I have.

Q I understand that you assisted Mr. Gaddis, or he assisted you in preparing it? A We worked together on the matter.

Q What is your own independent judgment as to the value of the property known as block 17A2, that is, that part of that block which is to the west of the 700 foot line? A My judgment is the same as Mr. Gaddis's, being $724,300 for the Pavonia Avenue frontage, including the area in the rear.

Q Did you arrive at it in the same way? A In the same manner; our figures are alike. In other words, so far as the values on these plots are concerned my values if I went through them now would be identically the same as testified by Mr. Gaddis.

Q And that is true not only as to the so-called terminal property, but as to the plots, or separate parcels, lying west of Provost Street, all the second class property west of Provost Street down to the Hackensack River represent your own independent judgment as to their exact values? A Yes sir.

Cross examination by Mr. Fort.

Q You heard Mr. Gaddis's testimony? A I did.

Q All of it? A Yes.

Q Been sitting here all the time, haven't you, Mr. Ryer? A I have.

Q And your results were reached for the same reasons which he stated? A I cannot say that all of them were. I may have differed in some of his arguments. I may have some different personal opinions on some things.

Q Which is natural. Two men do not often agree, always. Do you hold the same view that you heard him express with regard to land lying abutting upon the right of way of a main stem or right of way of a railroad track? A I think he expressed several views on the same thing.

Q I mean in regard to the land which adjoins or abuts the main stem of a railway being of equal value with that of the land in the main stem? A That is my belief.

Q And do you also believe it is of no concern as to what use the land is put, on the question of its value? A No; I don't believe that there is no concern as to what use land is put to. That is an element of value in my judgment.

Q Then you would say that a piece of land which was peculiarly adapted for railroad uses and which was covered with tracks of a railway and used by them in their business, and was specially fitted for such uses, should be valued in connection with the use to which it was put to? A To some extent, but properly I think as to what it would bring in the market if offered for sale.

Q Then your idea would be that the better way would be to value it at what it would bring in the market without regard to the use it was being put to? A Yes; but I would have to take into consideration its use in getting at that value.

Q Is this land in the Long Dock tract, in block 17A2 and block 16B6, as it lies now,—is the use

to which it is now being put of any more value than it would be if it were simply lying there as land for sale? A I think not.

Q Then your estimate is that it is of no more value to the Erie Railroad Company, the land lying east of Provost Street and the exterior line of the piers, is of no more value to the Erie Railroad than it would be as land if they owned it as land? A I don't think so.

Q What do you say? A It may be of more value to the Erie by virtue of the fact that they use it in connection with long lines of railroad tracks leading out of the city.

Q Is it of no more value as a going concern for sale than it would be if it was mere land lying there? A I think not.

Q Your idea then is that if the Erie Railroad Company wanted to sell it to another railroad company, this land is of no more value than if it was land lying there? A I think not.

Q Could the Railroad acquire, in your judgment, the same kind of land to the same extent in Jersey City for railroad purposes; such a tract as that anywhere? A You mean a similar tract?

Q Yes. A Yes, and for one-third the cost, with the exception that the development to the rear would not be the same.

Q Is there any value in that land in excess of the value of the land that lies up at Fort Lee,—a similar tract of land lying up at Fort Lee? A Is this land more valuable?—It is.

Q For railroad purposes? A For any purpose. The Fort Lee property has a precipice right back of it.

Q Do you know of any other tract that would answer the purposes of the one under discussion? A I do.

Q Is this more valuable speaking generally than that tract? A I don't think so.

Q You think the land up there is worth about as much as this land? A About the same; that has access to the 14th street ferry and has a city in back just the same as this has.

Q That land called the Yellow Pine tract, if it was to have tracks put upon it, piers and docks, warehouses and everything there is here, was being used for railroad purposes, would it be worth no more than it is today? A I do not consider that it would.

Q And the fact that this land has on it all these warehouses, freight sheds, piers that have been constructed; river connections made; ferry arrangements; tracks all laid down upon it, the land as land has no more value than if it wasn't there? A Oh yes, it is; that makes value.

Q Oh, what do you mean by that? A I mean if the warehouses were not there and the city wasn't developed in the back and this was simply poor land there,—wilderness,—of course it would not be what it is worth today.

Q I don't mean wilderness; I mean lands along the Hudson A If it was not developed, it would not have its present value.

Q Then that Yellow Pine tract, without any of these things, isn't worth as much as this? A But it has these things,—it is developed.

Q It has one railroad track? A It has one railroad track, yes, but as I say it is similarly situated to this tract, the back land is exactly the same; you have got the City of Hoboken back of it,—trolley tracks,—everything identically the same as this.

Q Mr. Ryer, what is the total value you put on this tract? A On which tract, Governor?

Q On this tract east of Provost Street? A Well, in 17A2, or 16—there are two tracts.

Q The whole thing; do you remember what the total value is on that? A I would have to figure it out for you.

Q I would like to get it? A Taking the land from a point 700 feet west of the exterior line for piers, from there to Provost Street, or to the line which is shown on this map, $1,219,540. As I understand you, you want to know now the value of Mr. Corbin added to my value of the tract from the bulkhead line back to Provost Street, or this pink line. Mr. Corbin's value, as I figure it roughly,—$2,244,474,—I am including the whole thing,—$3,464,014.

Q Now tell me what is your valuation of the Long Dock property, the other side of the tunnel back? A I have just given you that.

Q I mean west of the tunnel. A You mean all that is under appeal there?

Q Yes. A $238,770, if my figures are correct.

Q You have not the value of the tunnel? A I have not touched the main stem nor the tunnel, and I have only taken the pieces that are under appeal. There are other pieces of second class property which are not under appeal.

Q The figures which you and Mr. Corbin have given amount to about $3,464,014? A $3,464,014; that is the market value. The assessed value is $5,724,320.

Q Do you consider then that the Long Dock property as it lies there,—in accordance with the return you would consider would you, that had been made to the State of $7,500,000, that was an excessive value in bonding it? A In taking this as a railroad, Governor, you have got to take into consideration that this is not the only part of the rail-

road. There are other parts which may lend value to this. I am only giving you the land value. Now you have got tracks, buildings and many other things to take into consideration. You would be wrong in bonding it for seven million.

Q Then you wouldn't say that the Long Dock property as it lies there was excessively valued at $7,500,000? A I couldn't say. I say this: that the land that I have appraised is worth no more than three million, or Mr. Corbin's land is worth no more than $3,702,784, those being the figures shown on the schedule, exhibit No. 2.

Q You wouldn't want to express any opinion on that? A I couldn't.

Re-direct examination by Mr. Hobart.

Q The Governor asked you about an alleged bond issue of $7,500,000, would it help you in forming an opinion as to whether that is excessive or not if you were informed that the State has assessed the main stem at $1,923,781, and that the total valuation placed upon all the Long Dock property by this Board for the current year was $9,476,090, would that help you in arriving at a conclusion as to whether a bond issue of $7,500,000 was excessive? A I don't think anything would assist me in arriving at a conclusion on that point.

Q Reference was made, Mr. Ryer, to a tract of land which you said was substantially similar to this, which was worth one-third less, which tract did you refer to? A There are three tracts on New York Bay that I have for sale at the present time.

Q On the Jersey City side? A On the Jersey City side in New York Bay and which I have been trying to get the Bush Terminal people to consider. (Producing map). There on the New York Bay

just south, or southwest of the National Docks, is one tract, the Blair tract, as it commonly called, which can be purchased for $6,000 an acre,—all under water with the exception of a small portion. The Leary tract is in the same condition. The other Leary tract is half filled; that is half filled out to the exterior line for piers,—it can be purchased for $8,000 an acre.

By Mr. Fort.

Q I want to ask you just how far it is to the channel from this land? A Why there would be very little dredging there for a channel. There is a channel there now. The Pennsylvania have a channel—

Q That land is also all under water and has got to be filled. A It is only half under water.

Q How much solid filling is there? A I don't know how much original solid filling there was, but it is half solid filled now. There are 150 acres in it, or considerably more than the Erie Terminal. Of course, these tracts at $6,000 an acre would have to be filled and the expense would be about $4,000 an acre to fill it.

By Mr. Hobart.

Q With reference to the parcels of second class property to the west of Provost Street, do they form any part of a continuous railroad or are they merely sidings and switches? A They are all sidings and switches and are not by any means a right of way.

WALTER M. DAWLEY, recalled:

By Mr. Hobart.

Q Mr. Dawley, I want to call your attention to the assessment of what is described in the assessor's return as the terminal station, including ferry buildings, platforms, waiting room, train shelters, and so forth, have you made an estimate of the value of those buildings? A Yes sir.

Q As distinct from the land? A Yes sir.

Q Are you familiar with the buildings? A I am.

Q What experience have you had in estimating values of buildings for railroad purposes? A I have been engaged in that business for the past seven years.

Q What is your estimate of the value of the buildings in this assessmnt and how did you arrive at it? A I arrived at it by making an inspection of the buildings and then estimating the cost of reproduction.

Q What is your estimate of the value as of January 1st, 1912? A $65,659.

Cross examination by Mr. Fort.

Q Have you any items at all of that estimate? A Yes sir.

Q Did you have them made up in detail; have you got them in detail? A Not in detail as to each particular item, but I have it subdivided into several buildings which go to make up the total,—train sheds, depot, ferry slips.

The main building is frame, 123 by 27 in size,—on pile foundation. The train sheds are of a cheap umbrella type,—simply an A shaped roof upon posts,—the platforms inside the tracks. The shed at the—well it is between the ferry terminal

and the station, is a steel structure, and the ferry slips and approaches are frame.

Q Are you personally familiar with the costs of the lumber and material that is used in these buildings? A Yes sir.

Q Steel? A Yes.

Q Piling? A Yes.

Q Cost of driving it? A Yes.

Q Is that part of your business to do constructing of railroad stations and terminals? A It was prior to my taking my present position.

Q You had charge of it? A Had charge of building docks at Cleveland, Ohio.

Q Now did you put any depreciation on that property? A That is the depreciated value that I gave.

Q What was your figure as to new cost or original cost? A My figure as to new cost is $117,-638, with some slight alterations that have been made.

Q Haven't you the figures over there of the original cost of these terminals? A No sir.

Q That is the total cost? A That is the total cost.

Q And your present value is what? A $65,659.

(Adjourned subject to the call of the President of the Board).

Exhibits.

Long Dock Company's Exhibits.

EXHIBIT No. 1.

Map showing Long Dock Company's property in Jersey City, prepared for Percy A. Gaddis and Thomas A. Ryer, Dec. 1912.

The above mentioned map is also Exhibit P. 1, on complaint against assessments for the years 1913 and 1914, *post*.

EXHIBIT No. 2.

Schedules prepared by Messrs. Gaddis and Ryer.

The above mentioned schedules are also Exhibit P. 2, on complaint against assessments for the years 1913 and 1914, *post*.

Testimony before The State Board of Assessors on complaint of the Long Dock Company against assessments for the year 1914.

Opening.

BEFORE THE STATE BOARD OF ASSESSORS

In the Matter of the Complaint ..of the Long Dock Company Against Assessments for the Year 1914.

Testimony taken before the State Board of Assessors at the Union Trust Company Building, Jersey City, New Jersey, this eleventh day of January, 1915, at ten o'clock in the forenoon.

Present. Messrs. Barber and President Hendrickson.

Robert J. Bain, Esq., (for Collins & Corbin) appearing for complainant.

John R. Hardin, Esq., and Josiah Stryker, Esq., appearing for the State of New Jersey.

Mr. Bain. The Long Dock Company complains against the assessments for the year 1914, upon certain property mentioned in the appeal and complaint filed with the Board. The assessments for 1914, with three exceptions, are similar to the assessments for 1912. Complaint was made against the assessments for 1912 and testimony on that complaint taken before this Board. The Company offers and asks the Board to receive the testimony taken upon the hearing of the complaint against the assessments for 1912, as though that testimony was again repeated by the witnesses, supplemented by other testimony by the witnesses who testified upon the assessments for the year 1912, as to any changes in values since that time. Is there any objection to that, Mr. Hardin?

New Jersey State Library

Mr. Hardin. The State has no objection to the use of the testimony as proposed by Mr. Bain, subject to the right of cross examination, if desired, of the witnesses on the testimony taken in 1912 and to be carried into this record, and the further testimony that may be now offered.

(The testimony thereupon was admitted, and, by the direction of counsel, incorporated into the minutes.)

Mr. Bain. I then offer and ask the Board to receive the exhibits offered upon the hearing of the complaint against the assessments of 1912.

Mr. Hardin. There is no objection to that.

(Map, showing the property in question, was thereupon marked Exhibit P-1; schedule of sales, etc.

WALTER M. DAWLEY, sworn.

Direct examination by Mr. Bain.

Q Are you the Walter M. Dawley who testified before this Board upon the complaint against the assessments for the year 1912? A Yes, sir.

Q And are you still employed by the Erie Railroad? A Yes, sir.

Q In what capacity? A Engineer in the General Land Tax Department.

Q Was that your employment in the year 1912? A Yes, sir.

Q I show you a map marked at the bottom on the left "Prepared for Percy A. Gaddis and Thomas A. Ryer, December 1912," and over at the right "Exhibit No. 1, December 13, 1912, with new pier head line added," and ask you if that

map is an exact copy of the map which was offered in evidence upon the hearing of the complaint against the assessments for the year 1912 before the State Board of Assessors, with that addition? A It contains the exact information which was on the other map, with the exception that where notes were put on there in black ink they have been reproduced by putting them on the tracing, making a new print from a tracing, with the statement added to Exhibit No. 1, December 13, 1912, "with new pier head line added, January 2, 1915," and the extension of the new pier head line.

Q In all other respects is the map which you now produce an exact copy of the map which was offered in evidence upon the hearing of the complaints against the assessments for the year 1912 before this Board? A Yes, sir.

Q Does the map which you now produce accurately show the new pier head line in the Hudson River in front of the property of the Long Dock Company, described as 17-A2, Ferry plot, and Block 16-B7? A Yes, sir.

Q From what was that new pier head line obtained? A From the map furnished by the War Department, showing the location of the pier head line.

Mr. Bain. I offer the map in evidence.

(The map referred to by counsel and produced by the witness was thereupon admitted, without objection, and marked Exhibit P-3.)

Q Does the map which you now produce also show the acreage between the old pier line and the new pier line, approved, in March, 1914, in front of Block 17-A2, Ferry Plot and Block 16-B7? A Yes, sir.

Q Will you kindly state the acreage in each plot? A The acreage included in the extension of Block 17-A2 is 2.679 acres; in Ferry Plot, foot of Pavonia Avenue, .304 acres; Block 16-B7 is .338 acres.

Q Have you computed the acreage between the old and new pier line as established in 1914, in square feet? A Yes, sir.

Q Will you kindly give us the square feet area of the land in front of each plot between the old and new pier line? A 2.679 acres equals 116,697 square feet.

Q And that is the square feet area of the land between the old and new pier line in front of Block 17-A2? A Yes, sir. In front of the Ferry Plot, foot of Pavonia Avenue, .304 acres equals 13,242 square feet; the .338 acres in front of Block 16-B7 equals 14,723 square feet.

Q Do you know whether the acreages just given by you are the same as those computed by the State Board of Assessors in the year 1914? A Yes, sir.

Q You know that they are? A Yes, sir.

Mr. Bain. I will withdraw this witness now and recall him later. Do you wish to cross-examine him on that?

Mr. Hardin. I suppose I can cross-examine him on the whole thing when you call him later.

FLOYD S. CORBIN, sworn.

Direct examination by Mr. Bain.

Q Are you the Mr. Floyd S. Corbin who testified before the State Board of Assessors in December, 1912, upon the complaint of the Long

Dock Company against the assessments made by that Board for the year 1912? A I am.

Q Are you still engaged in the occupation or business in which you were engaged at the time you gave that testimony? A I am.

Q Have you in any way changed your business since you last testified? A I have not.

Q You still follow the same occupation? A The same line of business.

Q Have you read over and considered the testimony as to the various parcels of land of the Long Dock Company given by you in December, 1912? A Yes, I have.

Q Has there been any change in value of the waterfront land along the New Jersey shore of the Hudson River since you testified in December, 1912? A In my opinion, if there has been any change, it has been a decrease in values; I am quite sure there has been no increase in value since 1912.

Q Is the value of the Long Dock property described as Block 17-A2, or that portion of that block about which you testified in 1912, the same now as it was then? A I would say yes.

Q Has there been any increase, or decrease, in the value of the parcel described as Block 17-A2 since you last testified as to the value of that property? A There has been no increase whatever, in my opinion, in the value of that property since 1912.

Q Has there been any increase, or decrease, in the value of the parcel described in the assessment of the land at the foot of Pavonia Avenue, 130 feet along the exterior line of solid filling? A No, there has been no increase in value since 1912 in that property.

Q Has there been any increase, or decrease, in the value of the parcel described in the assessment as Block 16-B7 since 1912? A No, no increase whatever.

Q Has there been any increase, or decrease, in the value of the parcel described in the assessment as Block 16-B6 in the last two years, or since 1912? A No, there has been no increase in value. If there has been any change at all I would say there has been a decrease in the value of properties along the Hudson River.

Q And, speaking particularly as of January 1, 1914, has there been any increase, or decrease, in value of the parcels which have just been mentioned? A There has been absolutely no increase in any of the parcels you have mentioned since January 1st, 1914.

Q Is the value of the parcels mentioned the same now as that stated by you in December, 1912? A I should say, substantially, yes. I have made no change in my estimate of value. But, as I stated before, there has been no increases in the value of any of the Hudson River properties, on the New Jersey shore, in the last two years, in my opinion, because there has been no demand for them.

Q Assuming that the exterior line for piers in the Hudson River in front of the parcel described as Block 17-A2 has been extended as shown upon the map offered in evidence and marked Exhibit P-3, would that extension of the pier line add any additional value to Block 17-A2 beyond that stated by you in 1912? A In my opinion it does not add any value to the property.

Q Does the extended pier line, as shown upon the map, in front of the parcels to the south of Pavonia Avenue, add anything to the value of

those parcels? A No, sir; it does not, in my opinion.

Q Then you would say that the value of the parcels described as Block 17-A2, land at the foot of Pavonia Avenue, Block 16-B7 and Block 16-B6 are the same at this time, and were the same on January 1st, 1914, as stated by you in 1912? A Yes, sir.

Q Is there any demand at the present time for property along the New Jersey shore of the Hudson River? A There is no demand at the present time for properties along the Hudson River, the Jersey shore of the Hudson River, nor has there been any demand to speak of for the last two or two and a half years.

Q What is responsible for that lack of demand, in your opinion? A The reason for that is, that the railroad and steamship companies are fairly well supplied with docking privileges along the Hudson River, and there is no increased demand from them for that kind of property. Any demand that there is at present, for waterfront properties, is from industrial concerns, and all those concerns can best be served with cheaper, and probably offering equal facilities, along Kill von Kull and Staten Island. The Federal Government has appropriated, for dredging Staten Island Sound, within the last 18 months, over $900,000 for deepening and widening the Sound, so there exists today down on Staten Island Sound water frontage with 30 feet of water on which you can get railroad connections, which is all they could get along the Hudson River, and they would get that property for one-fifth of what the Hudson River property would cost them.

Q You have stated that there has been no increase in the values of the various properties be-

yond the values of those parcels as given by you in 1912, and that applies to the portions of the particular parcels under discussion and the values which you testified to in 1912, does it not? A Yes, sir.

Cross examination by Mr. Hardin.

Q You testified in 1912, and you testify now, as to waterfront values? A Yes, sir.

Q And to what depth? Will you kindly refresh my memory on the subject to what depth you carry your waterfront zone back from the line for solid filling? A In testifying as to the value of the waterfront property shown as Block 17-A2 I testified to the value of the waterfront property as being in a line 700 feet west of the line for solid filling on connection with the waterfront.

Q Your idea is that waterfront property, so-called, terminates at that point? A Yes, I think that is about as far from the bulkhead line as is practically of any value to waterfront property.

Q Back of that is no advantage, to the rear of that 700 feet and attached to it? A Oh, yes; there is some value, where the property is all under one ownership, and I have so considered it in this appraisal.

Q That is to say, you made the larger appraisal of the waterfront within your 700 feet, because there is back land attached to it in the same ownership? A No; wherever there is property, not larger or greater in depth than 700 feet, back from the waterfront, in the larger area under one ownership there is always an element of value in the plottage, because it is to be assumed that the

larger property could be developed more economically and comprehensively than a smaller property can.

Q You mean now, by plottage, with reference to the water front or plottage with reference to the rear? A With reference to the rear.

Q Have you tried to value the rear property? A Yes, I valued the whole of Block 17-A2?

Q You regard that whole tract then as waterfront property? A Not the whole block, as waterfront property. I say, you have got to have some line of demarkation in waterfront property, there must necessarily be a limit. Because an ownership extends back for seven or eight or ten thousand feet from the waterfront you can't regard that as all waterfront property.

Q Then you regarded the rear of this property, facing on the 700 feet, as enhanced in value by the fact that it is tied together in a large parcel? A Yes, I considered that so.

Q You would not put any bigger figure on waterfront properties which have frontage above the line 700 feet back from the shore, if it was not attached to the rear of that property? A I would not put as large a figure on it, because I considered this property was all in one ownership, and I think I gave a very full value to the property. You must have some end in valuing waterfront property.

Q You recognized the advantage, then, to the waterfront of greater depth back of that 700 feet —advantage to the rear property back of that line, with access to the water, when the whole is combined in one ownership? A Yes, sir.

Q When was this pier line extended, do you know? A In 1913.

Q It was the result, was it not, of some prior discussion before the Secretary of War? A Yes, sir.

Q Was the pier line changed generally along the Jersey shore? A It was, yes, up to about opposite, a point opposite 120th Street.

Q Was it changed at all points below this property, up to 120th Street? A Yes, there was—well, in some instances the change was very slight indeed.

Q You were present at some of the hearings before the Secretary of War, weren't you? A Not before the Secretary of War, but I was present at a number of hearings before the Harbor Line Board, when the matter was discussed.

Q You, at that time, thought that additional depth to the property, by reason of the extension of the pier line, was of advantage to the property, did you not? A On some of the property, yes; that depended entirely upon the pier line, because some of the properties further up the river the difference between the pier line and bulkhead line was only 334 feet, one of them I remember in particular.

Q Whereabouts was that? A That was at the lower end of the Woodcliffe property.

Q Opposite about what point? A About opposite 79th Street.

Q Nowhere near the upper terminal of the Erie? A No, it is perhaps a mile and a half north of the Weehawken terminal of the Erie.

Q Was the line changed in front of the Weehawken terminal of the Erie, the pier line? A Yes.

Q Was it put out or in? A I think it was receded there; it was also receded, I know, on the property just immediately to the north of the

King property (what is known as the King property) now owned by the West Shore Railroad.

Q You thought that change was improper, did you not? A No, on that property I made an estimate of its value, and in the recission of the pier line I did not change my figure as to the value of the property.

Q Didn't you express your views to this Board before which you appeared, this official body representing the War Department, against the recission of the pier line? A No, sir; the question of the recission of the pier line was not discussed. The property owners to the north were properly interested in securing an extension of the pier line, by reason of the fact that the difference between the bulkhead and the pier line was so small.

Q At that point you regarded the greater distance between the pier line and the bulkhead line as an advantage, didn't you? A Yes, because there was not sufficient depth there for the accommodation of an ordinary ocean going vessel; but where you have a sufficient depth for such a purpose I don't think the increase of so small an amount makes any particular difference in the value of the property.

Q How much was the pier line extended at this point, in front of the Long Dock Terminal? A Well, at the upper end it was extended about 122 feet, and at the lower end about 91 feet.

Q Did the Secretary of War extend the pier line along this place of his own motion, or was it from the agitation of property owners along the Hudson River there? A Well, my recollection is that the property owners who were most interested, and those who helped the movement along, were those further up the river, where the difference between the pier line and the bulkhead

line was inadequate for docking an ordinary ocean going vessel.

Q What was the supposed necessity for the extension of the pier line? A For the particular reason that the difference between the pier line and the bulkhead line at that point was very slight, less than 100 feet of what it is in front of this property in question.

Q How far above the Long Dock Terminal is the Hamburg Dock property? A I should say it is about 2,000 to 2,500 feet.

Q Was the pier line extended in front of that property? A Yes, sir.

Q Wasn't that company deeply interested in having longer piers? A I am not familiar with the company's affairs to know that.

Q You are familiar with this agitation? A I am, but you asked me whether the Hamburg Company was particularly desirous of having longer piers.

Q Weren't they represented at the meetings? A I don't recall; I was at the meetings of the Harbor Line Board, one or two times, and they were not represented.

Q Aren't you familiar with the newspaper discussion at the time, of their want for longer piers, to keep them on the west side of the river? A Yes.

Q Then why did you say that you didn't know? A You asked me if they attended meetings; I don't recall having seen any of their representatives before the Harbor Line Board. I know they couldn't extend their line, as could be done in this property. They were up to the limit; but this property has never been used to the limit of the old pier line.

Floyd S. Corbin, cross.

Q How deep are the slips of the Hamburg American Line? A I don't know. I may be able to tell you, it has been some time since I had any records of them; I have here a diagram of one of their slips, I presume it is correct, I haven't had occasion to look into it, it is about 800 feet long, one of their piers.

Q That is the old depth, isn't it? A Yes, sir.

By Mr. Hendrickson.

Q That is the length of the pier, I understand? A Yes, that is the length of the pier.

Q That came out to the old pier line? A Yes, sir.

By Mr. Hardin.

Q Do you know how much additional depth was secured by the change in the line in front of the Hamburg American property? A No, I don't recall; I have a map of it in my office, but I don't recall off-hand.

Q Was it at least as much as in front of the Long Dock property? A That I couldn't say.

Q Mr. Focht suggests that the extension of the line in front of the Hamburg American property was 140 feet; it was about 940 feet, taking the figures, you understand, from the official map that he has. Assuming that to be correct it would make the depth of the Hamburg American piers how much? A According to Mr. Focht's statement, assuming his statement to be correct, it would be 940 feet.

Q I thought you said you were aware of the discussion in the papers at the time, for the additional depth at the time, for the additional depth at the Hamburg docks to keep the Hamburg American Company on the west side of the river. A

Yes, sir; I saw a great deal of it in the papers; but I also saw a lot of other stuff in the papers where the information was not correct.

Q What is the depth of the slips on the Long Dock property? You say the property has never been developed to the pier line. A The depth of the slips? I don't quite understand.

Q Yes. A Which slips do you refer to?

Q The various slips, according to the map I have, Exhibit P. 3, I take it that you know. A Pier 9, the exterior line of pier 9 is 370 feet west of the old exterior line for piers. That is, they never availed themselves of that much space. At the freight shed, marked Pier 5, the extreme line of that pier is 290 feet west of the old exterior line for piers.

Q I would like to inquire if you can't tell me about the development of these piers on this Long Dock property, and my question about the depth of the slips was intended to get at that. What I want to get at is the present length of the piers, as developed on this Long Dock property. A The present length of the piers?

Q Yes. A Pier No. 9 is about 640 feet in length.

Q How much room was there from the end of this pier out to exterior line for piers as established prior to 1913? A 370 feet.

Q What was the extension in 1913? A 122 feet.

Q You say that is of no advantage to the property, that additional 122 feet? A Not to that property, it is not, in my opinion.

Q But it would be to some other property? A It would depend upon the property itself. The situation in respect to the Hamburg American line is very different because they have such little property back to the street, only 338 feet, and a

large amount of that is solid ground, and they couldn't cut into that without destroying practically all they had.

Q The only way to deepen the piers on this property without extending outward toward the established pier line would be by excavating back into the property, wouldn't it? A On the Erie property?

Q The Long Dock property. A No; as I say, they had 370 feet that they could have extended out in the river without any excavation, even to the old pier line.

Q Yes, I understand that; but if they wanted to go back and make the pier line deeper than 1,100 feet, they would have to excavate back into the property? A Yes, if they wanted to go a greater length than 1,100 feet they would.

Q But I would like to know a little more definitely, if you can tell me, why you think it is of no advantage to waterfront to have an opportunity to build a longer pier? A Well, speaking generally, or speaking now of some particular property?

Q Generally, I should say. A There is such a thing, Mr. Hardin, as having too much pier line for economical handling. The Bush Terminal is handicapped today by reason of that very fact. They have long piers, but it is very expensive handling merchandise at the Bush Terminal, because they have to be carted the entire length of the pier and across the marginal way. There is labor to that and it is a handicap.

Q Isn't there a tendency to increase the length of ocean going vessels? A I don't think the tendency, as far as I am able to judge, will be to increase the length of ocean going vessels from their present size; they have about reached the limit of harbors and channels.

Q And this criticism of yours, of the Bush Terminal, and their piers, naturally applies to goods that you truck down the dock; it doesn't apply to lighterage, does it? A If you lighter there to bulkhead, no, but New York is one of the most expensive ports in the world in which to handle merchandise, by reason of the way it has been developed. Now, the Bush Terminal, as I say, is laboring under that excessive charge of handling heavy cargo and stuff, on account of the distance it has to be carried down to the pier. Of course, that does not prevail if they unload it from lighters onto the vessel, or from the vessel to the lighter, but the pier might then be only ten feet long. I am speaking of a pier the length of an ocean going steamer.

Q You are familiar with the waterfront not only in Jersey but you are also familiar with the east side of the river and Brooklyn, I notice? A Yes, sir.

Q Aren't you familiar with the fact that New York City has been put to great expense making longer slips? A Yes, they have, but that is very different from the conditions on this property.

Q That is, a long pier is an advantage on the New York City shore and a shorter pier is an advantage on the Jersey side? A No, I wouldn't say that. I say you have to consider the property itself, and the use for which you are going to have the piers.

Q This Long Dock property is, I suppose, logically situated waterfront property for development for waterfront uses generally, isn't it? A Yes, sir.

Q It is not limited necessarily to railroad use, is it? A No.

Q Why should it be an advantage to the Hamburg American Company, for instance, to have room for deeper piers, 1,000 feet and longer, and it be no advantage to this property? A Because on this property today you could, if you wanted to extend your piers out to the old exterior line for piers, you could accommodate the largest vessel afloat, or any that would be afloat for the next 25 years, without going into your land in the back.

Q Isn't that an advantage? A Exactly, and that is why I figured the property having the value it has. But if you have that you don't need any more in front and if you get it it doesn't add any value to it, in my opinion.

Q You think that the additional 122 feet given to this property by the advance of the exterior pier line is a superfluous mistake? A Exactly. They never have made use of what they had, even.

Q That is your criticism, of the present use, in not having advanced to the most advantageous point. You do not recognize, however, the opportunity of making piers now 640 feet along up to 1,000 feet out? A They can be.

Q And you recognize that as an advantage? A Up to a certain limit; there is always a limit to economical use and development of any property, particularly waterfront property.

Q There is no advantage in increasing the back area of that attached back land? A You must have some limit somewhere.

Q There is no advantage in increasing the back area of the back land in the building of piers. I understand the Hamburg American Company's reason for wanting longer piers, one of the reasons, is that they used too much of their back land now? A They have attempted very little.

Q You seemed to suggest that they didn't have enough back land. A If they had more back land they could cut into it by excavating there, just the same as they are doing on the New York side of the Hudson River.

Q Wouldn't that have been an advantage to that property? A Oh, yes; undoubtedly the Hamburg American line could use the extended pier line by reason of the physical limitations to their property; but this property is not so physically limited.

Q And that is because of its area? A Because of its area.

Q I say, that is because of its area? A Yes.

Q If the Hamburg American Company had this property you wouldn't say that the opportunity for them to have a pier 1,700 feet long, rather than a pier 1,000 feet long would be a disadvantage? A I don't think that it would be of any use to have a pier too long; I think it is a disadvantage.

Q Do you know where the Pennsylvania Terminal is? Are you familiar with that, on the west side of the Hudson, just south of this property? A Yes, sir.

Q Do you know there is any long pier there? A Yes, they have a long pier below there.

Q About 1,400 feet long? A Probably all of that.

Q You would say they have been unwise in building a pier of that length, would you? A No, because when that property was developed they never filled in the lower water line of this property. Their property extended back, and instead of filling that they built out a long pier for handling lighterage there. They didn't build it for handling general merchandise for export and import shipping.

Q They load their cars and boats by mechanical appliances, don't they? A Most of that is lighterage there.

Q (Last question read.) A They do, coal, yes.

Q They load other things by those moving cranes, don't they? A I don't know of anything else, other than coal.

Q You have been out on that Pennsylvania pier a number of times; and didn't you see those big moving cranes? A Yes.

Q They used these for loading and unloading cars? A They might for heavy merchandise that they can lift off the car easily.

Q Assuming there was an advantage in this Pennsylvania pier, with the opportunity on this property to get a pier of that same character by the extension of the pier line, without destroying the filling of the back land, is it not advantageous? A Yes——

Q Isn't that an advantage? A If you wanted to build a long pier you can do it, of course.

Q You mean to say the uses of this property would not demand a long pier? A I don't think it does, and the further you go out into the river in building a pier the more expensive it becomes and it is a question whether, if you wanted to build a long pier on this property, whether it would not be more economical to cut into back land than to build out.

Q Isn't there a very long pier just south of this property—the elevator pier, so called? A Yes, sir.

Q How deep is that pier? How long is that pier? A About 1,340 feet, including the grain elevator.

Floyd S. Corbin, cross.

Q That pier has been there a long time, hasn't it? A Yes, sir; a number of years.

Q That is even longer than the Pennsylvania pier? A I think the Pennsylvania pier is about 1,300 or 1,400 feet.

Q Couldn't the Hamburg American people have gone back, as you suggest would have been wiser, instead of coming forward? A Well, if they had they would have gone, if they went very far back, into a public street belonging to the City of Hoboken.

Q How far back would they have to go? A The depth of their property from the bulkhead line, the old bulkhead line, there was only 338 feet on the north to cut and 138 or 140 feet on the south end, where there is a piece of property they don't own.

Q They don't use that space back of the pier, except to cart and handle freight, and to pile up and keep the place full of things? A No, they couldn't block a public street with their freight and carts.

Q They could very well do without the space in the rear of these piers in carrying on a steamship business? A I don't think they could; I don't see how they could.

By Mr. Hendrickson.

Q I want you to understand, Mr. Corbin, that there is at least a grain of intelligence in this Board, and we, at least, I don't believe such a statement when you say a long pier in one place is more valuable than a short pier, and in another place a short pier is more valuable than a long pier. A I never made such a statement at all. I didn't make any such statement.

Floyd S. Corbin, cross.

Q A piece of waterfront that has got 300 feet of depth has got value only because it is 300 feet long, and another has value because it is only 1,400 feet long; the value, in my opinion, is because it is big enough for the use to which it is put and the value there is in the property, when it is used properly. A Mr. Hendrickson, these propositions have to be considered all by themselves, because these waterfront properties are not all of a uniform width and depth like city lots.

By Mr. Hardin.

Q Mr. Corbin, a plot of ground 700 feet in depth further up the river would be absolutely useless for a railroad, wouldn't it? A To a railroad, yes.

Q And if it runs back from the waterfront 200 or 300, or 2,000 or 3,000, or even 4,000 feet, it is valuable because it is that depth, and the area is there? A All right.

Q You are familiar with the Pennsylvania Terminal at Greenville? A Yes, sir; I had the contract for filling in a large part of the Greenville Terminal.

Q That is recently built? A Eight or nine years ago, or ten years.

Q And probably it has been developed in accordance with the best use for it? A No, sir; it has not. I think, from all I can learn, that if the Pennsylvania Road had to do it over again they would not develop it in the way it has been.

Q Because of its location? A Because of its physical limitations.

Q It is not so advantageously located as it would be somewhere else? A In the first place, the Pennsylvania Railroad had to fill in to a very great depth there, and they put this fill in

by pumping the material back, and that is a very expensive proceeding, and still they didn't have more than ten or twelve feet of water at the bulkhead line.

Q Do I understand your opinion to be that the land is not as advantageous to railroad terminal yards as railroad terminal yards somewhere else? A No, sir.

Q Why not? A They can't handle stuff as economically.

By Mr. Hendrickson.

Q Then it is your opinion that the Pennsylvania Railroad does not know what it is about when it is building a yard like that? A I didn't make any such statement. I said if the Pennsylvania Railroad would not do the same thing over, from what I can learn. I didn't make this as a positive statement.

Q I think you had better give us your data for your expression that the Pennsylvania Railroad made a gigantic blunder in doing something they have been working out for 30 or 40 years. A In my opinion, talking with Pennsylvania officials having to do with the filling in of that property, if they had to do it over again they would not do as they did in the Greenville Terminal. The best evidence of that is, the Pennsylvania has, for three years, made plans and been contemplating other improvements which would do away with a great deal of the business handled there at the Greenville Terminal.

Q That would indicate to you that the location of the Greenville yards is not as advantageous as it was expected? A For that purpose, yes.

Q That particular locality is not as available for railroad use as some other locality, is that it? A Yes.

Q But in developing that property down there they have piers very long, haven't they? A Yes, they have; I don't know the length they have, but they have got piers there perhaps 1,800 feet long.

Q One of these engineers states it is 2,400 feet. Do you think it is as long as that? A No; it may be 2,000 feet; 1,800 or 2,000 feet.

Q Have you any reason to suppose they do not handle freight as cheaply on that pier as they do on other piers? A The reason they built the pier that length was because they could not get the Federal Government to dredge out within a reasonable distance of that property.

Q If they had deep water available to get a pier of that length they would have been better off? A They never would build it 2,000 feet.

Q They would have been able to build it. A If they wanted to build a pier over the entire property they could very well have made a building 8,000 feet.

Q And if the Pennsylvania had business for an 8,000 foot pier they would build it, wouldn't they? A If they had, yes.

By Mr. Hardin.

Q To get the thing they wanted they had to dredge out for a pier 2,400 feet long? A That was to get the proper channel, Mr. Hardin. The Pennsylvania Railroad made every attempt for a number of years to get the Federal Government to provide a channel in there, they were not successful in doing that, and then they had to build this pier out a great deal further.

Q They built all the way to the pier line? A I don't recall about that; it has been some time since I examined this property. I know they had to dredge into stiff clay to get 24 feet of water even then.

Q At the bulkhead line? A At the bulkhead —they had only ten feet of water at the bulkhead line.

Q At the suggestion of Mr. Hendrickson I ask you what they use the back land behind the bulkhead line for? A They drill cars, freight cars, there.

Q That is a big car yard? A Yes, sir.

Q For freight cars? A Yes, sir.

Q And that drilling is done by gravity, isn't it, from humps in the yard? A I haven't been on that property for a number of years, but I know they have made a great many improvements from the time when I was there; I was mostly interested in it just when it was completed.

Q How do you know its use is so unprofitable to the company as you seem to think it is, if you understand they have continued to develop it right along? A Because I have seen plans that they have ready for three years, for diverting that business through other channels than the Greenville Terminal.

Q Isn't that because of their change in the road rather than the physical nature of the yard only? A No, Mr. Hardin, I have been given to understand that this has been due to the way they handle freight in the Greenville yards.

Q Who gave you that understanding? A Several officials of the Pennsylvania Railroad.

Q Who were they? A One of them is the chief engineer, Mr. Brown, who is now dead.

Q How long has Mr. Brown been dead? A Several years.

Q Ten years, hasn't he? A No, because he had charge of the Greenville Terminal; he died some time after that.

Q He died prior to six years ago, did he? A I don't recall the number of years, because time goes so very rapidly that four or five years seems to be a short space of time.

Q And who else? A There was another engineer whose name I can't recall.

Q Did you ever see them drill cars in the Greenville yard? A Yes, sir.

Q Have you seen them back in a long train, they come up on the hump, and from the hump it goes into the fan to be made up into these trains that are shipped in groups to various parts of New York Harbor? A I haven't noticed that particularly. The only observation I made was from the piers on the waterfront.

Q Then you have seen the humps? A I don't recall that I have.

Q How many engines do you think it takes to work that terminal yard? A I don't know.

Q If I told you they only used six for that whole territory what would you say? A That may be correct.

Q Isn't that economical management and operation of that terminal yard? A That is not the only cost of a terminal.

Q No, but if you can use as few engines as that, instead of a hundred engines, that is a great economy? A All I can say about that is this, that I don't profess to be a railroad operating man.

Q You have testified here that these different things are failures?. A No, I didn't say they were failures.

Q Why, you did, Mr. Corbin, you started out and said there was no demand for property on the Hudson River? A That is true, and I reiterate that much.

Q There are all those railroad terminals right here in Jersey City. A You don't see any buying any more.

Q They are all in use. A They have got to; they got to have them in use.

Q What do you mean by "they have got them?" A Because they got them some years ago. The Pennsylvania Railroad would gladly sell you some property.

Q They had a chance to sell their terminal here to the Reading, Lehigh Valley and Central system. A That I don't know, I never knew that.

Q If I told you that they wanted one million dollars rent for the passenger terminal at the foot of Exchange Place and the right of way to get into that through the Hill, what would you say? A I would say that is no indication, because the Pennsylvania Railroad does not want to encourage competition in the passenger line and furnish facilities for competitors. But I say if you wanted to buy some Hudson River property the Pennsylvania Railroad will sell you that; I know that.

Q Is this a large yard at Greenville? A A very large yard.

Q How many cars? A Oh, my recollection is that it has 200 to 250 cars; perhaps more than that.

Q It was located there because it was on the water, wasn't it? A Certainly.

Q And the area is an advantage to it? A Yes, sir.

Q And the area of this Long Dock Terminal and the land in the area is an advantage to it? A Certainly.

Q And the opportunity to keep that area and to extend the piers if they wanted them, is advantageous to the property, isn't it? A I don't con-

sider this property is benefitted by any opportunity to extend its piers any further out in the river than they had prior to the extension of this pier line in 1913.

Q You do think it is an advantage to extend that pier out further? A Perhaps a reasonable distance, but even in the present shape they might never extend it beyond the present length of the piers.

Q Yes, but I suppose the Hamburg American or some steamship companies wanted it, it would be advantageous? A It would, yes.

Q On the D. L. & W. Terminal adjoining this property on the north there are a great many piers are there not? A Yes, sir.

Q And they are much deeper than these Long Dock piers, are they not? A Yes, sir; the Lackawanna has never made use of its opportunity to extend out to the old pier line.

Q They are close to it, are they not? A Some of them are some distance back, if my recollection serves me right.

Q They are the same now as before the pier line was changed, are they not? A Yes, sir.

Q There has been no extension since, so far as you know? A Not that I know of.

Q And the Lackawanna property to the north of this property is also a railroad terminal? A Yes, sir.

Q How do you suppose the Lackawanna came to be so foolish as to build a pier there (it looks to be 1,400 feet long); is that another railroad mistake? A As I say, that property was all under water, and when they built the pier it was easier to build the pier than to fill in.

Q Why should they encumber that nice clean water out to the pier line with a pier, if it was

of no use? A I don't say they built the pier that was of no use. I said they built the pier undoubtedly when the land was under water and they considered it was more economical to build that pier out than to bulkhead and fill in the property. The low water line ran back there some 2,000 feet.

Q Do you remember when these Lackawanna piers were built? A No, I do not.

Q Since the fire? A I don't know when they were built at all.

Q Do you remember the Hoboken fire? A Yes, sir.

Q And this development has been since that time? A I am not sure, because I am not posted on the Lackawanna as to the time when they were built.

Q You don't know when those piers were burned away and then they were replaced? A I know there was a fire there, but as to just how many were burned I don't know.

Q In your careful observation of waterfront property on both sides of the Hudson River you haven't taken note of the development of the Lackawanna Terminal? A Not specifically, because I know the property was all in the Lackawanna and there was no opportunity for me as a real estate broker to either buy or sell up there.

Q Were you buying and selling the Pennsylvania Terminal at Greenville? A At one time I thought I could sell the Pennsylvania Railroad Terminal, and a further fact, I had a contract with the Pennsylvania to fill in the Greenville yard.

Q Now, with reference to the time these piers were built, would you say that the fact that the Lackawanna has these long piers would indicate that the opportunity to build piers of that length was advantageous to the property? A No, sir, I would not.

Q Are you familiar with the Harsimus Pennsylvania Terminal? A Yes, sir, in a general way.

Q The piers there are very long, are they not? A Some of them are, yes.

Q Do you know how long it is since that Harsimus pier development took place? A No, I do not; I know, though, that it has been there a good many years.

Q Would you be surprised to find that the pier in the Harsimus yard was longer than pier 9, for instance, in the Long Dock Terminal, if extended to the new exterior line for solid filling? A I would not be surprised.

Q Would you be surprised to find that there were two piers longer than these Long Dock piers, if extended to the new line of exterior fill in the Harsimus yard? A No, I think there would be two or three piers down there that would be longer.

Q Even if those piers extended to the new line of 1913? A Yes, sir.

Q Would you be surprised to find out that there were two or three piers of the D. L. & W. Terminal that would be longer than the Long Dock piers? A No, I would not, for the reason that the property was developed a good many years ago, when the land was all under water, for a considerable distance back.

Q And those numerous long piers, in these various yards at Greenville, Harsimus and the D. L. & W. would seem to indicate, would they not, that long piers are an advantage in the railroad building them, for railroad use? A That would depend upon the character of the merchandise that they handled.

Q How, otherwise, would you explain the presence of these long piers? A The fact that because the railroad company builds a long pier or makes any particular improvement does not indicate, Mr. Hardin, that that is the best method of development; I found that they have made some very grave mistakes; Mr. Newman, the President of the Central Railroad himself said a mistake that they made on their West Shore Terminal, one item alone cost two hundred and odd thousand dollars in cash, and they discovered it before even the improvement was built.

Q Then you charge these long piers up to the foolish railroad designing? A I don't say that. But I say that the very fact that a railroad develops a certain piece of property does not classify it as the wisest development that they could make.

Q You do think, as I understand it, that the Hamburg American Company is benefitted by the deep water front? A That is a very different proposition. You can't take all waterfront properties, and I have sold and leased a good many in New York Harbor in the last 12 years, you can't take these properties and apply any general observation to them and make it fit all of them. You got to take into consideration the locality, the purposes, the use and the size of the property, the frontage, area and depth of channel, etc.

Q Availability for different uses increases its value? A Exactly, you can't make one observation and apply it to all; I have a piece of property where the area is 2,700 feet, and the area is so great it is an embarrassment to me.

Q Probably there is a precipice on it? A No, it is flat level land.

Q Down on Staten Island? A Yes, sir.

Q It is not available because it is not accessible? A It is accessible, there is 30 feet of water there, with rail connection.

Q Even prairies are accessible for available use. A My property, I consider is available, because there is more tonnage handled there than in the Suez Canal.

Q Is there more tonnage handled in Staten Island than on all the other terminals in New York? A No, sir, not on Staten Island.

Q Why are you comparing with the Suez Canal? A I am giving expression to what the tonnage is. It is estimated by Government Engineers over 30,000,000 tons a year passes through Staten Island today.

Q You are referring to all the tonnage that passes through the Sound? A The channel.

Q Not handled by the railroads on Staten Island? A Handled by railroads and vessels plying up and down.

Q Mr. Hendrickson wants me to ask you, and I do so with pleasure because I am asked by a member of the Board, what you mean by the statement made by you, that there was a limit to the use of land back of this Long Dock Company terminal? A Why, I made the statement, that in the valuation of waterfront property, in order to arrive at a unit of value the location has to be considered, and there must be necessarily some line of demarcation; along the Hudson River here we generally employ six or seven hundred feet back of the bulkhead line as we consider a waterfront property to value it per front foot, or square foot of the entire area. Down on Staten Island, where conditions are similar——

Q Now, Mr. Corbin, don't go down to Staten Island Sound; there are lots here before the Board,

nearly two miles of waterfront, nearly all of which is occupied by railroad yards, every one of which is deeper than 700 feet. A Yes.

Q Now, each railroad seems to come along as far as it can go back into Jersey City, they all seem to be limited in the extent to which they can come, back to Henderson Street, they all go to Henderson Street, and go back as far as they can. That means to me something different from Staten Island. A The explanation of that may be found everywhere, because of the fact that the low water line of the Hudson River extended back to a point, in some places, even west of Provost Street, and that, when this property was purchased, many years ago, all of which is now shown as fast land east of Provost Street, the land under water could not have been sold, then the railroad bought it and developed it. That is the explanation of it. Further up the river the low water line, in some places, is 800 feet back, and in another instance it is 450 feet back of the bulkhead.

Q The land that you speak of is under the same ownership before the railroad had it? A Certainly.

Q Didn't these railroad companies acquire it from the same source? A Exactly.

Q They got most of it by grant from the State, didn't they? Either by purchase or grant? A Yes, but the point is this, Mr. Hardin, when an owner has, we will say, as an illustration, 600 lineal feet of waterfront, and this goes back from the bulkhead, in one case 1,000 feet of water, 975 feet of it may be an irregular line, he can't get a purchaser and sell only 400 feet out into the river, because the balance of it would be worthless.

Q But he doesn't own out into the river? A He gets from the State whatever the State sells

there. He couldn't divide his property up, cut off a part of the waterfront parallel with the river. He can divide it up running east and west, but he can't divide it running north and south.

By Mr. Hendrickson.

Q Why, he could do so. A How could he do so?

Q Why, you can reserve an easement or right of way in and out to it, just as a man sells part of his farm. A No, it is absolutely impossible.

Q I don't know whether I make myself clear. If you look at the map I will show you what I am trying to explain.

Mr. Bain. Just a moment. You are talking about a map that is not in evidence.

Mr. Hardin. I will ask the stenographer to mark it for identification, the map to which many of the questions and many of the answers of the witness have been referring to.

(Without objection the map is admitted and marked Exhibit S-1 for identification.)

Q Will you kindly use this map Exhibit S-1 for identification? A Here is 18th Street (indicating): What I mean to illustrate is this: That if the owner of a piece of property fronting a certain given distance along the Hudson River front, beginning at a point say about 18th Street, and you purchased it outright or else from the State, land in front of the same out to the exterior line for bulkheads and piers. Now, in selling that property, or leasing that property, to someone who wants to get the beneficial use of it, he must sell or lease all that he has, if it is 1,800 feet out from low water or 1,000 feet, as the case may be, he cannot sell to one man here, and one here, and another here, from this point to here (indicating).

Q What would prevent you purchasing the 1,800 feet and building on it a structure exactly like the Black Tom property down here below Jersey City, connected it up with a railroad track and derrick, so that you would get the full value of that property, exactly as the railroad gets the full value of Black Tom; or turn it into an express pier, exactly like Adams Express Company, having a railroad to go out to it? A That is a different proposition altogether.

Q But it is possible, isn't it? A Yes, if you get a piece of property like that.

Q Is it not done to your knowledge at Black Tom? A Because the people haven't any intervening property; they didn't buy the property out in the water alone.

Q Do you mean to say you couldn't buy a tract out in the river and connect that with the shore to the railroad track? A It is a different proposition; when the railroad companies bought or leased this land they did so from the low water mark; they didn't buy pieces out in the river.

Q My idea is that the railroad bought whatever it could lay its hands on? A It would be an impracticable proposition for a man owning a piece of waterfront property to sell it, except to sell what he has out to the bulkhead and pier line. He doesn't divide it, if it is 1,000 feet from the low water mark to the bulkhead line, you don't find any man foolish enough to buy only 500 feet, leaving a hiatus that the owner can use.

Q Is there anything to prevent him using such as he wants? A Exactly.

Q Wasn't that another railroad mistake to fill up these areas east of Provost Street and make solid land? A The railroads fill it up as the use of the land justified.

Q It is all solid land now, isn't it? A Yes.

Q Is it worthless because it was once under water? A No.

Q Has it been a mistake to make solid land out of that? A I didn't say so.

Q Is it added value? A No, I gave a very good value, I think it is a substantial value.

By Mr. Hardin.

Q Then what did you mean by saying that on this Long Dock Terminal there is a limit to the waterfront valuation of it, east of the waterfront property? A It is all waterfront property, Mr. Hardin, and it is for this reason in valuing, in putting the greatest value on waterfront property, because it is waterfront property because it has access to the water; but you got to have some limit, some end to the value; for instance, on Fifth Avenue property in New York City, because it is on Fifth Avenue is what gives it value; the value only goes back 100 feet; if you got one lot on Fifth Avenue 25 feet wide and it runs clear through the block 600 feet, that don't give it the same value per square foot as if that same area was fronting on Fifth Avenue.

Q But if you owned through from Sixth Avenue to Fifth Avenue it would be more valuable? A Exactly.

Q Lower Broadway has many plots that are over 100 feet in depth? A Yes, but the most value is on 100 feet, in New York, Jersey City and elsewhere.

Q But 100 feet isn't anywhere near as valuable to a man when he wants 200 feet deep; he pays more because he wants 200 feet deep? A He doesn't pay the proportionate price for that as he does for frontage.

Q But he pays more than he would for either one separately? A That has a good deal to do with it.

Q Does that additional area that is given by the filling going back to Provost Street, the depth of the property, taken together with the access to the river and the access from the rear, the developed frontage and the area, all together, add to the value to whoever wants it? A Certainly; that is all reflected in those figures I have given you.

Q From the standpoint of availability for railroad use, as shown by comparison with these other railroad yards around there, the area of the property is a decided advantage? A Certainly.

Q And that makes no comparison with a 25x100 piece on a block immediately adjoining? A No. You persist in misunderstanding me, or else I don't make myself very clear. Perhaps I don't use good English, but I try very hard. I say that in valuing any property, whether it is waterfront or city lots, you must strike a unit of value. You couldn't value this terminal property over here as waterfront property, because you happened to have a strip of property that ran from Paterson to Jersey City, you couldn't quite call all that waterfront property. There must be a line of demarcation; you must stop somewhere.

Q Why did you fix 700 feet as the stopping place? A Because it is the limit of economical development.

By Mr. Hendrickson.

Q But, Mr. Corbin, if a concern had any use for the entire strip from the Hudson River to Paterson, and they want the whole of it because it was on the Hudson River, had access to the Hudson River, isn't that waterfront property? A Simply for this reason, because it would be absolutely

unreasonable to put a higher value on one lot on Fifth Avenue because it extends out as far as the East River.

Q It would be, if somebody wanted to have a block of that size. But you place a limit on this by putting it at 700 feet and yet every single bit of ground in Jersey City on the Hudson River that is in use is deeper than 700 feet. A Then if you want to value it as a piece of property, you couldn't take that entire depth from the Hudson River back, so many acres in area, and then take the unit of value and use that at so much per front foot.

Q I agree with you; but I don't think you are accurate or right in your theory of arriving at the value. A Of course, that is a privilege you have.

By Mr. Hardin.

Q Might I ask you whether the very fact that this Long Dock has that area does not make it more available? A Certainly.

Q And isn't it more valuable than this tract immediately to the south, because it has water-front? A I have stated several times that I have taken into consideration all that in giving these values, because the property immediately adjoining this has been sold for a great deal less than the figures I put on the Long Dock property; I think it was 85 or 90 cents a square foot.

Q I understood you to say a moment ago that you took only 700 feet back? A Yes, there must be some limit; in Brooklyn they value waterfront 100 feet back and 200 feet along further.

Q You are attempting to give us a valuation on this Long Dock Terminal on exactly the same unit that you take for development of these stock yards. A I haven't valued the Stock Yards.

Q I know, but you are making that limit? A Yes.

Q And charging the same unit per front foot on the Hudson River? A Yes, sir; on this assessment, not in New York City or Brooklyn. All expert appraisals are made upon the basis of so many feet from the waterfront; in Brooklyn it is 100 feet, and in extreme cases in Brooklyn they take 200 feet back, and they use that as a unit for assessing values; they don't go back indefinitely along that.

Q Would the Bush Terminal be possible if it were only that depth? A As a terminal it might be, but not for manufacturing purposes.

Q It would be absolutely unavailable for that particular use? A Not as a terminal.

Q I mean for the Bush Terminal use? A No, it would not, not for the use as a terminal. The Bush Terminal is more than a freight terminal; it is a manufacturing proposition. The New York Dock Company is occupying property profitably where it has a depth in front of 200 feet, built up with six or eight story warehouses. They receive everything from the vessel to the car, and it is a much more economical proposition as a terminal than most of the Bush Terminal properties.

Q You are not valuing this yard as railroad property; you are valuing it at its worth for any use, by reason of its location and size? A Yes; if the property was absolutely vacant, of the same size and area, of the same frontage and area, if it was absolutely vacant, I would say it was a valuable piece of property; just because it happens to be occupied for railroad uses that doesn't make any difference to me.

Q I suppose you are allowing for railroad use, more so than if it were smaller? A Certainly.

Re-direct examination by Mr. Bain.

Q Mr. Corbin, what is the length between the bulkhead line and the pier line at Weehawken, as officially established by the Secretary of War? A I don't know what properties you are referring to.

Q At Weehawken, where there was some recent change in the line? A Well, it varies from 334 feet, my recollection is, up to about 550 feet; something like that.

Q Is there anything like a distance of 879 feet between the bulkhead line and the pier line at Weehawken? A No, sir; nothing like that.

Q There has been some testimony about agitation for longer piers on the Hudson River; has there been any such agitation, so far as you know, south of the Hamburg American property? A I don't think there has been.

Mr. Hendrickson. Mr. Bain, I want to ask you if you claim that you don't own the land out to the new pier line and you want it stricken out, claiming that you have no rights there, we won't assess it.

Mr. Bain. In reply to that I would say that the Long Dock Company has a charter right to use the land under water between the old and the new pier line, and that right is exclusive as against others.

Mr. Hendrickson. You don't say that is a property right?

Mr. Bain. I would say that is a charter right, to the use of the land under water, being appurtenant to the back land.

Q The extension of the pier line was chiefly for the benefit of the Hamburg-American Company,

wasn't it? Do you know that? A Well, I wouldn't say that; I only know that further up the river where there was a very small margin between the bulkhead and the pier line, there were some owners interested to secure such extension as would make the property more available.

Q Well, at the time the extension was first proposed, the Hamburg American Line was building extremely long steamships, were they not? A Yes, sir.

Q One of those steamships was between 950 and 975 feet long? A I think the "Imperator," which is the longest vessel, was 940 feet long.

Q The Hamburg American Line may have needed an extremely long pier for extremely long vessels, isn't that so? A They may have.

Q But does it necessarily follow that because a single owner desires an extremely long pier for particular uses that long piers are generally economically beneficial and useful? A It does not.

Q There has been some discussion about a particularly long pier of the Pennsylvania Railroad Company just to the south of the Long Dock Company's property. Does the length of that pier indicate a special development for a particular use? A I think it does.

Q Would you say that the elevator pier of the Long Dock Company was such a particular development for a particular use? A It does.

Q Does the same thing apply to the piers of the Lackawanna Railroad? A I think so.

Q In other words, isn't each piece of waterfront property a law unto itself? A That has been my experience.

Q And each piece of waterfront property has a value of its own? A It has; you can't apply the same rules to all of them generally.

Q Therefore, because one railroad terminal may have a particularly long pier, that is no indication that a particular long pier would be beneficial to another railroad terminal? A It is not, in my opinion.

Q Is it not so, that the fact that the railroad companies generally along the New Jersey shore of the Hudson River have not extended their piers, even to the old pier line, is an indication that piers even to that line are not necessary? A I think that is the very best possible indication that they needed no further extension, because they didn't make use of the privileges which they all had.

Q I think you have heretofore testified as to the length of a pier which would be economically useful; do you still adhere to your former statement? A I do.

Q There has been some testimony about the extremely long piers on the New York side of the Hudson River, do you understand that conditions are different here from that on the New York side? A Yes, sir.

Q What is the difference between the conditions on the New York or Manhattan Island side and the Jersey side? A The Manhattan Island side of the Hudson River shore, the great bulk of the trans-Atlantic passenger traffic is handled there, as well as a very large amount of miscellaneous local freight deliveries, and in order to accommodate those extremely large passenger vessels they had to have longer piers.

Q So that the long piers are developed for passenger and freight steamship business? A Yes, sir.

Q Mr. Hendrickson of the Board asked you a question as to whether the land under water between the bulkhead and pier line could not be used

by setting apart a portion of it near the end of the pier line and connecting that portion with the back land by a narrow strip. Have you ever known of land under water being sold in that way, or offered for sale in that way? A I never knew anybody buying or selling any property of that kind; I don't think it is a practical proposition.

Q So the mere fact that some property can be used in that way is not an indication that the property can be sold in that way? A The only property that is used in that way is Black Tom, where the property is controlled by one owner.

Q No property has been sold in that way? A Not to my knowledge.

Q Do you know of sales of property along the water not connected with the back land? A Yes, sir.

Q Where was that? A Where they had the right of access to the back land.

Q I am speaking of land entirely separate from the back land. A No.

Q Is it possible to buy any land under water not connected with any back land? A I don't think it would be possible to buy or to sell it.

Q I think you said that the availability— A Pardon me; I do know of one instance of a place of property in the East River that was connected with the fast land, where a party endeavored to sell it for cash or to get a mortgage on it; he couldn't find a buyer at any price, and finally he lost the property; he had a small mortgage on it and he lost it.

Q You have stated that the availability of property plays some part in its value. In valuing the parcels under discussion did you consider their availability? A I did.

Q For any proper development? A Yes, sir; I considered the availability of the property for a railroad terminal or for bonded storage warehouses.

Q I think you said that the land lying to the west of the line marked 700 feet west of the line of solid filling on the map added some benefit to the land to the east of the 700 feet line. You have considered that as a benefit in your figures? A I have considered that; all that is reflected in the price at which I have valued the property.

By Mr. Hendrickson.

Q Every possible increment or additional value on any part of this property has been put in to the figures which you have given? A It is.

By Mr. Bain.

Q The distance between the old pier line prior to this extension in 1913 and the 700 foot strip which you have included in your waterfront valuation is 1,579 feet, is it not? A Yes, sir.

Q Could you possibly use a pier 1,579 feet long with any economy? A I don't think it is possible to use a pier of that length to any great advantage. I know it is a disadvantage.

Q And the distance between the bulkhead line and the old pier line is 879 feet? A That is correct.

Q And that is a sufficient length for economical development of piers? A It is in my opinion, the full length for them.

Mr. Hardin. This witness has not qualified in 1912 to testify as an expert and I don't think he has today.

Q You still maintain that there has been no change in the value of the parcels in discussion since 1912? A I do.

Q That is, the value of the parcels as testified to by you at that time? A If I had to make any revision of the estimates of the value of that property I should decrease them rather than increase them, by reason of the fact that there is no demand today for such properties.

Re-cross examination by Mr. Hardin.

Q Mr. Corbin, I understood you to say, in response to a question asked by Mr. Bain, that you explain the length of the piers that have been referred to, the Pennsylvania, Greenville and the Harsimus Cove, and in the Lackawanna piers, that they were made for a particular use, and that the land and location on which they stand is only available for that particular use; is that so? A Oh, yes; they use them for the purpose for which they were intended.

Q Did you ever hear of the purchase by the Central Railroad Company of the Van Horn tract? A No, I don't know that tract.

Q You are not aware that the Central Railroad did buy land under water with a right of access to the back land? A I don't know that tract that you refer to.

Q You are not aware that the Central Railroad or some of its land companies bought this? A I don't know that the Central ever made such a purchase.

Q Do you know anything about the Morris & Cummings holdings at Caven Point? A Yes, sir.

Q Do you know that that land has been divided between different interests in that company,

one party taking the back land, the other the land under water? A I don't know that there has been any division; I am familiar with the Morris & Cummings tract.

Q Whence do you get your expert knowledge that you have of the physical and economical operations of railroad piers? Have you ever operated a railroad pier? A No, but I have operated a small railroad once.

Q How long ago? A About 15 or 16 years ago.

Q Where was that? A Over on Long Island.

Q From where to where? A You wouldn't know the points if I told you, Mr. Hardin.

Q Where is the railroad? A There is no known point there, there is an industrial road that I built myself to the pier out on Long Island Sound, near Astoria.

Q 15 or 16 years ago? A 16 years ago, probably.

Q Part of an industrial plant? A Yes, sir.

Q Not operating a great railway system? A Not a transportation system. You asked me where I got my information. I have been 17 years making my business buying, selling and leasing waterfront properties for industrial sites and factories, and factory sites, and in that business I come in connection, close connection, with a great many practical railroad and steamship men, as well as practical men in other lines of business, and I have to go into all these questions with them very fully. For instance in this property I sold on Kill von Kull—

Q I am not talking about buying and selling property; I am talking about your knowledge of buying and selling railroad piers. A That is from my knowledge and talks with engineers who have operated such.

Q Talking with railroad people? A Certainly; I never operated a railroad.

Q You haven't been in that business? A Yes. I have been in the railroad business.

Q 15 years ago? A No, sir; I was connected with one of the coal lines in St. Louis 25 years ago.

Q Were you engaged at that time in operating a railroad pier? A No, we didn't operate any railroad pier, but I was in the railroad business, and we had a bulkhead—

Q Don't you consider it extraordinary that in view of the unfavorable improvements that you seem to have gathered up, the unfavorable conditions that you seem to have developed, that railroad companies should be operating these long piers? A They seem to make the best use that they possibly could of a particular property.

Q It does not seem to you extraordinary (I am referring to the economic conditions that your expert knowledge permits you to express an opinion about) that you should find any of these railroads terminals using these long piers? A I don't find it in all of them; I find some of the railroads that have made some mistakes.

Q Might I ask you another question: Looking at this exhibit for identification, taking into consideration the room for a lighter, or a boat, on the end of the pier, can't you pick out, from the Lackawanna pier on the north of the Long Dock property, to the Pennsylvania pier on the south, several piers which come (taking into consideration the opportunity to locate a boat on the end of the pier) out to the old exterior line as established prior to 1913? A I am not familiar with this map in evidence, but my recollection of the last Government map of the bulkhead and pier

line of the Hudson River, which I have in my office, is that from the Lackawanna property on the north to the Pennsylvania property on the south, there does not exist more than two railroad piers that reach to the old exterior pier line.

Q I ask you to look at this map (there is no reason why you should not do so), and to take into consideration the room for a lighter of a boat to lay alongside of the exterior end of that pier, and taking that into consideration, don't you find in this railroad yard, commencing with the Lackawanna and coming south to the Pennsylvania piers, several piers coming out, with room for a boat as I indicated, to the old exterior line of piers? A Well, I don't see on this map a single pier that comes out to the old exterior line for piers.

Q You can answer my question,—I asked you to take into consideration the room for a boat to lay on the outside end of the pier, whether you do not find on this map several piers which are (Leaving out room for the location of a boat on the outside) right out to the old exterior line?

Mr. Bain. I object to that as calling for a conclusion.

(Objection withdrawn.)

Q Isn't there room at the foot of the pier—Mr. Bain has called my attention to the fact that there would be 50 feet there—why, there isn't any more than 12 or 15 feet. A Yes.

Q I find that my eyes see 8 or 10 feet on that. A I don't quite understand you.

Q (Last question read.) A There are several piers shown on this map which apparently reach up to within 10 or, we will say, 15 or 20 feet, of the old exterior pier line.

Percy A. Gaddis, direct.

By Mr. Bain.

Q And there are many piers that do not reach to within 250 feet, or 275 or 300 feet of the pier? A No, sir.

Q And many of them are railroad piers? A Yes, sir.

Recess until three o'clock p. m.

PERCY A. GADDIS sworn.

Direct examination by Mr. Bain.

Q Mr. Gaddis, what is your present position? A I am senior Land Appraiser to the Interstate Commerce Commission, Division of Valuation of Railroads.

Q Did you testify on the appeals of the Long Dock Company from the assessments for the year 1912? A I did.

Q Have you followed the real estate business since 1912? A I have.

Q What are your duties, in connection with the Interstate Commerce Commission? A My present duties consist of the valuation of railroad properties in the Eastern District that I am attached to; at the present time I am appraising all the land of the Boston & Maine Railroad all the way from Boston to Portland.

Q Have you kept in touch with values in Jersey City for the last two years, or since December, 1912? A I have.

Q I show you a map, or, rather, two maps, which have been offered in evidence, one marked Exhibit P-1 and the other marked Exhibit P-3, and ask you whether there has been any increase, or decrease, in the values of land in the section marked South Section on that map, that is, the sec-

tion south of Pavonia Avenue and north of Seventh Street? A There has been no material change in the past three years.

Q Has there been any increase, or decrease, in values of land in the north section on the map, that is, the land lying north of Pavonia Avenue and south of 12th Street, since December, 1912?

Q You testified as to the values of certain parcels, the assessments upon which are now under review, in December, 1912, did you not? A I did.

Q Have you read and considered the testimony which you gave in December, 1912, before the State Board of Assessors? A I went over it very carefully, and see no reason for changing it in any way, barring a few typographical errors.

Q Then you would say that the values of the property under consideration are the same now as they were in December, 1912? A Yes, sir.

Q There has been no increase or decrease in those values? A If anything there has been a slight decrease.

Q And that applies to the values of all the parcels to which you testified in 1912, does it not? A Well, it applies particularly to the lower section of Jersey City, principally the Pavonia section.

Q Speaking now of the land values to which you testified in 1912 before this Board? A They would apply to those east of the Hill.

Q Are the values of the land to which you testified in 1912 the same now as they were at that time? A East of the Hill they are slightly lower.

Q And what about the values of the lands west of the Hill to which you testified in 1912? A The same appraisals refer to them; there has been no material change.

Percy A. Gaddis, direct.

Q In other words, you would place the same values upon the various parcels, the assessments of which are now under appeal here, as you did in 1912? A I should think so.

Q These values apply at this time? A Yes, sir.

Q Do you happen to know whether the system by which you appraised the lands, the assessments upon which are in question here, has been adopted by Jersey City? A I do.

Q Has it? A It has.

Q Has the system by which you appraised the value of the lands in question been adopted by the Federal authorities? A The same general principles have been acknowledged by them and are being adopted and put in force, the same means of finding the bare or flat land value.

Q And would you say that the values shown upon the two maps offered in evidence are the same now as they were in December, 1912? A I would.

Q And the figures upon the maps represent the present values upon the lands shown on the map? A They certainly do.

Q And your valuation of the lands, and the valuations of which you testified in December 1912, are the same today and were the same on January 1st as they were in 1912? A They are.

By Mr. Hendrickson.

Q Did you put a valuation on the main terminal tracts in 1912? A Not beyond the line 700 feet back from the exterior line for solid fill.

Q You did not? A I was not east of that line; all west of that line I did; in other words I did not appraise the waterfront, but of course I considered its proximity to the property in making the appraisal.

Percy A. Gaddis, direct.

By Mr. Bain.

Q Have the parcels, the assessments upon which this complaint is based, increased in value since December, 1912? A Not to the best of my knowledge and belief.

Q By bare land you mean irrespective of improvements? A Yes, my theory of valuation is that the land value is the locality value of a piece of property in the location in which it happened to be situated, and I so considered it; if there was any building or any special improvement on it, I didn't consider that as an element of land value.

Q By improvements you mean buildings and structures or anything of that sort? A Surely.

Q But your valuation on the lands in question are as they actually exist at the present time? A They are.

Q Particularly as they existed on January 1st, 1914? A They are.

By Mr. Hendrickson.

Q Do you allow for the fill that is on top of that land? A No, I made no allowance or took no consideration of fill at all; I took these lands as I found them; I don't consider that an element of value to the land; should you attempt to sell that with that fill on you couldn't get as much with that fill on as you would with it off; that is not additional value. That was clearly proved in the Pennsylvania Railroad case, which makes that distinction. While the fill cost a great deal to put there it would not be worth as much in that way, on a high embankment; if you take that fill and spread it so that you reclaim above the tide level, then it would be an additional land value. You see, in the terminal here I am not taking this as

the original marsh, but I take it as I find it for commercial purposes, up to grade or above grade —practically up to grade.

Q Were all of your valuations on the lands in question made with Mr. Ryer? A They were, with him.

Q And were your schedules made in conjunction with Mr. Ryer? A They were.

Cross-examination by Mr. Hardin.

Q Were all the appraisals that you have made and about which you testified now east of the tunnel shown on these maps, Exhibits P-1 and P-3? A All the property east of the tunnel was shown on these maps; that, above and west of the tunnel, is not shown. The property east of the tunnel referred to in my schedule is shown on the map introduced in evidence.

Q Can you indicate, by reference to the location on the block, the second class railroad property in dispute, to which you have testified? A Yes, sir.

Q Which blocks? A The property tinted in green shows the second class property.

Q Do I understand the complaint of the company applies to each of these? A The pale green parts.

Q The pale green parts from the tunnel east? A Yes, sir.

Q Beginning with the plot 2-B back of the Jersey City High School and continuing down to the block 17-A2 and the back part of the terminal property? A Yes, sir.

Q Is the railroad at the same grade as the adjoining property in all the distance? A No, sir; the main stem is elevated, on two separate grades, part of it on trestle and part on fill and bridges,

in some cases one going over the other, the old grade meeting the tunnel and the new grade meeting the open cut.

Q One over the other? A One over the other, at the point where they reach the hill the cars in some cases run underneath, upon two levels, freight going through the tunnel and the passenger traffic passing through the open cut.

Q The second class parcels are at a different level from the lower track? A Yes, sir.

Q The second class parcels entirely undeveloped, how are they, in railroad use, that is the point of my question. A The spur tracks are on them.

Q At a lower level? A At a lower level, yes.

Q Do you recollect whether any of these tracks, or any portion of the property, is bounded by a stone wall? A I remember very clearly that the majority of the main stem is supported in that manner.

Q And the second class property is outside or inside the retaining wall, most of it outside, is that true, in block 183? A Yes, that is the Armour switch in there; I haven't walked over this property this trip as I came back from Boston to get it fresh in my mind to discriminate, so I cannot positively tell you each one in conjunction with the other and there is no use of me attempting to do it. This I recall, that particular corner there comes down sufficiently low to admit a sidewalk coming down, and even occupying Block 182 and a part of the center of 10th Street.

Q Leaving the main track where? A The main track gradually rising to meet on an easy grade.

Q On which block? A Well, block 183, starting up there, and gradually rising up; it had to be

raised far enough to make an overhead crossing at Henderson Street; it is very close there for trucking; there is not sufficient room for a trolley to go underneath; in fact I have seen cars get stuck there and had to back out to get enough clearance there.

Q That is the siding you are talking about, not the main track? A That is the main track.

Q Do I understand that at the time you get into block 218 that this spur track is quite on a level with the lower main track? A No, I don't know how the final connection is in Block 218, I don't recall.

Q There are produced the different levels from Henderson Street? A No; the only place where there is a change of grade, as I remember it, away west of Jersey Avenue, then they separate on the two levels that I speak of there.

Q Is it not as shown on that map, in Block 218, for instance, that the second class property is within the retaining wall, and not outside of it? A I don't recall, just let me think.

Mr. Hendrickson. The railroad admits it is; there is a brick building and half of it was used as a wall.

Mr. Dawley. It is within the retaining wall, Block 218, all the foundation of the old freight station, that furnishes a retaining wall, and in 323 the second class property is within the retaining wall, and in block 360 likewise, and in block 395 likewise.

Q So this retaining wall takes in block 395 and the second class property is within the wall? A Yes.

Q So you understand, Mr. Gaddis, then, that throughout the distance beginning with block 218

all the way back then to the end of the retaining wall, the second class property shown on this map, or the parcels of second class property shown on this map, are within this retaining wall? A They are.

Q And that is true, in part, is it not, also in block 183, as I understood you to say that the bridge over Henderson Street for that main line and side tracks are on the same level? A Yes, sir; I don't recall plot A. in Block 183, being connected with the second class property in 218; I don't know whether it connected with the bridge or not.

Q Mr. Dawley says it does. A If it does, then that settles it.

Q As I understand you to say in your testimony, in valuing these second class parcels shown on this map, south of the railroad tracks in blocks 183, 218, 323, 360, 395 and 421, you regarded them just as bare land as though there were no railroad tracks there at all? A I have, as though they were in private ownership.

Q You haven't taken that into consideration at all? A No, sir.

Q If that graduation has not been taken into consideration in the figures of the State Board, or in your figures, would not that be your view, that some addition should be made by reason of the condition in which the property is? A Not as land values, not by any means; if it has any value at all it is building value, because it is a building or improvement. It makes the land, for general purposes, less valuable; it is a special building for the use or construction of the yard of the railroad.

Q You made some reference a few minutes ago to the case, which you seemed to quote with some

authority, although it is now pending in the Court of Errors and Appeals, the Pennsylvania tunnel terminal assessments. A Yes, sir.

Q My recollection—if I am not right I want you to correct me—in that case, that you testified that the land was to be given no additional value by reason of the graduation or condition in which it was until it came into use after completion. A No, you are wrong there; that testimony, as I recall it, my judgment is as bare land value, it is built upon locality value only, the value of the fee of the land is only what the adjacent territory is through which it runs, without any special improvements made on it.

Q Of course without that filling it would not be capable of the use for which it now is? A No.

Q Your idea is that that value is no value, it is merely with its unit value taken into consideration, that you give to it as bare land? A It has no value as land.

Q Then it is not your idea it has no value as railroad property? A No, sir.

Q At any rate, whether it has any value or not, you haven't put it in? A I have not; I didn't put any additional value to this property here because it has a foundation, or anything of that kind.

Q In assessing it for the City you would assess the foundations of the building as part of the building? A I would assess the building for what is worth.

Q And would you include the foundation as part of the building? A If it is necessarily a part of the construction.

Q Now, you spoke about a theory that you had; is that theory defined in your testimony given in 1912? A No, sir; I can't say that it is defined.

Q You haven't defined it today, as I recall. What do you mean when you say the theory upon which you are acting has been adopted by the City of Jersey City, and is being put in course of adoption by the Federal Government? A I mean by that that the general scheme of taxation, probably the most scientific in the United States, and the most modern theory, whether it is carried out fairly and honestly I don't intend to comment on, I am speaking of the theory of the scheme as in New York City,—and I speak after a very careful investigation in a great many cities that I have been associated in with Mr. Ryer, in figuring taxes in a number of cities: The taxation principle may be summed up in two points, land unit and building factor. In other words, you assess the land, plus the unit value, and you find what, in the best judgment of any one you can find, the value of a front foot is on every side of a block or subdivision of property, and that is the value of that block, giving additional increases to the corners, where corners meet; then the buildings are all taken separately and divided into classes—I am speaking of New York now—then there is a factor applied, the square foot factor. When those are found everyone is absolutely fairly and equally dealt with, if the building is properly classified.

Q That is to say, you find the square foot value for the whole block? A No, for each individual plot, because you may have 47 different kinds of buildings on the same block, and the land would not be the same on both sides of the block.

Q I understand you eliminate the buildings, that is the rule of assessment devised by the New Jersey State Board of Taxation? A That has been the modern trend.

Q In the application of this theory to the values of these blocks on this map, you get the square foot value for each block, separate from the other block? A No, sir; I get a front foot unit in the center of each block, and on the four sides, and in my schedule that you have there you will notice that in appraising the value of each block I have placed front foot value on every side of the block and appraised the lots individually as I go along; for instance these blocks are put down here, very fortunately a majority of them 200 and 400 feet long, that gives you 38 lots and eight across; in my schedule I have gone right around the block and appraised them; then I have also acknowledged the fact that where there has been an extreme value, land on Pavonia Avenue, the owners have naturally cut the lots fronting on the highest street, and I have appraised them in that way, which is the only fair way to do.

Q Then you found all these blocks regularly laid out in lots of one hundred feet depth and 25 feet wide? A No, I can't say that; of course there may have been some brick houses, I can't recall any instances, but there are some lots 16.8 and 12½ foot houses on 9th Street, and half lots there are occupied by buildings, so I disregarded where the owner put two houses on one lot.

Q Unless you found the lots actually laid out to the contrary all the corner lots were laid on the streets running north and south? A They were faced as laid out by the city, the original cut off from the Coles map, which laid them out in sections back in 1860, they were cut up 32 lots to a block, if I remember rightly, beginning with the northeast corner, giving eight lots on the east and west end.

Q Were the corner lots on the streets that ran north and south? A Yes, sir.

Q There were no corner lots on the Coles Map, of the streets that ran east and west? A Some of them were, a few of them were scattered.

Q Have you given any consideration to larger areas in one ownership, in single use? A Yes, in a question of plottage where it is justified in doing it. In all cases it is not justified in doing it.

Q You do not consider a whole block of 32 lots in a single ownership and in a single use, the whole property being used by one owner? A It has a slight increase in value.

Q Is there any recognized percentage on plottage of that character? A No, sir; it is a matter of experience and judgment; every agent spends a lifetime in getting that experience, to qualify him fully.

Q You recognize that there is a general principle of increasing values, where things have been grouped together? A That is where things have been split to create value and then gathered together afterwards; in a plot that has never been put in that evolutionary stage and never brought together at an increased expense, that condition, I don't think, fairly exists.

Q And that idea of plottage would be extended, I assume, from the theory which seems to support it as such by you, from one block to a group of blocks, if the intervening streets were to be eliminated and the group of blocks was with what otherwise would be one single area in use as one parcel? A That would be likely to occur, but such condition does not exist before us now.

Q Block 17-A2 does not comprise a territory which might be called a group of blocks? A It has never been divided; it has never gone through that state.

Q Wasn't it on the Coles Map? A No, sir.

Q Are you sure about that? A I am not sure about that, it was on the Coles Map, portions of it; I believe there are four or five streets that don't show on that, only on the map; they were never opened, only a little street called Kelso Street, and a portion of Provost Street.

Q Shown by dotted lines on the original map, but not opened on the original map? A Well, they were indicated as an intention to open, but such a thing has never actually happened.

Q I may be in error, because that is my recollection, and I would like to ask you whether you have seen that? A Yes, I think I have seen it.

Q On copies of Jersey City maps where those streets are indicated with dotted lines? A I can give you five or six different maps, and several on which they do not occur; that was a proposed real estate development.

Q I mean this property covered by this Coles Map, of this development. A The Mangin Map of 1804 shows it; I have a certified copy of the Coles Map which could be gotten in 15 minutes if you want it.

Q Of course this block 17-A2, in the use in which it now is as part of the railroad terminal, would not be at all available to the use it now has if it were gridironed by streets as this territory shown on your map south section is, for instance? A No, sir; it would not.

Q The elimination of the streets is practically essential to give the property its value? A It is essential to use it for the purpose for which it is used.

Q Making it available for that use. A Making it available for that use, yes, or any other use that required a large tract, of course.

Q Isn't it within your knowledge, during your business life here in Jersey City, that the railroads have frequently sought to have streets that were open on the maps vacated and removed, in order to make the lands available for other uses? A Yes, sir.

Q The same thing applies to this block 17-A2, doesn't it? A It does—Block 17? No, sir; not that I am aware of.

Q It has been suggested, Mr. Gaddis, by one of the gentlemen here that 9th Street formerly extended beyond Provost Street into this block, and that was vacated at the railroad's request. A I believe that to be a fact.

Q And that there was a street east of Provost Street, or parallel with it, called Barnum Street, vacated in like manner. A I believe so; also Kelso Street, I think.

Q Now, am I right in my belief, not about land that is in this controversy, but land to the west and north of the blocks connecting with the railroad, also shown on this map, called the Monmouth Street coach yard, that it was formerly covered with streets that were vacated? A That is true.

Q For the purpose of making the land available for railroad use? A That is true; they were mostly paper streets; there were one or two small tenements around there that had developed since the first part of the last century in Jersey City.

Q Just to give it haphazard, take Block 252—I take that absolutely haphazard—$68,800, 2.745 acres; how did you apply your theory to that block? A Block 252 is a block 260 by 460 feet, 119,600 square feet or 2.745 acres; it consists of eight lots in that particular plot fronting on 10th Street, at $1,800 a lot, a value of $1,800 on eight lots; eight lots fronting on Grove Street valued at

$3,500, eight lots on 9th Street valued at $1,800, eight lots on Erie Street valued at $1,500 each; now carrying these across, the multiplication gives you the results shown on page 8 of the testimony of which you have a schedule.

Q Making a total of? A $68,800. The lands were assessed at $68,700 which is just $100 difference from the assessed valuation on the lots by the City.

Q Now, I take it, that in that neighborhood, the more valuable frontage is on Grove Street? A Grove Street is by far; that is the reason that we have placed $3,500 as a unit on Grove Street.

Q Why do you say $3,500 a lot when the corner lots are worth more than the interior lots? A Well, if we wanted to make this schedule three times as long, and put the corner lots at $4,000 and cut the difference on those lots on the interior we could have done so, but you can take that $1,000 and divide it among those inside lots and get the same answer.

Q Then, as a matter of fact, what additional value do you give to corners, what is the percentage, if any? A Ordinarily about 30 per cent., in such a section as that.

Q You spoke about the City assessment; does your schedule show the City assessments every time? A My schedule does, you see each block is divided, and we have the assessment for each street and then we have the assessment against the entire block.

Q Your comparison with the City assessments is limited to land values, is it? A Limited to land values, that is all.

Q And the City assesses the buildings separately, I believe? A Yes, sir.

Q Now, in your assessments did you consider the figures that you have here in getting these naked land values? A No, sir.

Q Did you consider the builders? A No, sir; that is not a proper way to get at land values; you have to disregard the buildings.

Q You just took the tract and forgot there were any buildings on it? A Well, I couldn't entirely do that; I think the land value is created as the neighborhood is developed and with the requirements of business; of course the requirements of business buildings, and of course the types of buildings have a great influence upon the values and in creating them.

Q In other words, as the property comes to the higher use it increases in value? A It increases in value.

Q Pasture land is not worth as much as building lots? A Oh, no; that is already answered.

Q Building lots are not worth as much when they were first laid out as when the neighborhood is developed by a good class of buildings? A No, sir.

Q Then for the purposes of comparison with the city assessments, you were able, I take it, to find out from the city assessments what they had put upon the land, because under their system they assessed the land separately and the buildings separately? A I did afterward; we were not in possession of the facts about the assessments at the time, but when we got through making our assessments Mr. Ryer and I went to the City Hall and made a note of the total assessments and the assessments against each block.

Q I didn't understand that you were influenced by the city assessments; I just wanted to know whether the basis of your assessments are a vari-

able basis. A We were very fortunate in having them separated that way.

Q It didn't put any duty upon you to estimate the value of the buildings? A No.

Q What happened in block 182, in comparison with the city? A Why, I find on four sides of the block as shown, the 10th Street frontage is appraised at a valuation of $1,500. Provost Street at $1,500, 9th Street at $1,800 and Henderson Street at $2,000. Now, if you will refer to the schedule, or I will quote it here, I put in a note, "Less 15,000 square feet towards corner." A corner is chopped off, and that out that amount of area making only 7 lots fronting on Provost Street, figuring 8 on 10th Street and 8 on Henderson Street, making a total of $57,900; it is assessed by the city for $75,200, a case where there is a vast difference.

Q How much did you say you excepted from the appraisal? A I said in squaring out the centre line of the block, in figuring the area, there is 15,000 feet cut out of the center of the block.

Q You include the street area to the middle of the street? A You surely have to; they will all run to .851 acres.

Q Then these acreage values that you give here are acreage values inclusive of half the width of the streets all the way around the block? A They are acreage values—

Q You might answer my question. You can answer it, if you will. A I said—

Q (Last question read). A Yes.

Q And that is all over this map? A Yes, sir; you see it includes that.

Q You are aware, I suppose, that the acreage of the State Board does not include the adjoining street areas? A Yes, sir; I am.

Q And in the average per acres in these figures, in this tabulation which you have made, your averages always include this street area, does it? A Yes, sir. You leave a wrong conclusion there, these averages that we have made, as part of a large unbroken tract, do not apply to the individual parcels block by block, but they take the neighborhood value as the plot is cut out and as reflected by the neighborhoods.

Q I suppose if these streets were gone the properties would not be available for that use? A No, sir; it would not.

Q The streets are essential? A The streets are essential.

Q They are necessary in making the selling value of the lots? A That is what I say, the streets are paid for out of those valuations.

Q What right have you for assuming that the owners have paid these streets? A Because I happen to be an owner of a parcel of land and had to pay for the same thing.

Q Don't you know that you can't be assessed for any kind of an improvement, paving— A I don't know that and you don't know it.

Q Wait a minute. Don't you know, as a matter of fact, that you cannot be assessed, as an owner of property, beyond the benefit that is conferred upon your property by the improvement, extension or opening of a street, and that the assessments can only be imposed upon the adjoining lots in proportion to the benefits conferred. You know that as a matter of law? A I know it is not a matter of fact.

Q Don't you know, as a matter of fact, that in almost every city improvement that a portion of it goes upon the City at large, for the reason that the right to assess is limited to the benefits conferred on the property?

Mr. Bain. I object to that as calling for a legal conclusion.

A I know that is supposed to be the condition.

Q Now, may I ask also, whether all of the property within the range between the north and south sections shown on this map was assessed, or was there, within this limit, any exempt property? A There was.

Q What have you done with that? A The same as the City did, left it out.

Q Can you indicate any block where you left property out in that way? A This St. Francis' Hospital is the first that comes to my mind.

Q Where is that located? A Here on Hamilton Park, the northeast corner of Pavonia Avenue, on block 284; then there is a church in 285, there is a school in 357—

Q That is sufficient for me.

Mr. Hendrickson. Hamilton Park too?

The Witness. Yes.

Q What proportion of block 284 was in the hospital? A As near as I can remember all the portion except the part occupied by the Matthews Building, which is a plot about 50 feet square.

Q Is that valuation based on the $26,880 on the Matthews land in that block? A No, sir; that valuation is on the entire block; because it was not assessed, or was not used for public purposes or was not on the market, or could not be bought, I would say that I couldn't put a value on it, although you can't sell a church or a school or an armory.

Q You misunderstand my question. I asked you whether you included the property that was exempt in these figures, or not? A The assessments, of course, as the city did, the value I placed

on it; otherwise I would have been subject to criticism for not valuing the property as I find it in the location where it is.

Q Let me see if I understand you. The figures shown on this block is the land value of that total area of the block, with half of the adjoining streets, regardless of the fact whether the property is exempt or not? A Yes, sir; and the assessments do not include either the area of the exempt properties, but the assessments show every cent the city gets as valuation on the entire area.

Q What do you mean by the assessment? A I mean of the city, in their tax levy.

Q We are talking about different things, then. Take this block 284, and compare your figures with the assessments and the result is what. A There is no assessment there except on the Matthews property.

Q What you are endeavoring to make clear is that no comparison between block 284 by your valuation here and by the city assessment, and if they were on such a different basis then it would not mean anything. A Well, it would mean something, because you lose sight of the fact that private development requires certain percentages of public improvements to create values, and they have to carry them as a portion of a development because they create value.

Q I know, but whenever a portion of the propert yis used and is exempt for hospital, church or school uses, that gives value to the other parts of the tract and that makes it up, does it not? A Yes, and I think it is reflected in them; I have placed a value there higher than if I left those out. inhabitants? A It does.

Q Private property used in small parcels grid-ironed by streets, calls for churches, schools and hospitals to make the location comfortable to the

Q And when you come to combine property into larger areas for such uses. A When you come to make large areas,—there is a difference between that and when it has never been combined; block 17-A2 has never been divided.

Q It would be worth more in your judgment if it was combined? A No.

Q Why wouldn't it? A You made a statement that it would. It would if a large area was gathered together after the area was wiped out. They have never been wiped out and then brought into a bigger area.

Q You are thinking faster than I am. I haven't got as far as that; you got away ahead of me. A All right.

Q At any rate, you make it unnecessary for me to ask you a perfectly obvious question. When property is used in large areas for any purpose whatsoever, the exempt percentages disappear? A Most assuredly.

Q From an equal area. A Yes; in other words if you should get that and sell it to create values, there would have to be a large portion of it given away in order to do it, and that is allowed for in this theory; I haven't taken any imaginary conditions there, the hospital is there and the schools; I have taken the buildings as they are and made the fairest comparison.

Q All the areas within the lines of the blocks and the half of each surrounding street, is actual value in your figures? A Certainly.

Q Do your tables indicate, for the purposes of comparison, which blocks on the city's assessments are affected by exempt locations? A No, I can't say that I went into that.

Q This block 183 and 182, where you said your values are much less than the city's assessment;

that block is in what ownership? A One single ownership, practically of the beef company, Swift's.

Q What did I understand you to say the assessed value was? A $75,200.

Q I notice you haven't given anything for plottage, although that block is in one ownership, and all of it is one one use, and I understand you to say that under such circumstances the plottage value would apply. A There is a value in availability, but if I put a plottage value on that block you would say, why don't you put it on all the others?

Q I don't criticize you for not putting it on others. I understood you to say you didn't put it on individual ownership or where there is more than one ownership on a block; that is a general condition. A Yes.

Q What I am getting at is the particular condition of block 182; it would seem to me, under what you said to me in explanation of your theory, that you should have given me some plottage on this. I may have set a 15 per cent. increase on that particular block; but I don't think it is fair to consider it and not take it on the others.

Q How about block 181, in what use is that? A That is in a variety of owners, separate ownerships.

Q How about the block on the other side of the railroad, on the north side of block 184? A Separate ownership likewise; that is, there are more than one ownership.

Q And you have applied this so many lots on Henderson Street plus so many lots on 12th Street, plus so many lots on Provost Street, plus so many lots on 11th Street, in getting at and computing this figure of $48,000 on that block? A Yes, sir.

Q Ought not there be some plottage given to the single ownership and the single use of about half a block? A No, sir; I don't so consider it.

Q Do you withdraw from your suggestion that larger areas increase in value where it is in one owner and in one use? A I do not, but I do not think that you discriminate enough to look for the element of plottage; you attempt to build up a valuation by carrying a theory to the very limit; it is not gone into as close as that. If you did then you would have to go and see what injury the property did next to it, and when you take up a situation like that you could find 47 reasons that would more than offset the surplus that you would create by plottage allowance. I was going to show you one plottage that I sold, if it isn't out of order, and call your attention to block 218—

Q It is out of order to get away from 184 at the present time. You say there ought not to be plottage allowed for half a block. A No.

Q That leads me to the general question: In all these figures you have given no consideration to plottage? A I have taken the locality values, the highest value that the block showed.

Q It would seem to me to be suggested by these figures, perhaps I am wrong about it, that you regard the land that is adjacent to the railroad property as of less value than the land further away? A It happens to work out that way, the location is poorer there, and in every case that you notice in my valuation down to the terminal I placed the highest valuation there on the Pavonia Avenue frontage.

Q Taking it block by block, the blocks are worth more as you go away from the railroad? A Going from the railroad south; yes, sir; going from the railroad north; no, sir; they are less.

Q Only for one city block. A I know. I am speaking of what I have no right to put in, but still carrying the fact, I know behind the Lackawanna yard—

Q Isn't Block 182 worth more than it would be because it is so located that it can be of advantage for a railroad siding? A That is an element of some value; if it has a siding it is worth considerable to have a siding; that is why Swift's stay there.

Q Doesn't that make the value much more than the land value? A There is taken out of the value a percentage of that; you can say that.

Q Apparently we ought to add on block 182 something, say 10 or 15 per cent., that is pretty low from my own knowledge of railroad theories, 10 or 15 per cent. for plottage, and something also for that location convenient to the railroad siding? A One would absorb the other; they wouldn't go there unless they got the railroad siding.

Q You have not included this in your value, and when you come to analyze these things, because the city has taken into consideration the things which you have left out, they are not there,—I am not criticizing you for leaving them out— A I don't know whether the city left them out or not.

Q But that furnishes some reason for the city having been higher than you on this? A It possibly does in that particular instance, yes.

Q You told me that your appraisal, I suppose on block 17-A2 was out to a line 700 feet west of the exterior line for solid filling? A Yes, sir.

Q You made no effort to value the property at all in front of that line? A No, sir.

Q Your judgment of your own capacity to testify as a person skilled in real estate value cuts out your testifying about what we call waterfront values? A No, sir.

Q You just stopped there? A I stopped there because the Erie had set Mr. Corbin at that and I was to make a valuation up to that line.

Q I suppose, of course, that you agree with him that the waterfront stops exactly at 700 feet from the exterior line for solid filling? A I wasn't asked to take up that point.

Q Do you agree with him that the waterfront property terminates 700 feet from that line?

Mr. Bain. I object to that. Mr. Gaddis has not qualified to testify on waterfront properties.

(Question allowed).

A I don't know; I haven't said that the line was 700 feet back, or any distance; I merely said that I appraised to that line. What I might have done had I gone further that is another question, but I have not given it consideration beyond that, only inasmuch as I considered its reflected value from the fact trat it existed there.

Q You gave consideration to the fact that there was 700 feet of fast land between that point where you stopped and the bulkhead? A Yes, sir.

Q In your own judgment is that land 100 feet back of that line, considering the fact that it is part of a parcel which extends out to the waterfront, given additional value by the fact that it is connected up with the waterfront? A No, sir; not at that distance back, but it supports a maximum value reflected from the other way for the reason that the value it meets is not less than the average value.

Q Did you cut that block 17-A2 in the rear of the solid filling into zones for the purposes of valuation, or did you just look upon it as a plot containing approximately 18 acres? A I looked upon it as one plot.

Q Are the 37 acres included in the land outside the bulkhead? A I so understand.

Q That is your interpretation of the map? A My interpretation is it includes the land under water to the solid filling line.

Q In valuing the 27 acres back of the line 700 feet west of the solid filling line, did you divide it into zones? A I did not.

Q How did you go about it? A With one exception I took the frontage on the street, the main highway or thoroughfare and the rail connection and made a street frontage value which I thought properly belonged to the higher value; then the interior in the rear of it became an interior plot, bounded by the rear line of figures to the rear and to the side of the Lackawanna yard, and the imaginary line 700 feet back to a developed city.

Q Then you appraised it in two parcels, one parcel bounded by the main stem, Pavonia Avenue and Provost Street, and the other parcel bounded by the main stem, Provost Street and the Lackawanna property on this imaginary line 700 feet back. A No, sir; you are mistaken there; the main stem being more or less an imaginary line, carves out the centre of it. The only part of the plot that had any higher value was the portion touching the highway, and for the purpose of fairness I took the frontage on that street and gave it the maximum value.

Q Then what did you do with the rear? A The rear I treated as an acreage plot and applied the results that I found in the area west of it, in the developed portion of the city.

Q I want to know where you got that $24,000 for the entire 9 acres from. A I didn't get $24,000 for the entire 9 acres.

Q For the nine acres you got $20,000. A You want to know what I based my valuation upon for the interior land in 17-A2?

Q You said you got it from the developed portion of the city to the west. A That answers it. How much further answer do you want than that? That is my judgment, and that is supported by an analysis of the valuations of the territory west on that.

Q Which territory do you mean by that, the territory on this map? A The territory on that map which is west of the territory known as the north section.

Q And the average price per acre that you have applied is $20,000? A Why, supported by a investigation of 99 sales as per attached list.

Q The sales are listed, I understand, in detail? A Yes; the city assessment covers 65.343 assessed for $1,366,050, that is the cost of the land alone, and the average assessment is $20,921 per acre, the market value of 61.932 acres in there was $1,284,739 and those three results seem to me to support a fair valuation of $20,000 for an acreage tract, and I have applied that to the interior of the block.

Q Then is any portion of that north section, or the south section of the north section, from which you have drawn your conclusions, as near to the river front as 700 feet? A No, sir.

Q Did you familiarize yourself with the valuation that was put upon the Lackawanna land immediately adjoining back of the 700 feet line north of this property by the State Board of Assessors, and paid by the Lackawanna people? A I knew at the time, but I don't remember it now.

Q Did you familiarize yourself with the valuations put by the State Board of Assessors upon the property back of that same line, of the Harsimus Cove or Pennsylvania Railroad property to the south? A I read over the assessments of all the waterfront properties in Hudson County, of various

plots, and was in touch with them at the time I made up this schedule.

Q You are familiar, are you, with the figures that were assessed against this property in 1909 by the State Board of Assessors, and 1910? A I don't recall whether I was or not; I am not now; I don't remember whether I was then, or not.

Q Do you remember whether the figures you are at present testifying to are higher or lower than the assessments sustained by the courts on this same property in 1909 and 1910? A I do not; no, sir.

Q What availability did you have in mind when you put the valuation on this property, by calling part of it lots fronting on Pavonia Avenue and part of it acres in the rear? A Pavonia Avenue I put what seemed to me the highest use, the type of development that would be natural to make there in the past 40 years.

Q How about the acreage in the rear? A The acreage in the rear, I did not consider any special development, I considered what it was worth as land in the position in which it was situated for general purposes.

Q Did you have in general consideration as to the plottage and its connection with the waterfront property in front of it? A Yes, sir.

Q Or associated with that part of the tract comprising the lots that you cut off on Pavonia Avenue? A Yes, sir.

Q Your figures include plottage worth of that character? A They include it.

Q You told us you did not include any plottage in the north section and south section on those blocks; where does the plottage come in in the $20,000 per acre on 17-A2? A I can answer that very easily, if you want me to. Because the figures that

I have applied includes in it the enormous expense of development in the shape that it is developed, which has never been spent upon this unbroken parcel, there is 20 per cent. on streets, sewers, lights and such other direct city improvements which have not been spent on this unbroken space.

Q You should have deducted the expense of putting down the streets that the railroad asked the authorities of Jersey City to take away. A That is a foolish question; they didn't ask them to take away any more than one or two little odds and ends of corners.

Q Why did they ask them to take that away? A Because it broke the plot of ground; as far as the small corners are concerned, it never encroached upon very much.

By Mr. Hendrickson.

Q It wasn't because it broke the plottage, but because the railroad needed the additional area for the yard. A It broke the continuity of the area.

Q They needed the additional area, didn't they? A Yes.

By Mr. Hardin.

Q The acreage on this parcel, this arbitrary parcel that you have established to the rear of the Pavonia Avenue lots, is the actual acreage on the ground, isn't it? A To the best of my belief; I am taking the engineer's figures for it; I include everything, I presume, within this line as I so understand it.

Q In the acreage that you are using for the purposes of comparison in the north and south section on your map, you have included all the streets within the sections? A Yes, sir; you have to, of necessity; the values would not exist without the streets being there.

Q The absence of streets creates values in the terminal tracts, don't they? A I think it is pretty nearly a fair balance.

Q Isn't it true that the absence of streets makes the values of terminal tracts? A No, sir; terminal tracts, if you know the history of the—

Q You told me that streets make value back here; now I ask you whether the absence of streets does not make values in the terminal yard? A Not necessarily.

Q Or in any use that requires large areas? A Of course, that is obvious.

Q How did you divide Block 16-B6? A West of the 700 foot line 1,320 feet frontage, the south side of Pavonia Avenue at $200 a front foot or $5,000 a lot.

Q Is that the same rate that you applied on the other side of the street? A Yes, sir; $5,000 a lot amounting to $264,000 for the three acres; the .030 remaining area—that frontage amounts to 3.030 acres; for the remaining area of 9.365 at $24,000 an acre or $231,240; total, $495,240.

Mr. Hendrickson. How much does that make in square foot value for the back lands, $24,000 an acre?

Q How many acres were there altogether? A 12.395.

Q You had 3 acres in lots? A 3.03 in lots.

Q And the balance was 9.635. A Making a total of 12.665.

Q Now, on this lot basis, as I understand it, so much of this land as you valued by lots, you put that unit basis that you speak of on that. A A front foot, the area on the four sides of the block in square feet, although they reduce this to the same thing, but the common expression is front feet, one foot wide and 100 feet in depth. You asked me

a question as to how much this figures up per square foot; that is about fifty cents; a little over fifty cents.

Q Why didn't you include the area of Pavonia Avenue when you figured that, you included the street area everywhere else? A Likewise I would have reduced the figure; I would have placed a lower figure on it. I can do that if you want me to.

Q I don't want you to do it. A This was for the railroad the other was against it; and I gave the benefit of the doubt to the State.

Q No, against the State. A If I applied the $200 a foot it would be for the State and against the railroad.

Q If you just used the area at the same rate, figuring by the square foot, when you have more area to add to block 17-A6? A Then I would likewise make the $200 a foot cover, the same as I did in the street, to be perfectly fair.

Q What is the basis that you took to make the difference in the acreage value in the rear of block 17-A6? A The rear of block 17-A6, $4,000.

Q What is the basis of the difference? A The difference in the development of the city, and the difference of the value on account of its location.

Q One side was up against the Lackawanna freight yard and the other side was up against the Jersey City stock yards? A Yes, sir; it is generally acknowledged; and in the judgment of the board, you recognize the fact that the property of the Jersey City Stock Yards and the property of the Pennsylvania terminal further south is worth more than the Lackawanna property, and the general increases in value rise about the Pennsylvania terminal.

Mr. Hendrickson. I want to say that I object to that. The State Board recognizes no such thing.

The Witness. But they give figures that support my statement.

Mr. Hendrickson. No, they don't; the figures that you refer to are due to the fact that the rate per acre on the Pennsylvania terminal yard is higher than the rate per acre at the Erie yards to which you are testifying, and the reason the rate is higher per acre is because the land at the foot of Exchange Place is, almost all of it, close down by the Hudson River, where property is worth a higher rate per square foot than in the rear of the Erie yards. The pier back of the rear end of the Pennsylvania yards and the amount of high priced land in the Pennsylvania and Harsimus Cove yards brings that average rate per acre to a higher price because there is more land there than in the two Erie yards.

Q Mr. Gaddis, the acreage that you put on the rear part of block 17-A2 of $20,000 per acre, you told me that you got that by a comparison of certain different sets of figures and they approximate the acreage rate that you put on the north section of this map? A Yes, sir.

Q In the rear of block 16-B6 you have put a rate of $24,000 per acre for the approximate acreage rate that you put upon the south section of your map? A Yes, sir.

Q I suppose you got at that rate by somewhat the same process that you did the ones particularly described? A They are both supported by the same detail.

Q Has block 16-B6 benefitted by its immediate access to the river and the facilities that come up alongside the Erie grain elevator? A Probably the same average.

Q That has a frontage on the river, so to speak? A It is in the rear, so to speak, because it comes up to an improvement in other hands practically, the majority of it.

Q And alongside of this same block which is outside of the 700 foot line that you have given us the valuation on? A Yes, sir.

Q Apparently your figures show no recognition of that fact, by the comparison with the north and south sections; do you think so? A An addition of 20 per cent. ought to be some recognition.

Q One stops 1,700 feet back of that line and the other goes right up to it, but every bit of that area in the rear goes right up to the water? A Yes, sir; and it has a 20 per cent. higher value placed on it for that.

Q But I thought you told me you gave it a higher value because it is somewhat nearer to a better portion of Jersey City? A I said that supports it. I also said previously in my examination that the north section runs up to a line of less value. All that was considered.

Q This tract 16-B6, doesn't that come up to the 700 foot line from the waterfront? A The 700 foot line isn't on the waterfront in the other plot. If your conclusion was right Mr. Corbin would have taken the entire plot and not put a value on part of it, as he did.

Q You misunderstand me. You cut off a line on block 16-B6 lying on Pavonia Avenue? A Yes, sir.

Q And you leave the acreage in the rear? A No. I create a zone of value the depth of an ordinary city lot, for the reason that it is capable of

the highest development, for stores and improvements along there, and they could rent or sell them, and my value of $5,000 a lot or $200 a front foot would be justified.

Q That is along Pavonia Avenue? A Yes, sir.

Q That little acreage tract that you have in the rear, after you cut that zone of value that you have described, fronts on the water? A Yes, sir.

Q And I think you will agree with me that that gives it some additional worth? A It is extremely true it is waterfront, but it is narrow there, and it is not suitable for large steamers, and it is not capable for any large traffic. It is more like the canal in the Lackawanna yard, used for small grain vessels.

Q Six-masted schooners go in the Lackawanna canal. A I have seen four masted schooners; I don't know how much water they draw. Your question is, had I considered it as waterfront?

Q Yes; whether it didn't have some consideration. It seems to me that you haven't given it any because you give it the same acreage rate that you put upon the rear of 17-A2, and therefore it seems to me that you leave out the possible benefit of access to the water. A I don't consider there is much water access there; there is very, very little.

Q I thought you told me the presence of the main stem was shown on these maps P-1 and P-3 and that made no difference in your figures, that you regarded that as a merely imaginary location? A That is true; of course I did not figure on that.

Q Have you taken part of that area out of this more valuable land along Pavonia Avenue? A No.

Re-direct examination by Mr. Bain.

Q Mr. Gaddis, there has been some question as to just how you considered exempted lands in mak-

ing your assessments. Take for instance block 284, I find there is a hospital upon that block. A Yes, sir.

Q Is the land covered by the hospital included in the acreage shown upon the map? A It is included.

Q So that the value of the exempt land is included in the value of block 284 as shown on the map? A Yes, sir.

Q Does that same fact apply to other cases of exempt property? A Yes, sir.

Q For instance, the church on block 285? A It does.

Q The acreage of the block as stated on the map is 2.805 acres, and that includes the land occupied by the church? A It does.

Q And the land has been included in the value of $65,000, which you put on it; is that right. A Yes, sir.

By Mr. Hardin.

Q I want to know whether the tabulation that Mr. Gaddis made of the 99 sales shows the purchases made by the Erie. A It shows all. I am glad you brought that question up. It does show all the sales to the Erie, the purchases of which were at a notoriously high figure, so that they are included against themselves in that batch.

Q We can pick out what the Erie had to pay for land within this north section? A Yes.

Q And the size of the tracts that were purchased would also be shown there? A The square feet included in the purchase; yes, sir.

By Mr. Hendrickson.

Q I would like to ask Mr. Gaddis what he considers a fair average value per square foot for land back of the bulkhead line to Hudson Street,

extended, over to Hoboken, along the Hudson River.

Mr. Bain. I would say as to that that is waterfront property and Mr. Gaddis has not qualified as an expert on waterfront property.

A I couldn't say as to that.

Q What would it be at the foot of Pavonia Avenue? A I can't give you any of the plots there.

Q What would it be at the foot of Morgan Street? A I couldn't give you that off-hand.

Q Would it be less than $4 a square foot? A I couldn't answer that off-hand.

Q Would it be less than $4 a square foto? A I couldn't answer that without making a study of it, and I am in no condition to make a study now.

Q Would it be less than $3 a square foot? A Ditto.

Q Would it be less than $2 a square foot? A Ditto.

Q Would it be less than $1 a square foot? A Ditto.

Q Now then, take the zone across the railroad yards, running from Hudson Street westerly to Greene Street, what would you say was the fair square foot value in that zone? A I wouldn't say; I would have to make a study of it.

Q What would it be at Pavonia Avenue? A I couldn't say; I couldn't figure up in my mind a plan of any particular section at this time.

Q What would be a fair value per square foot for a zone running from Greene Street to Washington Street, from Hoboken down to the Gap? A I can't answer that question.

Q Would it be as high as $5? A I can't answer that question.

Q Are you familiar with the sale of the Vanderbeek tract? A Yes, sir.

Q How much did Vanderbeek pay a square foot for that tract? A I don't know without looking it up.

Q How much did he pay for the whole tract? A I don't know without looking it up; I have a record of it. I remember it was back of the Morgan Street dock there.

Q That fronted on the Hudson River? A I think so.

Q And extended back to Greene Street? A Somewhere in that vicinity.

Q On the south of Morgan Street? A Yes, sir.

Q And that is the only plot of ground in private ownership, or was, before it was sold to the Pennsylvania Railroad running from Hoboken south to Exchange Place, wasn't it? A You mean east of the line that you speak of?

Q East of Greene Street? A Yes.

Q You don't remember what that tract sold for? A My memory is $175,000. The area I don't remember, but it can easily be had, it is a matter of record.

Q Did the Vanderbeek sale influence you in making your figure on the back land of Long Dock? A Every sale influences me.

Q Now take these blocks between the two Pennsylvania yards, running from Greene Street back to Washington Street, and where the Hudson and Manhattan Railroad power house is located on; what is the square foot value on those plots? A I can't answer that off-hand.

Q Would $2 a square foot, as a matter of fact, be a fair figure for those blocks? A That is pretty high.

Q That is what the Hudson & Manhattan Railroad paid for that land when they bought the block they occupied. A I believe it was, but what

the Hudson & Manhattan paid and what a normal individual would pay is different.

Q You have testified before this Board many times? A Yes, sir.

Q About sales in those blocks? A Yes, and I have made some of those myself.

Q And $5,000 a lot is the price that the sales were made at? A No, sir.

Q What were they? A The last sale that I can think of was two lots to the cocoa factory, lots on the southwest corner of Morgan and Washington Street, 50x400, I think, and the plant was a five story and basement brick factory covering the entire property, and I sold that for $27,000.

Q That is west of Washington Street? A West of Washington Street.

Q That isn't in any of those blocks that I asked you about. A I can't think of them; I know the general territory.

Q Mr. Gaddis, your thinking faculties are not so good as when you were asked for your low valuations. A I simply say that I cannot talk to you now, as I have reached the limit of physical endurance. I simply have got to leave, whether it is official or otherwise. If you want me to come back here and give more testimony I would be be glad to do so.

Q All right, Mr. Gaddis. I want you to come back, and to furnish the Board with the data of the sales on the different blocks east of Henderson Street, north of the Pennsylvania Railroad to Harsimus Cove; also the sale of the O'Neil Lumber Company to the Erie Railroad Company, or whatever subsidiary company was named; and all the other sales and purchases within the past five years by the Erie Railroad or its subsidiary companies east of Henderson Street; also the sales

east of Henderson Street bounded by the Lackawanna and Erie yards.

The hearing was then adjourned to Thursday, January 14, 1915 at 10 a. m. at Jersey City.

Jersey City, January 14th, 1915

The hearing on the foregoing complaint was further adjourned to Friday, January 15th, 1915, at ten o'clock in the forenoon at Jersey City, N. J.

Jersey City, N. J., January 15, 1915

The hearing on the above complaint resumed at the office of Charles E. Hendrickson, Jr., Esq., 75 Montgomery Street, Jersey City, New Jersey.

Present: Messrs. Barber and President Hendrickson.

George S. Hobart, Esq., and Robert J. Bain, Esq., (For Collins & Corbin) appearing for Complainant.

John R. Hardin, Esq., and Josiah Stryker, Esq., appearing for the State of New Jersey.

Mr. Bain. I desire to say to the Board that Mr. Gaddis, the witness who was upon the stand at the close of the last hearing, is ill and confined to his bed and under the care of a physician, and I am informed that he will be confined to his bed and under the care of a physician for at least a week to come; therefore we cannot proceed with him at this time, and I will ask leave to call him later, if necessary.

Mr. Hendrickson. I see no objection to that. Of course he will have to come some time before this hearing closes.

Mr. Bain. Unless what the Board desires to get from him can be obtained from some other witnesses.

Mr. Hendrickson. We won't judge that beforehand.

Mr. Bain. I will then call Mr. Ryer.

THOMAS A. RYER, sworn.

Direct examination by Mr. Bain.

Q Did you testify before this Board upon the complaint against the assessments on second class property of the Long Dock Company for the year 1912? A I did.

Q That testimony was given in December 1912, wasn't it? A It was.

Q Are you still engaged in the occupation and business that you were at the time that you testified in December, 1912? A I am.

Q Have you read the testimony given by you before this Board in December, 1912? A I have.

Q Have the values of properties in the territory marked "North Section" on the maps offered in evidence, marked Exhibits P-1 and P-3, either increased or decreased since you testified in December, 1912, before this Board? A There has been no change.

Q Have the values of the lands in the territory marked "South Section" on these maps increased or decreased since you testified before this Board in December, 1912? A There has been practically no change there.

Q Have the values of the parcels of second class property of the Long Dock Company, to which you testified in December, 1912, increased or decreased, since your testimony was given in December, 1912? A They have not. I might say that they have decreased, if any; but it would be a slight decrease.

Mr. Hendrickson. I think you should make that a little more clear. You said "they may have been decreased, if anything"; I don't think your answer leaves it quite clear what you refer to.

The Witness. All the Long Dock land under examination, there has been practically no change.

Q Are the values of the parcels to which you testified before this Board, in December, 1912, the same now as they were at that time? A I would put the same value on them, in all probability, if I had to go over them again.

Q Were the values of those parcels the same on January 1st, 1914, as the values to which you testified in December, 1912? A They were.

Q Then, would you say that the values of the various parcels now under consideration are as stated by you in the schedule offered in evidence, and marked Exhibit P-2, of January 11th, 1915, under the column "Market Value"? A I would.

Q Then the values stated in those schedules, under "Market Values" were the values of those parcels as of January 1st, 1914? A They were.

Q Have you examined the ratables of Jersey City for the years 1912, 1913 and 1914? A I have.

Q Then the values of the various parcels under consideration are and were on January 1st, 1914, the values as stated under the heading "Market Value", in the schedules offered in evidence and marked Exhibit P-2? A They are.

Cross examination by Mr. Hardin.

Q I understand that you withdraw your suggestion that there has been a decrease in value of the second class of the Long Dock Company at

the present time as compared with 1912? A There would be practically no change, Mr. Hardin, and I said if there was any change, it would be less, due to the inactivity of the market.

Q That is to say, there has been no sales of property in that neighborhood, to the north or south of the terminal as a basis or guidance? A I don't consider the sales north or south of the terminal has an effect upon the terminal property.

Q What does have effect on the value of the terminal property? A Sales to the west of the property.

Q Then you value this terminal property by the value of the land to the west, rather than the value of the land to the north and the south? A I do.

Q You think that waterfront property, such as this terminal is, is to be gauged in the value by the sales between this strip from Provost Street to the Hill, rather than by sales between Provost Street and the River, north and south? A No, sales between Provost Street and the River in this territory would be evidence of value in my judgment.

Q Why did you say a minute ago, that you did not think they did not have anything to do with it? A I did not say they had nothing to do with it.

Q Perhaps I misunderstood you? A I said north and south to the Erie Terminal; in other wards, if I can make myself clear, I don't think that sales, for instance, in Morgan Street, are comparable with sales in Provost Street and Ninth Street, as well as in the Erie Terminal.

Q Where may Morgan Street be with reference to the Erie Terminal? A That is just west of the Pennsylvania Terminal.

Q And south of the Erie Terminal? A A number of blocks south, yes.

Q Indicate on this Exhibit for Identification? A You have a plot book that may assist better than this if you would use it.

Q Has this got the streets on? A Yes. Now, Morgan Street, for instance, or Morgan and Washington Street, these sales at Morgan and Washington Streets are, in my judgment, made at a much higher value than sales similarly situated here, at Pavonia Avenue, as well as Provost Street, would be.

Q Morgan Street, at the point you have indicated, Morgan Street and Washington Street, is two blocks south of the Harsimus Cove yard of the Pennsylvania Railroad? A It is.

Q And it is the first territory to the south of the Erie yard, not in railroad terminal use, outside of the stock yard property? A It is. You want to get in there, I believe, the distance.

Q Yes; how far is the Morgan Street property from the Long Dock Terminal? A About ten blocks south of Pavonia Avenue.

Mr. Hendrickson. I would like to have that counted again, because I don't think it is so.

Mr. Bain. Let Mr. Hardin count it then.

Mr. Hendrickson. I will ask the witness to count it.

The Witness. Ten blocks.

Q Mr. Hendrickson states, following the witness, that the witness did not count accurately and ask him to count again? A There is the boundary of the Long Dock (indicating)—

Q Kindly answer the question. A From the Long Dock Terminal did you mean, from the southerly line of the Long Dock Terminal?

Q Yes. A It is eight blocks.

Q Eight blocks takes you to the south side of Morgan Street, doesn't it? A It does.

Q Mr. Hendrickson wants to know the distance in feet, from the south side of the Long Dock Terminal to the south side of the Morgan Street dock property? A About 2,100 feet.

Q How many feet is it from the south side of the Harsimus Cove Terminal to the same point? A 800 feet.

Mr. Hendrickson. What I want, is the distance from the Long Dock Terminal to the first private property to the south.

The Witness. You got that.

Q The first private property to the south of the Long Dock Terminal other than the stock yard property, and east of Warren Street, is what block on this map? A One hundred and eight, I think. I think one hundred and nine is owned by the Pennsylvania Railroad.

Q Recently purchased? A No, owned by them for a long while.

Q How far is that in feet? A 1,400 feet.

Q You measured, I think, at a point east of Washington Street, I asked you east of Warren Street. A I don't know; this, I am pretty positive, is owned by the Pennsylvania Railroad, along in there.

Mr. Hendrickson. Referring to what block.

The Witness. One hundred and nine.

Q What you have in mind, the Long Dock property, is bounded on the west by Provost Street, isn't it? A Yes.

Q Then take east of Provost Street? A About 1,300 feet.

Mr. Bain. That brings you to block 142.

The Witness. 142; that is the Merchants' Refrigerating Company block.

Q And the block immediately adjoins the Harsimus Cove yards of the Pennsylvania Railroad? A It does.

Q Do you think that sales of property in the region around the corner of Morgan and Washington Streets, inclusive of the block immediately adjoining the Harsimus Cove yard, would be any guide to values of property located east of Provost Street, in the neighborhood where the Long Dock Terminal is located? A I think it is a guide, just the same as the value of every piece of land in Jersey City is a guide; but the values there are much greater than in the Erie Terminal.

Q How far is it from the north of the Long Dock Terminal yard, east of Provost Street to private property? A Private property abuts it on the north.

Q What block? A 154.

Q Outside of block 154? A Portions of block 155 and 156.

Q How far is it from the northerly edge of the Long Dock property to private property? There is no private property outside of that, until you get to Hoboken.

Q That does not prevent you from telling me how far it is. A Do you want me to go to the Hoboken line?

Q How much is it? A About 2,100 feet to the Hoboken line.

Q And that is across the D. L. & W. Terminal? A Across the D. L. & W. Terminal.

Q There is no property other than property in Railroad Terminal use,—practically no property outside of the stock yards, from the south side

of the Harsimus Cove property of the Pennsylvania Railroad to the northerly edge of the D. L. & W. yards? A East of what?

Q East of Henderson Street. A Oh, my, yes; lots.

Q East of Provost Street? A Very little.

Q Now referring to the Exhibits P-3, (which I understand is the same as Exhibit P-1), what is the difference from the rear line of the Long Dock Yard at Provost Street to the rear line of your so-called section? A Approximately 3,600 feet, in part of it; and 2,700 feet in another part.

Q Kindly divide the parts as you have intended to have them divided, in your answer, by reference to streets, to make your answer so we can understand it. A The property west of Provost Street, and north of Tenth Street, is about 2,700 feet in depth; the property in the north section west of Provost Street, between Tenth and Twelfth, is approximately 2,700 feet in depth; the property in the north section, west of Provost Street, between Pavonia and lower Tenth Street, is approximately 3,600 feet in depth.

Q Now, in the south section, what is the distance from the Terminal yard, which is a little east of the west boundary of the terminal yard which is a little east of Provost Street, and the rear line of that section? A About 4,200 feet.

Q You have included in the two sections of the property, I notice from the map, between the rear line of the terminal yard, and the hill? A No, from the rear line of the terminal almost to the New Jersey Junction Railroad.

Q Where is the New Jersey Junction Railroad located, with reference to the Hill, at that point? A Very close to the foot of the hill.

Q You have included, then, all of the private property there is, between the Hill and the Terminal? A I have.

Q You have not included anything, even to the rear, north and south of the north and south limits of the Long Dock Terminal, extending to the west? A We have not.

Q Where do your figures stop, with reference to the waterfront? A In that testimony?

Q Yes. A A line 700 feet west of the line for solid filling, as stated by Mr. Corbin.

Q Why did you stop there? A Because we were requested to do so by the company; we were asked to make an appraisal up to a certain territory, and that is the territory we were asked to make an appraisal of.

Q Then the company fixed that line 700 feet back of the waterfront, and not yourself? A I don't know who fixed it.

Q At any rate you did not? A We did not, no.

Q You regard the value of the Long Dock Terminal, back of the 700 foot line, as governed in value by the valuation of the property immediately in the rear, as far as the foot of the Hill? A I do.

Q Just up to a point 700 feet from the waterfront? A Well, that is the point, up to that point it is, how far beyond that, I don't know.

Mr. Bain. By 700 feet from the waterfront, you mean from the bulkhead line?

Mr. Hardin. Yes, that is the imaginary line.

Q There has been some sales of property, I suppose, within the neighborhood, to the north and south, east of Provost Street? A There has.

Q Are you acquainted with those sales? A I am.

Q But you don't think they are of any influence in determining the valuation of this Long Dock property? A Surely, I have used them.

Q Why, you have referred to them in your Exhibits. A No, because they do not come into the territory that I used as a comparison?

Q Then this schedule that you made up is limited to that territory that you used as a comparison? A It is; because that is the comparative area, and the other is not.

Q I do not understand why you talk about a comparative area, you told me you used those figures? A I understood that you asked if I knew about those sales, not if I used them. I knew of them, but they did not enter into the question of value, because they are not in the comparative area.

Q What influence did the figures outside of your comparative area have on your judgment? A Practically none.

Q Then we go back to the fact that you regard the area of influence as exhibited on this map? A That is as I stated.

Q The other figures would be ignored? A Yes, practically.

Q Then the prices of actual sales to the east of Provost Street, north and south, whatever they may have been, you think they are not to be considered in determining the value of block 17-A2, within the limits that you were called upon to make figures on? A I do not, absolutely; no more than I consider that the figures back of the Erie Terminal are applicable to the Pennsylvania Terminal.

Q You would value the Harsimus Terminal on that same principle? A I would.

Q You would take a strip just as wide as that terminal, right back to the Hill? A I would.

Q And so also of the Pennsylvania Terminal at the foot of Exchange Place? A I would.

Q I do not now recall the exact figures in your testimony of 1912, do your figures coincide exactly with the figures of Mr. Gaddis? A They do, so far as the figures are concerned.

Q Both of you just happened to arrive at that identical judgment? A No, we did not happen on it; we worked it out together.

Q Oh, I see; then it is your joint valuation A Our joint judgment.

Q You sat as a sort of a board of valuation? A You might call it that.

Q You recognize, I assume, that the property in the railroad terminal is only available for its present use as a railroad terminal, because of its area and the absence of streets? A I do not recognize any such factors, Mr. Hardin.

Q You did not take that into consideration? A I say, I did not recognize any such facts.

Q You think it would be just as available for use as railroad terminal if it was covered with a network of streets, like the comparative sections that you have taken, the north and south comparative areas? A I don't know. I thought you simply asked me if I recognized that was the only use.

Q You must have misunderstood me. A You asked me if I understood it was the only use.

Q (Previous question read as follows: You think it would be just as available for use as a railroad terminal if it was covered with a network of streets like the comparative sections that you have taken; the north and south comparative areas)? A Yes, I do.

Thomas A. Ryer, cross.

Q Have you included or excluded, in the acreage area, assumed the street areas, in valuing railroad terminal values? A I don't think that is clear, Mr. Hardin.

Q Suppose you tell us how you arrived at your valuation of that portion of block 17-A2 which you have put a valuation on, being that part to the west of the line 700 feet from the line of solid filling? A I find from number of sales in the territory marked "North Section" that the sale value of that section represented $20,000 an acre; about 20 per cent of that value was in improvements to the streets, sewers, and so forth. I applied that to the block 17-A2, to arrive at my value per acre, making the improvement 20 per cent., equal to plottage value on 17-A2.

Q That does not make it altogether clear to me, because I do not understand you applied the acreage rate to the whole block 17-A2. A I applied the acreage rate, $20,000 an acre to the plot 17-A2, except Pavonia frontage, and that Pavonia Avenue frontage I applied $200 per front foot, for one hundred feet in depth.

Mr. Bain. That all applies to the portion west of the line marked 700 feet west of the line of solid filling?

The Witness. Yes.

By Mr. Hendrickson.

Q How much would $200 a front foot amount to in the valuation per lot? A $5,000 per lot.

Q And $20,000 per acre amounts to how much per square foot? A I should judge about 45.7 cents per square foot.

Q That would make a lot in your area, in the rear of the Long Dock Railroad yard, back of the

700 foot line, worth $1,145 per lot, would it not? A It would, approximately.

Mr. Bain. That is back of the Pavonia Avenue frontage.

The Witness. Yes.

Q In the rear area? A That is, without improvements.

Q Have you added anything in for plottage there for that area? A Yes.

Q Then you recognize a thing which Mr. Gaddis does not admit there is? A Yes.

Q Mr. Gaddis does not think that there is, and you do, therefore I do not see why you do not come to entirely different conclusion from him? A I will tell you why; the land which we took in this area, which we found to be $20,000 an acre, from actual sales made, we deduct from that, 20 per cent. for improvements which have been made in there, taking it down to a bare land value, without any improvements, we take 20 per cent. off of $20,000, and we have $16,000 an acre; we apply $16,000 an acre to this territory, and add 20 per cent. to that for plottage, and it comes out the same way.

Q You remember the purchase of the Atlantic & Pacific Tea Company of the old Salvation Army building, after the fire when everything was burnt down? A I do.

Q There was not anything on that, all bare land? A They paid $16,000 for it.

Q They paid $3,200 a lot for it? A They paid $3,800 a lot.

Q And the lots on one end were 80 feet deep? A 81.21 feet deep; there were four and one half lots at $3,800 a lot; I have taken the actual area.

Q Now then, applying your same theory to that, 12 lots to the acre, you get about $40,000 per acre? A It is worth all of that.

Q Of course it is worth that, or they would not have paid it. A I say it is worth that; but you cannot say it is worth $3,800 a lot at Ninth and Provost Streets, for land in that section.

Q Because there isn't anything there for sale? A Oh, yes, there is lots for sale.

Q But there isn't anything for sale that is parallel with the river? A There isn't any.

Q There is not; the railroad has taken over all of the area accessible to the river? A A little further west to the Hackensack there is.

By Mr. Hardin.

Q Might I inquire for my information where this Salvation Army Building it? A It is on Steuben Street.

Mr. Bain. In what block?

The Witness. Block 139.

Mr. Bain. Block 139 is on what street?

The Witness. On Morgan Street.

Q On Exhibit S-1 for identification? A Yes.

Q Your acreage, to which you applied your $20,000 per acre, is that part of plot 17-A2, other than the lots that you have detached as fronting on Pavonia Avenue, is applied to the actual area of land, is it? A To the actual area. You mean of 17-A2, less the frontage on Pavonia? It is.

Q Your $20,000 per acre, taken from your comparative north section, is figures, not upon the actual area per plot, but upon the area of the land within the block, plus the area of the street? A Plus the reversionary in each street.

Q What do you mean by the reversionary? A That means the right to the use of the front of the land to the middle of the street, whatever it might be, in some cases it is 25x30 and in some cases 25x40.

Q You figured out the acreage for the whole north section? A I have.

Q What is it? A In some cases not $20,000 an acre, a little over $20,000 an acre, $20,743 an acre. That is not based on sales, you understand, Mr. Hardin?

Q I do not understand what it is based on; I would be glad to know. A Based on our idea of the value of each separate street.

Q You then totalled it up and divide it by the area of the whole north section? A By the entire area, pretty nearly 62 acres, in the north section.

Q That includes the streets within the north section? A Everything within the entire area.

Q And the same way with the south section? A The same way with the south section.

Q What was your acreage rate there? A For the 48 acres in the south section we got $24,288 an acre, and on sales we got $24,000 an acre.

Q Why, to satisfy my curiosity, did you arrive at an acreage valuation of only $20,000 to the terminal land? A These figures were merely in support of a $20,000 valuation; after going over the cases thoroughly I figured that that land was worth $20,000 an acre. These figures were gotten up to support that value.

Q You got up a valuation of the terminal land, and then support of a study of the north section? A We made a study before and after.

Q So instead of putting a value on the terminal from the figures in the north section you

got up your figures for the terminal, and then studied out the figures in the north section? A We studied out all the sales and then arrived at the value placed on the terminal, and then supported that by tax assessments and everything.

Q Then this $20,743 in the north section, per acre, is based on what; if you say it is not based on sales? A It is based on our value per front foot of each of the plots, based on sales.

Q But you said that it was not based on sales? A I mean it is not actually based on sales; it is from our judgment, what those sales bear out.

Q It is your idea that the inclusion of the streets in the 62 acres in the north section reflected in the value of $20,743 per acre, is paralleled by the valuation of $20,000 per acre on the terminal land, in block 17-A2? A It is.

Q Why didn't you apply $20,743 per acre to this land? A Because I did not think it was worth $20,743; in my judgment it was worth $20,000 per acre; I think we came pretty close in getting $20,743, taking such an amount of detail.

Q Then, again I ask you whether your statement does not indicate that you valued the terminal lands first, and then the north section afterwards? A Yes, but from the sales in the north section; we valued the terminal lands from the sales in the north section.

Q Well, does your value of $20,743 per acre in the north section exceed the valuation based on sales? A The valuation based on sales in the north section came out a little less than $20,000; applying the value per front foot on each plot, it came out $20,743 an acre; and we appraised it practically in the middle, $20,000 an acre; we were right between the two, some was a little lower and the other was a little higher.

Q What was the period of years which you took of sales? A About ten years.

Q Of course you included the area of streets, or at least half of each abutting street, in the consideration of sales? A We did.

Q If the north and south sections should be taken by a railroad company, for the extension of a terminal yard, to make available for that purpose, you would have to get rid of the streets, wouldn't you? A You would; some of the streets would have to be vacated.

Q In all the sales that you have included in your statistics in the north section, do you include the sales made to the Erie? A About 34 out of 99.

Q Are those particular railroad sales shown on your schedule? A They are.

Q How are those lands purchased by the railroad located, with reference to the railroad property, prior to purchase do they adjoin it? A Yes; that is, either the terminal yard or the main stem.

Q Are those railroad prices, as a rule, larger or smaller than other sales made in the north section? A They are much larger.

Q Apparently then, land immediately adjoining the railroad are more valuable than lands that are further away? A I don't think so; that would be the indication from the price but not from the facts.

Q Well, I understand that you are largely deducing your values from the prices? A I take from the prices; but when a railroad pays, for instance, $10,000 for a piece of property right next door, for the railroad use, and finishes their purchase, and then I go there and buy the same thing for $5,000, it looks as if the purchaser had

a chance to sell to the railroad and the railroad wanted to purchase.

Q And the logic of being governed by prices would indicate that if the railroad paid a higher price than otherwise, for the land, that the land would be more valuable? A They would pay the same price even if it was 200 feet from the railroad.

Q It so happened that the sales adjoined their own property? A Naturally.

Q Because of the fact, that the land, I suppose, was more available for railroad use than the land further away? A I suppose so.

Q And being available for railroad use, was more valuable from the railroad standpoint?

Mr. Bain. I object to that, so far as the reason for which the railroad purchased the land, unless the witness knows. Do you know?

The Witness. I don't know.

Q Are any of the railroad purchases in the schedule to the north of the main stem in your north section? A They are.

Q How do the prices that the railroad paid north of the main stem compare with the prices they paid south of the main stem? A I don't know that.

By Mr. Hendrickson.

Q That is shown by your schedule? A That is shown by the schedule; I mean I have not analyzed it.

By Mr. Hardin.

Q Are these figures shown on the blocks in the north section above the line of the main stem, figures that include these sales to railroad, the

figures made from some other theories? A These made on the theory of the value of each side of the block, shown in that little note at the bottom of the page.

Q Yes, but that does not answer my question, whether you, in arriving at those figures which you have put upon this exhibit, included the land at values included in these sales to the railroad? A I did.

Q And that is also true as to the block to the south of the main stem? A In blocks where there were sales to the Erie is true.

Q Looking at your figures as shown on the Exhibit, do they indicate to your eye, or bring back to you so that you can tell us, whether the valuations which you put upon the map, immediately to the north of the main stem, and immediately to the south of the main stem, differ? A Why probably there would be some difference because of land values.

Q Are they substantially alike? A Fairly so, there is a slight difference; the land is slightly more valuable to the south than it is to the north.

Q It is substantially the same values, so far as those on the map are concerned? A Yes.

Q What is the comparison, for instance, between block 254 and 253, that portion of block 253 which is not part of the railroad property? A Why, they would be about alike.

Q And that is also true of block 287 and 286? A No; 287 and 286 are different. In block 287 there are over two acres valued at $36,000, and that lower plot, there is only less than an acre and a half, at $20,000.

Q I don't agree with your figures, perhaps I am wrong; I don't agree that the block to the north is figured at a higher rate than the block to

the south? A There are two and one-third acres in the north section and only one and two-fifths acres in the south section.

Q Yes, I understand that; I agree to that. A I thought those figures were 28. It would be about the same. I should say now there is no increase in the north section over the south.

Q Apparently there is about two thousand dollars higher valuation at the acreage rate on the north lots than on the south lots? A The south section is about $14,400 an acre and the north section $15,200 an acre; a difference of $800 an acre.

Q Then my figures seem to be right? A Yes; there is a little increase in that lot.

Q Can you tell us in the total 61.934 acres in the north section, how much of it is streets? A I can't tell you that without figuring it up.

Q Haven't you figures that would tell? A No, I have not.

By Mr. Hendrickson.

Q You have included the main stem of the railroad, I suppose and the second class property of the railroad, in your area of 61.934 acres? A I presume so, Mr. Hendrickson.

By Mr. Bain.

Q I don't think you understand what he means? A No; we have taken in everything; you understand that this was valued, for instance, we valued the land, the blocks with the main stem are in, just the same as we valued it.

Q That does not show the figures of the railroad property? A No, we excluded railroad property altogether, except the main stem in block 253.

Q You have excluded railroad property altogether, except such railroad property as might be assessed locally? A Right.

By Mr. Hardin.

Q I would like to ask you whether there is any special value given to a block like 182, by reason of its location, next to the railroad, and its being available for use, needing a railroad siding? A Yes.

Q And in your valuation of that plot of $52,900, you seemed to have arrived at a figure less than in another instance, this lot 217 immediately adjoining to the west, a little difference in area, I recognize that? A There are 15,000 square feet.

Q About one-third of an acre less? A Yes, we considered that.

Q Well, one-third of an acre would account for a difference of a little less than $7,000? A That would bring it up to $16,000, and we had to take it the way the land was selling.

Q Then in appraising block 182 you did not consider it available for use for which it is now actually used by owner? A We did.

Q How did you come to arrive, then, at a less valuation on that, than the adjoining lots, which has not the privilege of having a railroad siding on it? A Because we found that was what land was selling for in that block, that had use of that privilege.

Q Is that in more than one owner? A Oh, no, at the present time there is only one owner, there may be one or two, but I think it is owned by the Armours, but it was not, at the time of the purchase.

Q We are talking about the present time? A At the present time it is practically owned by the Armours.

Q It is entirely owned by the Armours? A It may be so.

Q And they use it for what? A Their plant.

Q They are packers, are they? A Yes.

Q And have a railroad siding? A Across the end here (indicating).

Q I understand there is a large difference between your figures and the local assessed valuation of that plot 182, that block differing in that respect to most of the blocks in both the north and south sections where I understood the assessed values and your values are in general, quite similar? A Yes, that block is assessed at $75,200.

Q Your figures have ignored availability? A No, we have not ignored it at all.

Q I understood you to say you made it entirely on sales? A Yes.

Q During the last ten years? A Yes, we have the same condition there.

Q I asked you whether the fact that the block has come into one ownership, and necessary for the use to which that owner puts it, and the combination of all the land in that one block, being in the one owner, and having become available for that owner's use, that does not add value to it? A Provided he has it covered by one building there.

Q All in one use? A Well, not one use, because any plottage value is deducted from the buildings; if you do not take it from the buildings you must take it from the land.

Q Then you consider that plottage is applicable to the combination of several lots, to the extent that they are covered by buildings? A If they are all in use.

Q If the use be one that requires a considerable area of ground, and a small area of building, there is no plottage worth? A Yes, there is a

plottage worth there, even if he has a small building on it.

Q I understood you to say that you could not give this plottage unless the building covered the whole area? A I mean by that, if there are a number of buildings built, you cannot give plottage value for the land, because the plottage value would come out of the buildings.

Q You do not consider any in block 182, for instance, the fact that the whole block has come into the one ownership, for one use, has given it any value from the assessors' standpoint? A I certainly do.

Q Then what did you mean by saying that you cannot give a plottage value unless it has a building covering the whole area? A I did not say so.

Q If you said block lot 182, which is used for one business, in one use, one owner, an ice house and three or four other buildings on it, doesn't that add value to it? A If it is all used for one purpose.

Q Then block 182 is worth more, to the one who needs it, than it is cut up into as many different lots as may be consistent with your scheme of eight lots fronting on each street? A It is.

Q Now, do I understand that you have recognized that value in that plot? A We have recognized it in every plot.

Q You told me that you made that value on the sales of the last ten years? A That is true; those sales reflected in the values given to it.

Q That block is worth no more in single ownership, available for the use for which it is now put, than it is cut up in thirty two lots, in thirty two different ownerships? A It is worth more in the one ownership, than cut up into thirty-two lots, undoubtedly in my mind.

Q You are accustomed to recognizing a plottage, are you not, in valuing real estate, are you not? A Absolutely.

Q You even recognize it in giving additional value to an area of a single lot? A Yes.

Q If it is deeper or wider than ordinary, it becomes more valuable? A It does.

Q Then the depth of a lot fronting on a street, for instance, is ordinarily reflected by some percentage of the frontage value, is it not, in your method of valuing property? A It is.

Q Taking a lot, for instance, fifty feet frontage on a street, is two hundred feet deep, you added some percentage to the frontage value? A We did.

Q Is there any recognized percentage? A There are a number of them.

Q Well, can you recall any of these percentages? A Why, I can't recall the percentage now; I can get them for you.

Q Isn't it your business? A Certainly it is my business.

Q Aren't you accustomed to appraising property? A Absolutely; but I don't carry those schedules in my head, I have a half dozen; the Lindsley, the Bernard rule, the Hoffman rule, the Davies rule—

Q Are those some rules or percentages; or similar rules of percentage that get at the values of corner property? A No, those are merely for interior lots.

Q You ordinarily add a certain percentage for a corner? A Oh, yes.

Q What is the percentage? A That varies with the section; not two corners are alike.

Q There is some general rule? A Absolutely.

Q What is the general rule? A There is no percentage rule; that is a matter of judgment pure and simple.

Q Within what ranges, for instance? A Anywhere from nothing up to one hundred per cent.

Q If you are going to lay out a tract of land for development, you would charge more for a corner lot than you would for an interior lot? A I would, and the price that I would put on that corner lot would be that I thought I would get for it, it may be 20 per cent., it may be 50 per cent., or it may be a hundred per cent.

Q The more highly developed the neighborhood the higher percentage you would be apt to add for a corner lot? A Yes.

Q Isn't it generally recognized that 25 and 30 per cent. is to be added for a corner? A Sometimes more than that.

Q But seldom less than that? A Seldom less than 20 per cent., in business sections.

Q What do you add for increased depth? A That is on a percentage basis; it all depends on the location.

Q Also on sufficient frontage to make use of the depth? A Yes, it is.

Q And convenience and availability for such use as an area of that size would be able to be put to? A That is to be taken into consideration.

Q Now, you don't regard the land in the rear part of Block 17-A2, termed the rear part of the back strip of your strip of land on Pavonia Avenue, as particularly valued by reason of its attachment to the lots fronting on Pavonia Avenue; you valued it as an acreage tract by itself, in comparison with the land in your north section? A But I recognized the fact that it is attached to a part of the Pavonia Avenue frontage in that appraisal.

Q You also, I suppose, recognize the fact that it is attached to water front property? A I do.

Q Have there been any sales on Pavonia Avenue within the period of your investigation? A There have.

Q Whereabouts? A Why, all along Pavonia Avenue, I believe, down to—

Q Well, in the neighborhood of Provost Street? A There have been some there, I believe.

Q Can you pick out sales, for instance, have you any sale in Block 150? A Yes, in Block 150; lot 30 was sold, corner Provost Street.

Q What was that sold for? A The consideration for that was $11,000.

Q That is a very odd shaped lot, isn't it? A No.

Q By whom was that bought? A I think the lot was 25x100, that was purchased by Ringle from Tower.

Q Was that lot shown on this exhibit? A Yes, not as a lot; it is shown in here, on this plat.

Q On that exhibit? A No, it is not shown here as a separate lot, only as total block area; no dimensions on it.

Q And that lot is included in your valuation of Block 150? A It is.

Q It is apparently detached from it by railroad land? A It is.

Q What is the area of that lot? A 25x100, covered by a brick building.

Q When was that sale made? A 1906.

Q Is there a lot in private ownership in the rear of that lot? A There is not.

Q That seems to be a greater depth than 100 feet on this exhibit? A No, that is your first line, there is another piece, you see, there is the depth of the lot (indicating on map).

Q I see; there are two lots in private ownership? A In the rear here (indicating) there are two little lots facing on Provost Street.

Q They are also included in the area of that block 150 as shown here? A They are.

Q Was the little square of land, that runs out from the terminal there into the cross block 150, owned by the railroad prior to the period of your investigation? A It was the owner prior.

Q Your figures give no indication as to when it was acquired, or at what price? A No.

Q We will interrupt now, so as to put it on the record: Can you tell us now about the street area in the north section shown on that exhibit? A In the north section I find 26.1 acres covered by streets; in the south section I find 17.1 acres covered by streets.

Q You are not able to give us, from memory, any of the usual percentages applied to the addition of lot values, by the greater area, due to additional depth? A No.

Q You spoke about there being different rules; can you recall the names of some of these rules? A Why, there are a number of rules, I have copies of about all the rules there are; but in applying these rules we have to use our judgment on them.

Q What are some of these rules? A You mean for depth?

Q For additional values to be given for greater depth, which, I understand, means that the rules are applicable only when there is frontage sufficient to make the depth available for use of the property as a whole? A There are rules, whereby a lot 25x100 is given a certain value; a lot 25x110 is given an additional value; and then each 25 feet, up to 200 feet.

Q That is what I mean. A There are a number of them; the Davids Rule is one.

Q Anything else? A There is one used in Baltimore, the Barnhard Rule; another one is the Plidell.

Q Those rules are frequently used, are they not, within your knowledge, by assessors? A Coupled by the judgment of the man.

Q Frequently used by tax assessors for the purposes of assessing for taxation? A Not necessarily; they are used in some cases for tax purposes.

Q I think they are used in Newark. A They have their own rule there, the one, two, three, four rule they use.

Q What is that? A For the first 25 feet so much, and for the second 25 feet so much, and so on.

Q Do you know what the "so much" is? A The front is four; I don't know the percentages exactly. Mr. Walker, if he is here, can give them to you.

Q Where there is a demand for greater depth, that becomes a positive advantage to the property, does it not? A If there is a demand, yes.

Q And values are increased thereby? A Yes, that is plottage.

Q In arriving at the valuation of the rear part of this block 17-A2, at the rate of $20,000 per acre, in comparison with the like rate over the whole north section, you seemed to have regarded it as though the land were situated within a territory naturally similar to that of the north section? A Yes.

Q Why didn't you value that as rear land, part of a waterfront tract? A I did.

Q And you arrived at the same result as by comparison with the north section figures? A I did.

Q I wish you would tell us how you arrived at it, when you said this had waterfront? A I simply treated it as land as it is there, that is the way I appraised it.

Q What I have in mind is, taking your suggestion that land in the rear of land that has a street frontage and of larger area, has additional value because of its street frontage, etc. I take it, from what you have been telling me about this, that you have valued that land as land in the rear of lots fronting on Pavonia Avenue. A I have.

Q I take that to be in harmony with your statement that you get your comparative figures from the north section, because the north section is entirely cut off from the river? A That is right.

Q I ask you why it is not perfectly logical to value that block 17-A2 had additional depth because it is waterfront property? A I have considered that that waterfront there is in front of it, in my judgment.

Q Your figures would be just as large, from your comparative statistics in the north section, if there was an actual boundary line across the line 700 feet from the bulkhead? A I don't think so.

Q What have you said in your testimony to indicate that it would be different? A I don't know that I have said anything, because I don't think that I was asked. But I will say now that the location of that front here has some reflection in the value of the rear; it creates value through all the surrounding territory.

Q Without reference to the waterfront, why should the land to the east of Provost Street, com-

prising block 17-A2, be worth less than the land in the north section? A The land east of Provost Street?

Q Yes; comprising Block 17-A2? A I don't say it is worth less; I say it is worth more and I appraised it at more.

Q I understand the comparative rate is $20,743 per acre in the north section, and $20,000 per acre is what you give to Block 17-A2. A That $20,743, as I told you before, is based on the average value, and then we put a value on each block front, taking the acreage out of it.

Q You also told me that that was arrived at by a study of sales that were made in the ten year period. A Taking the entire section. Taking 99 sales in that section we arrived at a value of $19,195.

Q Which is practically less than $20,000. A One is a little over and the other is a little under.

Q Then you don't consider it any advantage to Block 17-A2 to be the rear property to this waterfront, under one owner and in common north section?

Q From the comparative sections that you have taken. A I do not; that is also land backing on waterfront property, just the same as the rear of 17-A2 is back of waterfront property.

Q Yet you say you have taken into consideration the fact that the rear is part of the waterfront? A I have.

Q Why should Block 17-A2, being located to the east of Provost Street, be worth less than land to the west of Provost Street, within the limits of your north section? A I haven't said it was worth less.

Q Block 17-A2 has some additional value because it is attached to waterfront property? A I don't think so.

Q You told me it was worth more than if there was an actual boundary line there 700 feet from the bulkhead. A Thatis true.

Q Then you don't mean that your valuation of Block 17-A2 is larger because it is attached in ownership to waterfront? A Now you are getting into another thing, attached in ownership and attached in waterfront.

Mr. Hendrickson. You mean that the land has the value it has got on account of its frontage?

The Witness. Yes.

Q You certainly have said to me this morning that you have taken into consideration that Block 17-A2 was a part of a tract which fronts on the water? A Yes, sir.

Q And it was worth more because of that relationship? A More than it would be if there was no waterfront there.

Q More than it would be if there was a boundary line to property 700 feet from the bulkhead? A It certainly has, yes.

Q Would that value, be different if the ownership was different? A I would have valued it the same. You can't make any difference in the value, so long as the land in front of that is used for the same purpose, as it was now.

Q The fact that it is attached to the waterfront, in your judgment, in one owner, gives it no additional value whatsoever? A Not in my judgment.

Q And it is not available for any more uses, or more available from any standpoint, because it is part of an area available for this railroad ter-

minal use, for instance? A As I say, if the parcels are the same here as this land back here (indicating) you could make the same use of it.

Q You are a practical man, you are trying to value the tract of land in the shape it is? A Absolutely.

Q Do I understand you to say that you think that Block 17-A2, to the rear of that line 700 feet west of solid fill, is worth exactly the same money as if there was boundary line on the property 700 feet west of the line for solid filling, to the rear of the property here and cutting it off? A I don't say that. I told you clearly that the waterfront was included; otherwise it would not have that value.

Q Then you will say that Block 17-A2 would be valued at exactly the same figure, if the land 700 feet east of the line was the same? A If the land was used for the same purpose as it is now, yes; the land in back would be worth no more than it is today owned by the Erie.

Q I don't think I understand you, or you don't understand me. You have said rightly that you regarded plottage in valuing real estate? A Yes.

Q And that additional area, with street frontage and water frontage, gave additional worth? A Yes, up to a certain point.

Q The point is not material for a minute. You have said that Block 17-A2, that part which you valued at $20,000 an acre, has been reached by a study of sales of individual plots through the north section shown on this map, during the period within the last ten years? A Yes.

Q And that you got your acreage rate by that study and by that method, and that you regarded the proper value of that land as though it were within the limits of this north section? A Yes.

Q Now, I ask you how you can say that if Block 17-A2 is practically the same as the land in the north section under your study, and $4,000 less than the value of land in the south section, under the study, considered alone, by itself, without any reference to its attachment to other property, how can you say it is not worth more if it is in common ownership and common use, with a tract fronting on the Hudson River at the point where this property is located? A The conditions are the same there; I couldn't say it was any more valuable. I have taken the conditions as they are; I have taken into consideration the fact that this land is land as it is being used. If you change the character of that front then you may have to change the character of the rear; I can't tell you. As it is today that land is worth $20,000. I don't care whether it is Erie ownership or anybody else's ownership, so long as the front is developed as it is.

Q It wouldn't make any difference if there is a street 700 feet back of that block, right across there? A That might make a difference.

Q Would it make it more valuable? A I don't know that; that would be a condition we would have to deal with after that street was put in there, what influence that had on it.

Q Then we get back to what you repeatedly said, but which you seem to think you haven't said, that your valuation is exactly as though that portion of that block in which you put a valuation of $20,000 an acre was segregated from all other property. A So far as the ownership is concerned, yes.

Q Use and area too? A So far as ownership is concerned, they may. I don't get your idea.

Q As I understand it, you have repudiated plottage. A I am not repudiating plottage at all, absolutely not.

Q You can take that rear property, that you valued at $20,000 an acre, in two ways; one, you can regard it as rear property to the lots fronting on Pavonia Avenue, as you value it, and, two, situated to the west of a line 700 feet from the bulkhead? A Yes.

Q That is the way you have taken it? A Yes, that is the way I have taken it.

Q And for the purpose of your valuation, by that method, it does not make any difference who owns the land to the east of the 700 foot line, or what use that other property is in? A No, I don't say that. I haven't changed any of my testimony. I said it didn't make any difference who used the land east of the 700 area. I say I don't care who owns the land, provided it is in the same use.

Q Do you mean in common use? A I am not interested in use, and I am not interested in ownership.

Q You valued that tract as though it was the rear part of the tract fronting on Pavonia Avenue, located to the west of the line 700 feet west of the bulkhead? A I did.

Q It didn't make any difference, for the purposes of your valuation, who owned the land east of the 700 foot line? A It does not; I don't care who owns it.

Q And it derived no additional value, in your judgment, if it is owned in common with the land to the east of the 700 feet? A I have considered the fact that it is their property, in one ownership.

Q You just told me you valued it exactly as though that land was not there east of the bulk-

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head? A As though the land was not there east of the bulkhead. I never said that.

Q As though the land was in different ownership. A Yes, that it what I say, in my judgment today, it would not make any difference, provided the conditions were just the same as they are in front of that line, I would not care if John Brown owned it, provided he used it just the same as it is being used today.

Q Availability for any particular use does not give any value to property, in your judgment, then? A To some extent. I have allowed 20 per cent. in this for availability, in a large plot.

Q A large plot in the rear of lots fronting on Pavonia Avenue, back to Jersey Avenue, that is within your zone of comparison? A It is.

Q Is a block, for instance Block 322, available for railroad use, segregated as it is there? A In its present condition, no.

Q Is it worth as much as though it were tied up to an area which extended four or five blocks wide, all the way to the river, and all in one ownership? A It would not be any addition in value.

Q You can't use a thing that is not available for that use, can you? A Of course, you can't.

Q Do you recognize availability for use as being an element of value? A Plottage practically.

Q This whole tract here, Block 17-A2, waterfront and all, would not be available for railroad use if it did not have considerable area? A It would not.

Q You are familiar with these terminals? A Yes, sir.

Q All of them have large areas? A They have.

Q They certainly would not be available for railroad use except for this area? A It would not be as available as it is. I can't tell you as to the availability of it.

Q We won't dispute about street areas. There must be considerable area? A There must be considerable area.

Q Whether it has got to have as many acres as there are doesn't make any difference. A No.

Q This property, having the absence of streets, available for railroad use, that of being used for railroad purposes, with access to the waterfront etc., certainly is worth more on that account? A It is.

Q But it is not worth any more on that account, or does not become any more valuable, than it would be if it were detached from the waterfront by a line 700 feet from the bulkhead? A So far as the ownership is concerned, no.

Q So far as availability for railroad use is concerned. A That is different.

Q I asked you to consider that. A There might be a different value.

Q The point I am trying to get at is, you have not, in your figures, considered the availability of that property for railroad use. A I have considered its availability to any use to which you can put that property.

Q Yet your figures are exactly the same as property otherwise situated, gridironed by streets. A They are as available if you want to tear the buildings down; they are available.

Q I think the inference from your testimony is that if the Erie Railroad started out to buy

this whole north and south section, they would have quite a job, and they would not be able to get it, for your figures. A Of course not, they would have to take the buildings.

Q Why is it that they would have to pay more than the naked land is worth? A Why, they would have to buy more than the land.

Q You agree with me then, that they cannot reproduce an equal area with this Long Dock Terminal property to the north and south, at the figures that you put upon this property? A I doubt if you can buy a terminal like the Erie at any price to the north or south.

Q Because there isn't any land available? A Not in that particular section, no.

Q That indicates that there has been a demand, if not this minute, in the past, for water-front property? A There must have been.

Q And demand adds value? A Demand makes value; that is what has made the value here. If they hadn't come there we would not have valued it at $20,000 an acre.

Q You don't think that that tract could be duplicated to the north or south? A Well, now, to the south, yes, some distance away, on Newark Bay; we can reproduce it for a good deal less than this railroad paid.

Q But within a reasonable distance north or south. A I don't know of any tract there.

Q When you get south of Exchange Place, below the terminal there, isn't there property there in private ownership? A Yes, docks and property, but they have buildings on it. There isn't any plot in there that you can get without buildings.

Q If you wanted to reproduce that terminal down there it would be a terribly expensive job,

isn't that so? A Why, any land is more expensive down there than in the Erie yard.

Q How far north would you have to go to find room, with that depth and area? A Some distance, if you can find any at all.

Q What is the square foot price of some of these Erie Railroad purchases that you have on your schedule there? A Any particular one, or any of them?

Q Well, take Block 218, for instance, if there be any in that block. A I have no sales in that block.

Q How about 253? A None in that block.

Q 286. A I have none in that block.

Q 323? A I have nothing in that block. That is the main stem, I presume, practically.

Q Some of it is second class? A Practically all main stem; the other purchases were made, a great many of them, prior. Purchases were made north.

Q How about 361? A I have sales there.

Q How long ago? A 1905.

Q How much land was bought there? A There was 100x100, lots 23 to 26 in Block 361, purchased by the Erie there, 100 feet square, was $5,250 vacant land.

Q That is how much a square foot? A Do you want the reversionary in that; it makes some difference.

Q What is the reversionary? A 11th Street is still open, isn't it?

Q Has 11th Street been closed? A I thought you wanted it valued in acreage; taking it per lot it is different.

Q I want it to apply to actual area. A About $1,300 a lot, including the corners, and including of course, the improvement on the street.

Q Have you got any purchases in Block 324? A No.

Q Or in Block 287? A Block 324 I have, yes. In Block 324 there was a lot there, 12½x50, purchased for $1,800 in 1905. There is another lot, 25-100, with a three-story frame tenement, purchased for $8,500 in 1905; another one, in 1905, two lots with two four-story brick tenements, were purchased for $12,000 in 1905; there was another lot purchased on 11th Street, 25x100, four-story brick tenement on it, for $6,000 in April 7, 1905; there was another lot, 25x100, four-story brick tenement on it, for $6,000.

Q In your figures on these plots have you included or excluded the building value? A We excluded the building value.

Q Who valued the buildings for you? A We did.

Q When did you make this table? A In 1912.

Q And this land that was bought in 1905, with the building on it, when was the building torn down, or is the building there yet? A The building is probably there yet.

Q None of those buildings have ben removed? A Some of them have been; where they were removed we took the assessed valuation of the building.

Q And when they have not been removed? A We looked them over and compared the building with the assessed valuation.

Q What did you compare it with the assessed valuation for? A To see if there was any difference, where we had to take the assessment in one case, we didn't want to put a higher valuation in another case, and if our valuation for the building was higher than the assessment we usually cut it down to the assessment.

Q You practically cut down to the assessed valuations of the buildings? A Practically, as being reasonable and fair.

Q You gave no opinion one way or the other about the direction, the way in which the main stem crosses this terminal, in your figures? A No.

Q Which area did you take, at the Pavonia Avenue end or in the rear? A We took it all out of the rear.

Q Were there any other sales on the avenue? You gave me some in Block 150, near by this terminal. A Yes, in Block 181, if you refer to your plat book you will get a better idea; it shows the whole thing in here (referring to plat book). In Block 181, lots 11, 12, 13 and 14, containing four four-story brick dwellings, on September 8, 1911, was sold from Wagner to Cassidy for $24,500.

Q Those lots are not all of a regular size, are they? A The lots are all of a regular size, they figure out exactly 100x100.

Q When did you say the sale was? A September 8, 1911.

Q How much? A $24,500.

Q You took the buildings at assessed value? A Assessed value of $14,000.

Q That leaves $10,500 for the land? A $10,500 for the land.

Q That is $2,625 per 25 foot lot? A Yes, sir.

Q I assume from that table of yours I can locate any of these sales that I want to? A From the plat book, the lot and block number is given and all the information is given on the schedule.

Thomas A. Ryer, cross.

Q Some reference has been made, Mr. Ryer, to the Vanderbeek property; do you know about that? A Yes, sir.

Q Where is that located? A The Vanderbeek property was located in Blocks 11 and 42, bounded by Morgan Street on the west; Greene Street on the east; on the south by the Pennsylvania Railroad, on the east by the Morgan Street pier of the city.

Q What is the area of that tract? A That is 2.641 acres.

Q When was it sold?

Mr. Bain. I object to any evidence as to the sale of the so-called Vanderbeek property, on the ground that such sale is incompetent, immaterial and irrelevant at this time, because the value of the Vanderbeek property is not evidential of the value of the property under consideration by this Board, the section in which the Vanderbeek property is located being a different section of the city from the section in which the Long Dock property is located, and the Vanderbeek property may have, because of its location, a different value from the value of the Long Dock property.

Mr. Hendrickson. The objection will be overruled, for the reason that the Vanderbeek property is in the same section of Jersey City; that the Long Dock Terminal yards run from Greene Street to the Hudson River, and is in the central part of the terminal yards, consisting of the Lackawanna, Long Dock and the Pennsylvania yards, on the river front of Jersey City, lying between Exchange Place, Jersey City and Newark Street, Hoboken, all of which is now in use

as railroad terminal property, except what is known as the Stock Yards tract, which is in the same territory, and about the middle of it.

A It was sold November 19, 1903, from the Vanderbeek interests to the Manor Realty Company, for $375,000.

Q How much was that an acre? A $141,991 an acre. The Manor Realty Company included in the deeds anything they had in the river.

Q Did the tract physically abut on the waterfront? A It abuts on the pier leading to the watefront, owned by the City of Jersey City.

Q Abuts on a public pier? A Abuts on a public pier; and the Pennsylvania Railroad at that time felt that there was some waterfront rights and consequently insisted on getting that in the deed, and it is incorporated in the deed.

Q Had that property previously been sold? A It had.

Q How many years before? A In 1891, April 22d, 1891, the Vanderbeeks bought it from the Wood interests for $150,000.

Q How much was that an acre? A That was at $56,800 per acre.

Q What was the property used for prior to the sale to the Manor Realty Company? A Lumber yard by the Vanderbeeks.

Q It has since been incorporated into the Pennsylvania terminal? A Into the main Pennsylvania Terminal, that was the reason it was purchased, so that they should relieve some of the congestion thereby.

Q Are you familiar with the Manhattan Tunnel purchase? A I am.

Q Where were they located? A In Block 76.

Q When were they made? A In July, 1905, August, 1905; that is, those that I have record of.

Q Have you got the areas and the prices? A I have.

Q Let us have them.

Mr. Bain. I also object to any testimony as to sales in Block 76, for the reasons stated in the objection to the testimony as to the sale of the Vanderbeek property; and upon the further ground that there is no evidence of the reasons actuating the parties to purchase the property or land in Block 76.

Mr. Hendrickson. The objection will be overruled on the grounds stated above.

Mr. Bain. I understand Block 76 was purchased for the power house for the Hudson & Manhattan Railroad; it had to be there.

Mr. Hendrickson. The objection is overruled for the reasons stated before, Block 76 being much nearer to the southern side of the Long Dock Terminal than the land west of the Long Dock Terminal in the comparative areas testified to by the witness.

Q Let us have them, please? A Block 76, lots 42, 44, 46 and 48, July 24, 1905, Lembeck to Lambert, or the Hudson Companies, the consideration was $10,000, consisting of a plot 100 feet square, with some old buildings, as I remember, on it; on the north side of Bay Street, between Washington and Greene. Block 76, lots 25 to 46, alternately, August 29, 1905, Hillger to Lambert, Hudson Companies, consideration $55,000, southwest corner of Greene and First Streets, being a plot 225 feet front by a depth on one end of 120 feet and on the other end 113 feet, consisting of 12.76 lots, including the buildings at $4,300 a lot.

Q What did the buildings consist of? A They were old frame buildings, they had to pull them down; whatever buildings there were were included in there; the buildings did not have a great value.

Q Who made the sale? A Sheriff Cronan, I think.

Q How many lots did you say there were? A 12.76 lots.

Q Are those the only sales in Block 76? A The only sales that I have a record of.

Q Give us Block 106? A Block 106, lot B—

Q Block 106 is bounded by what streets? A Washington, Morgan, Warren and Steuben Streets.

Mr. Bain. I make the same objection as to any testimony of sales in the block last mentioned, for the reasons stated as to the receipt of the testimony on the Vanderbeek sales.

Mr. Hendrickson. That is overruled for the reasons stated before.

A Lot B, June 15, 1904, Brewster Cocoa Manufacturing Company to Truslow & Fulle Comuany, the consideration was $26,000, consisting of a plot 50x100 on the southwest corner of Washington and Morgan Streets, containing a four-story and basement brick factory building, covering the entire plot; the assessment in 1909 was $6,750 on the land and $17,250 on the building, with a total assessment of $24,000.

Q Ycu stated the consideration, didn't you? A Yes, $26,000.

Q Take block 107.

Mr. Bain. I make the same objection.

Mr. Hendrickson. The same ruling.

A Bounded by Warren, Bay, Washington and Morgan Streets; Block 107, lots 146, 148, 150 and 152, and lots 49 to 72 inclusive, February 29, 1904. Fowler to Butler Brothers, consideration $78,000, the entire block, except Plot A, being 100x 100, northwest corner of Morgan and Washington Streets, consisting of 28 lots, at $2,785 a lot.

Q Give us Block 139.

Mr. Bain. I make the same objection.

Mr. Hendrickson. The same ruling.

A Block 139, bounded by Henderson, Morgan, Warren and Steuben Streets; lots D and E, January 15, 1909, Salvation Army to the Great Atlantic & Pacific Tea Company, consideration $16,000, 135 to 143 Morgan Street, being a vacant plot 129.50 feet front by an average depth of 81.21 feet, consisting of 4.2 lots at $3,800 a lot.

Q Give us Blocks 141 and 142.

Mr. Bain. I make the same objection.

Mr. Hendrickson. The same ruling.

A Bounded by Provost, Second, Warren and Bay Streets; on March 15, 1901, these two entire blocks were purchased, Winarts to Willis, at a consideration of $90,000, about 38.8 lots, containing some old buildings, at $2,319 a lot.

Q Give us Block 177.

Mr. Bain. The same objection.

Mr. Hendrickson. The same ruling.

A Block 177, bounded by 5th Street, Henderson Street, Sixth Street and the Pennsylvania Railroad, Harsimus Branch; Lots C, D and E, November 4, 1911, Hewlett to the United New Jersey Railroad & Canal Company, consideration $16,000, 444 to 446½ Henderson Street, being on the southeast corner of Sixth Street and Hender-

son, a plot 60x100, with a frame stable on it; the assessment in 1909 was, land $4,800, building $10,200; total $15,000.

Q Give us Block 172.

Mr. Bain. The same objection.

Mr. Hendrickson. The same ruling.

A Block 172, bounded by Henderson, First, Provost and Bay Streets; April 26, 1914, Elizabeth Crawshaw to the Great Atlantic & Pacific Tea Company, consideration $7,500. No. 155 First Street, lot 25x90, with a two-story frame stable.

Q Did you give us all the figures? A Yes, I did. All the properties, from the Block 76 to Block 177 are included in the schedule headed "North Pennsylvania Railroad and east of Henderson Street, west of the Pennsylvania Railroad Terminal." Now the sales east of Henderson Street, between 7th and 12th Street, west of the Erie Terminal are included in the schedule heretofore offered in evidence.

Mr. Bain. I make the same objection as to the testimony of sales in the blocks east of Henderson Street, from 12th to 16th Street west of the D., L. & W. Terminal, for the reasons stated in my objection as to sale of the Vanderbeek tract and the other parcels heretofore received in evidence.

Mr. Hendrickson. The same ruling.

A Block 185, lots 1 to 10 and lot 32, October 21st, 1902, Natalie Jarvis to Jarvis Terminal and Cold Storage Company, consideration $21,000. Provost Street, 12th and 13th Streets, 11 lots with some frame sheds on them, at $1,900 a lot.

Q What is the character of the property in that block? A It is a manufacturing block; it

has railroad connection on both 12th and 13th Streets but not on Henderson Street.

Q Tracks in the streets? A Yes, and also in Provost Street.

Q Where is that located, with reference to the Long Dock Terminal? A North of the Long Dock Terminal, and west of the Lackawanna Railroad.

Q And the railroad tracks running into both terminals? A I don't know whether they connect with the Lackawanna or not; it may, but I don't know. Block 185, lot 31, April 17, 1908, Matthews Company to the Provost Realty Company, consideration $4,500.

Q Is the Provost Realty Company the railroad? A No, the Union Terminal Cold Storage. The consideration was $4,500. No. 139 13th Street, lot 25x100, three-story frame building; assessment on the land in 1909 was $1,200, and the building $500. Total, $1,700. Block 185, lot 11, May 23d, 1910, Matthews Company to the Provost Realty Company, consideration $5,000. No. 142 12th Street, vacant property, the 1909 assessment on the land was $1,200. Block 185, lot 19, June 20, 1910, Killen to J. C. Bogart Company, consideration $5,000. No. 562 Henderson Street, lot 25x100 with a three-story frame building, store and dwelling on it; the assessment for 1909, land was $2,500, building $1,500, total $4,000. Block 185, lot 30, December 2, 1910, Conklin to Provost Realty Company, consideration $5,500. No. 141 13th Street, frame stable, lot 25x100, assessed in 1909, land $1,200, building, $200; total $1,400. That is all I have on that block. Block 186—

Q Why don't you give Block 184; haven't you anything in there? A No, I haven't any sales

in Block 184. Block 186, the entire block, February, 1905, Newton to Hudson Companies, consideration $60,000, bounded by 13th, 14th, Henderson and Provost Streets; there were 32 lots in the block, sold at an average price of $1,875 per lot, including corners. The same block, the same area, was conveyed on August 1st, 1912, seven years later, by the Hudson Companies to the National Carbon Company for the same consideration they paid seven years before, $60,000. Block 187, lots 29 to 32, July 19, 1902, Church to the Marine Metal Company, consideration $9,000. Nos. 137 to 143 15th Street, being a plot 100x100; lot 29 had a frame and brick building on it, lots 30 and 31 had a brick building and lot 32 was vacant at the time the sale was made; the assessment in 1909 was $4,000 on the land and $5,000 on the building, making the total of $9,000, the same as the consideration in this case.

Q Do you know anything about the rental value there? A No, prior to the time of the purchase there were old tenements on them and they had a big rental value. Block 187, lot 28, September 7th, 1910, Feeney to the Marine Metal Company, consideration $2,650. No. 145 15th Street, lot 25x100, assessment in 1909, $1,000, being vacant land. Block 187, lot 19, August 26, 1910, Parnell to Fengado, consideration $9,300. No. 594 Henderson Street, lot 25x100, tenement property, brick building, assessment on land, $2,300, building $8,000; total assessment $10,300. Block 188, lot 15, March 10, 1909, Burke to the Eastern States Refrigerating Company, consideration $2,000, one-story frame building, No. 150 15th Street, lot 25x100, assessment in 1909, building $300, land $1,000. Block 188, lot 17, November 2, 1912, New Jersey Title Guarantee & Trust

Company to Campare, consideration $6,500. No. 606 Henderson Street, corner 15th Street, lot 25x100, five-story brick store and dwelling; assessment in 1909, land $1,800, building $6,500; total $8,300.

RECESS UNTIL 2.15 O'CLOCK P. M.

THOMAS A. RYER, recalled.

Re-direct examination by Mr. Bain.

Q There has been some testimony about a sale of property by Vanderbeek, or the Vanderbeek heirs, to the Manor Real Estate and Trust Company; is the Manor Real Estate & Trust Company subsidiary of the Pennsylvania Railroad Company? A It is.

Q And where is that Vanderbeek property located? A Beginning on Morgan Street, bounded on the north by Morgan Street, on the west by Greene Street, on the south by the main Pennsylvania Terminal, and on the east by the Morgan Street dock of the City of Jersey City.

Q How far is the Vanderbeek property from Montgomery Street or Exchange Place, Jersey City? A About 840 feet, according to this scale.

Q It is about two city blocks, approximately? A Yes, lengthwise two city blocks, or four the other way—3½ the other way; exactly 3½ blocks.

Q And Exchange Place is the main thoroughfare of Jersey City, is it not? A It is.

Q Does the proximity of the Vanderbeek tract to Exchange Place add to the value of that property? A It does.

Q How far is the Long Dock property from Exchange Place? A About 3,100 feet.

Q Do values increase or diminish as you go away from Exchange Place, in a northerly direction? A They diminish, in my judgment.

By Mr. Hendrickson.

Q How do values in the northern end of the Lackawanna yard compare with the Exchange Place values? A Much less. You mean at the Hoboken end?

Q Yes, around the Duke's House. A Probably a little less, probably equal; about the same.

Q It is a little higher, isn't it? A I don't think so.

Q But the Lackawanna Terminal in Hoboken abuts upon the main thoroughfare of the City, does it not? A Yes, sir, that is a main thoroughfare.

Q That is the main east and west thoroughfare? A Yes, sir.

Q Does the abutting of the Lackawanna on that thoroughfare give additional value? A Yes, sir.

By Mr. Bain.

Q Are there any other elements that enter into the value of the Vanderbeek tract that give a value in addition to the value given to the Long Dock Terminal? A The fact that the land to the west of the Vanderbeek property is more valuable than that to the west of the Long Dock property.

Q And the Vanderbeek property was the only property, privately owned property, between the Pennsylvania Terminal and Morgan Street, was it not? A Yes.

Q Speaking now at the time it was purchased? A Yes.

Q And east of Greene Street? A Yes, sir.

Thomas A. Ryer, re-direct.

By Mr. Hardin.

Q Also the only privately owned tract between Exchange Place, Jersey City, and Newark Street, Hoboken? A No, I think there are some privately owned tracts in here (indicating on map), Mr. Hardin, but a very small quantity.

Q Meaning where? A On Morgan Street, directly opposite the Vanderbeek property.

By Mr. Bain.

Q You don't know what moved the Pennsylvania Railroad to purchase the Vanderbeek tract, do you? A Other than the explanation of their engineer.

Mr. Hardin. I object to that.

The Witness. I have heard that testified to in other cases.

Q The Vanderbeek property immediately adjoins the Pennsylvania Railroad yard on the north, does it not? A It does.

Q And the purchase of the Vanderbeek tract extended the yard of the Pennsylvania Railroad to Morgan Street, did it not? A Yes, sir.

Q There has been some testimony about sales in Block 76; what streets bound that block? A Bay, Washington, First and Greene.

Q What stands upon that block now? A That is the power house of the Hudson & Manhattan Railroad.

Q From which the power is derived to operate the Hudson Tunnels? A Yes, sir.

Q One of the Hudson Tunnels comes in at the foot of Exchange Place, does it not? A It does.

Q And the longitudinal tunnel through Jersey City runs about under Washington, approximately? A Approximately, yes.

Q And the Hudson tube next north of Exchange Place is about at the foot of what street in Jersey City? A Pavonia Avenue.

Q Well, isn't it to the south of Pavonia Avenue? A Yes, it is approximately, it is in the Erie yard.

Q So that Block 76 is located about midway between the Exchange Place tube and the tube to the north? A Yes, a little nearer to the Exchange Place tube.

Mr. Hendrickson. You mean the tube station?

Mr. Bain. No, I mean the tube which runs actually under the river. There are two tubes running to the north.

Q As I understand, the location of Block 76, it is about midway between those two tubes? A It is not, not quite, Block 76 is nearer to Exchange Place.

Q But it is on the line of the tubes running through Jersey City parallel with the river? A It is.

Q There may have been a particular advantage in locating a power house of the tunnel company on Block 76? A I think so.

Q Because of that particular advantage a higher price might have been paid for Block 76 than would have been paid for any of the other property in that neighborhood? A There might have.

Q In other words, Block 76 might have been particularly desirable for the Tunnel Company's use? A Yes.

Q A large part of the property in Block 76 was condemned, was it not? A Some of it, I believe, was; how much I don't know.

Q In acquiring the property in Block 76 the Tunnel Company, as part of the consideration for the deeds, moved the business of some of the owners of property upon Block 76, did it not? A They did.

Q And that element was incorporated in the consideration price for the purchase of the property in Block 76? A Necessarily.

Q So that there was something more than the mere value of the land involved in the purchase price of the land in Block 76? A There was.

By Mr. Hendrickson.

Q State one instance where payment was made by the moving of the business? A Why, I don't know as I can give you the name of any firm; there was one firm that bought lots from the Pennsylvania Railroad Company directly opposite and moved them over on that.

Q What was their business. There was a cooperage business, wasn't there? A The one I am speaking about was another one.

Q They didn't manufacture any barrels; they only stored them on those lots? A That isn't the one I am talking about. I am talking about the other one, they moved to the south side of Bay Street, between Greene and Washington.

Q Do you remember what that business was? A I do not.

Q Do you know whether that business was conducted by the people who owned the lots, or the tenants? A I don't know that, Mr. Hendrickson; I think it was conducted by the people who owned the lots; they had to move the business there, anyway.

Thomas A. Ryer, re-direct.

By Mr. Bain.

Q There was one man who had a small store upon that block, wasn't there, if you remember? A I think there was.

Q And there were other various businesses conducted on that property by individuals? A Yes, sir; there were.

Q Take Block 106, to which you have testified about some sale, what streets bound that block? A Warren, Morgan, Washington and Steuben Streets.

Q Is that block in the heart of a valuable downtown section of Jersey City? A It is.

Q Washington Street is one of the main streets in Jersey City, isn't it? A It is the main lateral street.

Q Running north and south. How far is Morgan Street from Newark Avenue? A About 1,000 feet.

Q And Newark Avenue is the main business thoroughfare of Jersey City, isn't it? A It is.

Q And how far is the Long Dock Terminal from Newark Avenue? A About 3,000 feet; a little over.

Q Does value of property increase or diminish as you go north from Newark Avenue? A Diminishes.

Q Is there anything which gives Block 106, or the property in Block 106, a value beyond that of the Long Dock Company? A Its proximity to the higher priced section.

Q Next take Block 107; that is the next block immediately north of Block 106, isn't it? A Yes, sir; the block is bounded by Warren, Bay, Washington and Morgan Streets.

Q And all of those are important business streets of Jersey City? A They are.

Q Does the fact that that block is bounded by those streets give it a higher value? A Washington Street does, yes.

Q Does the fact that the block abuts on Washington Street give it a value in excess of the value in the Long Dock Terminal? A It does.

Q Next take Block 139; what streets bound that block? A Henderson, Morgan, Warren and Steuben Streets.

Q Does the fact that that block is bounded by those streets give the property in that block a value of its own? A It does.

Q And is that value because of the fact that it is on streets that are higher in value than in the Long Dock property? A It is.

Q Next take Blocks 141 and 142, what streets bound these blocks? A Provost, Second, Warren and Bay.

Q Are those blocks situated in the business section of downtown, Jersey City? A In the manufacturing section, yes.

Q And has property in that manufacturing section a value of its own because of the fact that it is in that manufacturing section? A Well, it is so close to the business section as well.

Q That is, its proximity to the business section gives it a value in addition to the fact that it is in the manufacturing section? A It does.

Q Next take Block 177; what streets bound that block? A That is bounded by Henderson, Fifth, Sixth and Pennsylvania Railroad, Harsimus Branch.

Q Henderson Street is an important street of downtown, Jersey City, isn't it? A It is one of the main thoroughfares from Hoboken through.

Q There is a trolley running through Henderson Street? A Yes, as far as Pavonia Avenue.

Q In front of this particular block? A Yes.

Q Many business places are located along Henderson Street? A Yes, many of them.

Q And a great many stores along that street? A Yes.

Q Those facts give that block a particular value of its own? A To some extent, yes.

Q Because of those facts has that block a value beyond the value of the Long Dock property? A It has.

Q Next take Block 172; what streets bound that block? A Block 172 is bounded by Henderson, First, Provost and Bay.

Q Is that in a business and manufacturing section? A That is all in the manufacturing districts next to the Newark Avenue development.

Q And because of that fact that block has a value of its own? A Yes, sir.

Q Beyond the value of the Long Dock property to the north? A Yes, sir.

Q Does the land in the so-called Vanderbeek tract compare in value with the land of the Long Dock Company in question? A Not in my judgment.

Q For the reasons you have already stated? A Yes.

Q Is it not true, that Blocks 76, 106, 107, 139, 141, 142 and 172 are in what is known as the downtown manufacturing section of Jersey City? A It is.

Q And has not some value been given to those blocks by the fact that they are close to the railroads? A Yes.

Q In other words, the fact that a railroad terminal is near those blocks gives those blocks additional value, doesn't it? A It does.

Q Before the Vanderbeek property was purchased by the Pennsylvania Railroad, was there a siding on that property or a railroad siding abutting it? A Yes, sir.

Q So that goods could be loaded directly from the cars to that tract when the Vanderbeeks owned it? A Yes, I think so.

Q Is the property, we will say, in Block 74, more valuable, or less valuable, than property equally distant from the river front in the terminal yard of the Long Dock? A More valuable, in my judgment.

Q And your judgment is based upon the sales of the property in that block? A It is.

Q And do the sales show that property in Block 74 is more valuable than land further to the north, that is, north of the Harsimus yard of the Pennsylvania Railroad? A The sales show that the land values decrease as you go north.

Q Mr. Hendrickson suggests that you cannot get from the Vanderbeek property to Exchange Place, unless you go through Greene or Washington Street; that is true, is it not? A You can't get through Greene Street, the nearest approach to Exchange Place from the Morgan Street pier is through Washington Street.

Mr. Hendrickson. That is still further away, isn't it?

The Witness. Yes; that is the first approach you can get through to the Morgan Street dock.

Q Has the property in all of the blocks north of the Pennsylvania Railroad and east of Henderson Street, and west of the Pennsylvania Railroad Terminal, to which you testified, a peculiar value of its own, because of its location, that is, a

value beyond the value of the Long Dock property? A I think the surroundings, and, as I have stated, the proximity to the business section and the Pennsylvania Railroad here, lends additional value to it.

Q There has been some testimony as to sales in Block 185; what streets bound that block? A Henderson, 13th, Provost and 12th.

Q And that block is entirely north of the northerly end of the Long Dock yard, isn't it? A It is; the Long Dock property does not go north of 12th Street.

Q There has also been some testimony about a sale of land in the Block 186; that block was sold by Newton to the Hudson Companies, wasn't it? A It was.

Q For how much? A $60,000; 32 lots.

Q Do you know when the Hudson Companies bought that block? A They bought that in February, 1905, as testified to by me before.

Q For how much? A For $60,000 or $1,875 a lot.

Q Then they purchased it in 1905, you say, for $60,000? A Yes.

Q And they sold it in 1912, seven years later, for the same price? A They did.

Q How many lots are there in that block? A 32.

Q How much does that make the value per lot? A $1,875 per lot.

Q What is that an acre, have you figured that out? A I have not, about twenty-two or twenty-three thousand dollars an acre.

Mr. Henderson. That is figured at the rate of 12 lots to the acre?

The Witness. Yes; of course.

Q Has the land in Blocks 185 and 186 a value of its own, because of the location of those blocks? A They have a location value of their own, yes.

Q Next take Block 187; that block is how far north of the Long Dock yard? A About 800 feet.

Q And does the land in that block compare with the land in the Long Dock yard? A To some extent, yes.

Q Is the land in the Long Dock yard higher or lower in value than in that block? A About the same.

Q What are the sales again, in Block 187? A July 19, 1902, Church to Marine Metal Company, $9,000, for four lots with buildings on them; the property was assessed by the City of Jersey City in 1909 at $4,000 for the land, and $5,000 for the buildings. The total assessment was the same as the consideration in 1902. That was lots 29 to 32. Lot 28 was sold September 7, 1910, by Feeney to the Marine Metal Company for $2,650, that lot was assessed at a total of $1,000.

Q It has been stated that in the section marked "North Section" upon the map offered in evidence and marked Exhibit P-3, there is a street acreage of 26.1 acres. How have you incorporated the value of that street acreage in your vaulation of Block 17-A2? A I have applied the value that I arrived at from the North Section area at $20,000 an acre to the entire plot 17-A2, with the exception of the frontage on Pavonia Avenue.

Q In getting the value of the North Section did you include the street area? A I did.

Q And you valued the Block 17-A2 with the street areas included? A They were included, because the streets are excluded.

Q It has been stated that the acreage in the section of your map marked "South Section" is 17.1 acres; did you take that street area into consideration in calculating the values of the land in the South Section on the map? A I did, in the same manner as the North Section.

Q Your valuations of Block 17-A2 and in Block 16-B6 consider the street areas in the North Section, do they not? A They do.

Q There has been some discussion about plottage value and the rules for determining plottage value. Under those rules does not plotttage value cease to exist beyond a certain depth, or does it not get down to an infinitesimal point? A That depends entirely on the location, size, and other things; there are no two plots alike in plottage.

Q You have to apply those rules according to size and location of the land? A And your judgment.

Q You have testified about sales in Block 150; that block forms the southwesterly corner of the Long Dock Company's yard, doesn't it? A It does.

Q And the sale to which you testified is a narrow strip between part of the yard and Provost Street, is that so? A No, it was a corner lot; on the corner of Provost Street and Pavonia Avenue, 25x100, I think you will find.

Q There might have been a particular reason for them purchasing that lot? A It is a saloon property, and there may have been a particular value for somebody to get that property.

Q In other words, you don't regard that particular sale as indicating a general value in that locality? A Only in connection with others.

Q There has also been some testimony about a sale in Block 182; those sales are shown in your schedules, are they? A They are.

Q Did I understand you to say that sales of land between Provost Street and the Hudson River, to the south of the Long Dock Company, may have some effect upon your estimate of the value of the land in the Long Dock tract? A South.

Q Yes; or did I misunderstand you? A No, sir; you have to consider them, you have to know about them.

Q But you would not compare the value of land in that portion of the city I mentioned with the land of the Long Dock Company, as far as value is concerned? A As far as value is concerned, no.

By Mr. Hendrickson.

Q But you would have to know it is there? A You would have to know the value there and the reasons why it is that value.

By Mr. Bain.

Q Did I understand you to say that the value of the Morgan and Washington Street frontage was a guide to the value of the Long Dock property? A They furnish no guide.

Q There is no comparison between that land and the land of the Long Dock Company? A None whatever.

Q The value of that land is greater, or less than the value of the Long Dock property? A Much greater.

Q Because of its location, as you stated before? A Location, and different things.

Q Did I understand you to say that sales north and south of the Long Dock property have some effect upon your valuation of the Long Dock property? A I knew about them when I made the valuation for the Long Dock property.

Q Is that what you meant by saying that they had an effect upon your valuation? A Yes, I knew about them, that is all.

Q But they furnished no comparison with the land of the Long Dock Company in value? A They did not.

Q Did you not say that the Long Dock property is available for terminal uses because of its area and the absence of streets? A I did.

Q You don't know of any demand for a piece of property of that size for a railroad terminal, do you? A I do not.

Q No such demand has ever been brought to your attention? A It has not.

Q Isn't it a fact that many of the uses to which some of the railroad terminals were put in former years has been abolished, for instance, such as taking away the ferry service, and other uses? A There have been some changes in that connection.

Q In what block was the Atlantic & Pacific Tea Company sale to which you testified? A That was in Block 139.

Q And has that block a value of its own because of its location? A It has.

Q And did the value of the property, because of its location in that block, give it a value in excess of the value of the Long Dock property? A It did.

Q You said that some of the sales of property in the vicinity of the Long Dock yards to the railroad company were in excess of the consideration for sales of other land in the same locality and not to the railroad; is that so? A It is.

Q Oftentimes the railroad company is not a willing purchaser, is it; that is, it has got to have that property? A Very often that condition occurs.

Q And you don't regard those sales as indicating for what price a willing seller would sell his property to a willing buyer, the buyer not being under the necessity for buying? A They are not in the same class as land in Jersey City equi-distant from the river front between Exchange Place and the Hoboken line of the same value? A No, sir.

Q In other words there is no zone of equal value running from Exchange Place, Jersey City to the Hoboken line, equidistant from the waterfront? A None that I know of.

Q Why not? A Why, because in some cases the values, for instance from Exchange Place here going north then run high, and then they run low; then they run high again, then they run low again; it is all locality values.

Q You are speaking of values as shown by sales? A I mean, location controls that considerably.

Q And values in lower Jersey City are fixed according to location with respect to the section of the city rather than with respect to the location according to the water and river front? A Location to development, whether it is business or manufacturing.

Q In making your valuation of Block 17-A2, or rather, a portion of Block 17-A2, you considered, did you not, any use for which the land abutting the river in front of that tract was used? A I did.

Q You made your valuations of the lands in question in conjunction with Mr. Gaddis? A I did.

Q The witness who preceded you? A I did.

Q And the values placed upon the land by you and him was the result of your joint judgment? A Surely.

Q Or rather the result of your joint work? A Yes.

Q And before placing a value upon the land in question you first obtained information of the sales in the sections marked "North Section" and "South Section" upon your maps? A We did.

Q And you based your valuations of the parcels in question upon those sales? A We did.

Q You kept record of the sales of land of this class for many years, haven't you? A I have.

Q Even before this case came up you kept such a record? A Many years before.

Q And that record was available to you in preparing your valuations? A It was.

Re-cross examination by Mr. Hardin.

Q How many railroad terminals are there on the Jersey waterfront? A Four. On the entire Jersey waterfront?

Q Yes. A Why, there are seven.

Q Belonging to what systems? A The Morris & Essex, D., L. & W., Long Dock and Pennsylvania.

Q By Long Dock you mean the Erie? A Meaning the Erie; the Pennsylvania, Lehigh Valley, Central and Greenville Terminal of the Pennsylvania.

Q The Pennsylvania, all told, has how many terminals? A Three, the Harsimus Terminal, the United New Jersey terminal and the Greenville.

Q The Harsimus terminal adjoins, practically, the Long Dock terminal? A It is just separated by the stock yards.

Q Which also belongs to the Pennsylvania Railroad? A Belongs to the Pennsylvania Railroad.

Q But it is not in railroad use? A Not in railroad use.

Q Are there still more railroad terminals to the north of the Lackawanna? A There are.

Q Beyond the limits of Jersey City? A There are.

Q In what towns? A In Hoboken, and further up the river.

Q How many are there, about? A I would have to refer to the map to give you that. The West Shore have a terminal there, the Erie has a terminal there and the Susquehanna.

Q How many railroad terminals have been abandoned in the last ten years along the Jersey City waterfront? A I don't believe there have been any abandoned.

Q How many new ones have been developed in the last ten or fifteen years? A One.

Q Where is that? A The Greenville yard of the Pennsylvania Railroad.

Q How many of those terminals have been increased in area during the last ten or fifteen years? A All of them, more or less.

Q Yet you say there is no demand for terminal property? A I didn't say so.

Q Didn't you tell Mr. Bain there was no demand that you know of for terminal property? A There is no demand that I know of for a terminal.

Q Yet you know, as a matter of fact, that every one of these terminals has been increased within the last ten or fifteen years? A If that was Mr. Bain's idea in his question, that there was no demand for more property, I didn't get him right then.

Q It is a fact that these terminals have been increased in area within the last ten or fifteen years?

A So far as any other terminal being in demand, I don't know of any.

Q The Lackawanna has added largely to its area, has it not, recently? A It has.

Q Even this Long Dock terminal has increased in area? A It has been; and the Pennsylvania Railroad.

Q And this Vanderbeek property that you have been talking about. A That is also an addition to the Pennsylvania Railroad.

Q Is that of the Pennsylvania or an increment of the Harsimus terminal? A Not the main terminal; separated from the Harsimus terminal.

Q You have intimated that there was some particular advantage to the Pennsylvania Railroad, connected with the purchase of the property, which was reflected in the price. Was there any other advantage except the availability for its use? A The location that it held to the present yard.

Q That made it peculiarly available? A Made it absolutely available, absolutely necessary.

Q And that is the element that you referred to as an element of particular value to the property? A Yes, sir.

Q You spoke about this property in the neighborhood of the Pennsylvania Terminals, the Harsimus and the other one, in the region of the Hudson & Manhattan purchase, having added value because of its proximity to the railroads? A To the Pennsylvania Railroad and the business section.

Q And in that section, instead of valuing the railroad by comparison with the inland property, you value the inland property by comparison with the railroad property? A I don't think I said so, Mr. Hardin; if I did, I didn't mean to.

Q Isn't that the natural inference from your statement? A I would value the property of the

Pennsylvania Railroad terminal by the property selling in the rear of that railroad terminal in this section.

Q Which property, I believe, you found has a value because of the presence of the railroad? A Due to the presence of the railroad there, that is one item of value.

Q I understood you to say that there is practically that same value to abutting property out near the Hoboken ferry terminal of the Lackawanna Railroad, that you found at the Exchange Place terminal of the Pennsylvania Railroad? A The values back of the Lackawanna ferries are of equal value, if not a little greater than the value back of the Pennsylvania Railroad back of the Pennsylvania ferries here on the south.

Q And this Long Dock property is about half way between them? A Nearly half way between.

Q A little nearer to Hoboken? A And they are nearer to Hoboken.

Q And immediately adjoining the Hoboken terminal, which extends all the way from the Long Dock property to this valuable plot in Hoboken? A Immediately adjoins it.

By Mr. Bain.

Q There is no corresponding business section at the Pavonia ferry? A There is not.

Q There isn't any room for it? A It is all railroad land there, in railroad use.

By Mr. Hardin.

Q You say that the Vanderbeek tract has a peculiar value because of its location 800 feet from Exchange Place? A That adds some increase in value.

Q Has it any access to Exchange Place? A It has.

Q How? A Through Washington Street.

Q How far around? A One block west, 3½ blocks south.

Q Then how far? A And two blocks east; that would be 7½ blocks to Exchange Place. But Exchange Place is merely an end to Montgomery Street, it is all one street, but they call the last block, where the ferries are, Exchange Place.

Q Isn't the thing that gave the Vanderbeek property its value the accessibility to the waterfront and the convenience of its use for purposes such as it was devoted to for a great many years? A That also gave value to it, by all means.

Q And, incidentally, its availability for incorporation into the Pennsylvania yard? A Yes.

Q It would seem to me to be implied from your answers that the fact that you buy property for railroad use makes it cost more than if you buy it for some other party? A No; sometimes a corporation will have to pay more.

Q Then how do you indicate to me that you could not get any guide by sales made to the railroads? A Because they are always inflated.

Q Why are they inflated? A Because when the people once knew a railroad wants to buy that property the owners would charge more for it.

Q Have you bought land for railroads? A I have.

Q Is it your experience that you had to pay more for land for railroads than you would for other customers? A They are never able to buy for less, or even the market value. The minute they knew I was buying for the railroad I had to pay more.

Q Then your experience is that it cost more, considerable more, for railroad than any other purposes? A I find that it is different.

Q Substantially different? A Oh, yes.

Q And that is applicable to purchase by the railroads for all sorts of railroad purposes, terminal or right of way or anything? A That applies to individuals, corporations or anybody; if people know that you have got to have it they want more for it.

Q So it is not peculiarly confined to railroads? A Not at all.

Q What do you mean by saying that you would have to check all those railroad sales? A They are not sales by a willing seller to a willing buyer or those that we regard as making market value.

Q How do you know about the willing seller and the willing buyer, from an examination of the records? A We don't know, from a mere examination of the records, but when you see a piece of property that sells for $10,000 for railroad use and we know it is worth $5,000 we find out the reason why it was.

Q Do you think that indicates a willing seller and a willing buyer, if it happened to be in accordance with your judgment? A It would imply that, yes, to my mind.

Q You feel able to judge every real estate purchase, and if the price paid was a price that would meet your approval it would be a normal price? A If it is around those figures it looks normal. We can tell from analyzing the sales, whether it is normal or not. I have been doing that for eight or nine years and have been fairly successful.

Q Fairly successful in what direction; you mean in judging the values? A In judging the values.

Q In buying being able to know whether there was a willing seller and a willing buyer? A It is peculiar to the real estate business.

Q Without any other means? A We have lots of other means; I think I have a plant giving this information and there is only one other agent in Jersey City that has anything like it, and that is Mr. Gaddis.

Q And by consultation with that plant you can tell, every time, whether there is a willing seller and a willing buyer? A After viewing the property I think I can come pretty close to it; people seem to think so, because I am employed all the time to do it.

Q You are not able to get property for the railroads at the market value, when you are employed by the railroad? A I could not for a corporation, and I could not for you, if you were in the same position.

Q That means then, if you can get it for some price, even though it is higher, in your judgment, that there is a willing seller at some price? A Oh, yes, there is a willing seller.

Q And the fact that there was a willing buyer at the same price? A Not necessarily.

Q He doesn't have to buy it, does he? A That is the trouble; if he didn't have to buy he wouldn't pay that price.

Q Why does he have to buy; why doesn't he go somewhere else? A That is just the reason, if he can go somewhere else he would not pay the price; just as the Great Atlantic & Pacific Tea Company, Mr. Hendrickson will tell you there is a big price, because they didn't want to go somewhere else.

Q Doesn't that get down to the restricted supply to meet the wants of a purchaser? A Yes, in some cases.

Q And the prices are regulated by the demand and supply? A No, it is not true, because I may have acquired here five lots with a couple of lots in between, and I want those lots for my business purposes, and when they find out I want two more lots they want a higher price for them.

Q The supply to meet your demand is two lots? A Yes, but two lots across the street won't suit me.

Q Then the supply of land to meet your demand is two lots? A Yes, sir.

Q And your willingness to buy them is measured by the necessity of your demand? A Absolutely.

Q And your need of it measures the price? A Yes, for this property.

Q Well, the Great Atlantic & Pacific Tea Company that you were speaking about are not acquiring anything in a single block, they bought in five different blocks, did they not? A I think they have.

Q Two and three blocks apart? A Yes.

Q And if they get a business big enough they will buy right along? A There isn't any doubt of that.

Q And they will pay for it up to the extent of their needs? A Take, for instance, in Block 130, they paid less than $4,000 a lot there; they didn't pay a higher price for that.

Q Why does the railroad, for instance, if it wants to extend its terminal, pay more for the adjoining property than your judgment thinks it is normally worth? A Because the moment they go to buy and the people find out it for the extension of the railroad, it is sufficient for them, and it is

only natural they would do it. I would do the same thing.

Q If they want to have a bigger yard they have got to buy it? A Yes.

Q And if the needs of the business requires a larger yard it is worth a higher price to the railroad? A Yes, there is no doubt about that in my mind; they may be saving somewhere else on it.

Q Is it worth what they have to pay for it? A It is worth that when they need it.

Q It is so peculiarly available for their own use that they can well afford to pay the additional price? A They do it, so I presume they can afford to do it.

Q I understand you to say that Block 76 was condemned? A I think some of it was condemned, I am not sure how much, I think quite a little was condemned in that block.

Q You have given us a little information about moving; was this included in the official condemnation judgment? A I don't know if there was any official judgment; I know the business was moved, that is all I remember of it.

Q And how much of it was condemned and how much of it was bought voluntarily? A I don't know that.

Q Or how do the condemnation prices compare with the prices voluntarily paid? A I haven't those figures.

Q Are you able to tell us whether the condemnation prices were lower, or higher? A I couldn't tell you that.

Q Are you able to tell us whether this moving the business and acquiring the other property entered at all in the condemnation price? A I couldn't tell you that.

Q Does the schedule show the condemned tracts? A It does not show anything outside of the sales that I have.

Q Your schedule, I mean, of the second? A No, it does not.

Q It does not show any deeds for the condemned tracts? A No.

Q Because there were no deeds? A There may have been deeds, but I didn't look up the list of tunnel cases, except such information as I had. Mr. Cronan can supply that at any time.

Q Then this table of yours does not, necessarily, contain all the sales in this neighborhood? A Only those I have got.

Q Where is this complete plant located? A I didn't say I had a complete plant. I said I had a more complete plant than any other real estate man, outside of Mr. Gaddis. I don't consider my plant complete by any means.

Q There may have been other sales at prices different from these? A No doubt; I don't get all the sales; I would like to get them all, but of those I did get I have a complete copy.

Re-direct examination by Mr. Hobart.

Q Do you know, from your observation, whether, during the last few years, there has been any change in the method of development of railroad terminals on the New Jersey shore of the Hudson River, I mean with regard, particularly, to the purchase of large tracts of land out on what they call the Meadows? A Yes.

Q What is that change? A Why, I know that the Lehigh Valley and the Central and the Pennsylvania have purchased large tracts out on the Greenville shore front, and out in the meadows here for their yards, and the Erie as well.

Q Is it not a fact that the Erie has made purchases, from time to time, and has developed a very large terminal to the west of the palisades? A Yes, sir.

Q And isn't it true that the Lackawanna Railroad has purchased large tracts of land in the neighborhood of Kingsland in the last ten or twelve years? A Yes, sir.

Q Reference was made by Mr. Hardin to some of the railroad sales; I want to ask you whether or not you have taken such sales, or at least many of them, into consideration, in arriving at these values? A We have.

Q I think you told us the number. A 34, in the North Section.

Q 34 of such sales are included in the schedule that has been offered in evidence? A Yes.

Q Referring again to the value of lands in the neighborhood of the Pennsylvania Railroad at Exchange Place, you said that one of the items of value was the presence of the Pennsylvania Railroad on that street; can you state the other items that go to make up such value? A Its proximity to Montgomery Street and Exchange Place, and also to Newark Avenue, which is the highest developed business section in this city.

Q Does the number of people using the streets, for example, have any bearing on the question of value? A It does.

Q State whether or not a large number of persons use the street known as Exchange Place, and its continuation, known as Montgomery Street? A A great many people use it; a great many more than do Pavonia Avenue.

Q It has one of the principal stations of the Hudson tubes, located at Exchange Place? A Yes.

Q And is there also a trolley terminal located there? A At the foot of Exchange Place, opposite the Hudson & Manhattan tunnel.

Q State about how many different lines of trolleys have their terminals at that point? A Oh, I should imagine at least 20.

Q And how many different lines of trolleys have their terminals at the Long Dock terminal? A There are three lines.

By Mr. Hendrickson.

Q What are the 20 that come into Exchange Place? A Erie, Montgomery, Greenville, Grove, Pacific Avenue Belt Line, Newark Avenue Belt Line, Plank Road, Turnpike, Lafayette and Hudson.

By Mr. Hobart.

Q Is it not a fact, Mr. Ryer, that the nine trolley lines that you have mentioned as terminating at Exchange Place also have what might be termed the beginning of their route at that point. A They have.

Q Is it not a fact that those lines run to all parts of Jersey City and Bayonne, and also to the City of Newark and intermediate points? A They do.

Q Do you happen to know where this Henderson Street trolley line which has been mentioned, as terminating at Pavonia Avenue, where it runs to? A Grove Street station of the Hudson & Manhattan tubes.

Q Referring, in the same connection, to the peculiar element of value of the land in the neighborhood of the Lackawanna terminal at Hoboken, is it a fact that there is a terminal of the Hudson tubes at that point? A There is.

Thomas A. Ryer, re-direct.

By Mr. Hendrickson.

Q And that is true of the lines that run to the Erie Terminal? A No. In other words, the business done at the Hoboken terminal and the Pennsylvania terminal is more in proportion to the number of lines than is indicated, a great deal more business. For instance, there are three lines running to the Erie, and nine to the other terminals, but there is a great deal more business done at the Pennsylvania and Hoboken terminals than at the Erie.

By Mr. Hobart.

Q Do you know whether it is a fact, Mr. Ryer, that by far the larger proportion of passengers using the Erie Railroad terminals do not use the Pavonia Avenue trolley lines but rather use the Hudson tubes or the ferries in going direct to New York or Jersey City? A That is one reason for it.

Q And in using the station of the Hudson tubes do they have to go on Pavonia Avenue at all? A No.

Q And in using the ferry going to New York do they have to go on the public streets at all? A They do not.

Q And in using the Pennsylvania and Lackawanna tubes? A They do, as feeders for the trolley lines, for they end at the staion, but the Erie can be fed from both of those tubes without going into a trolley car; if you are over at Exchange Place you don't get into a trolley car to go over to the Erie.

Q And if you are up on the hill you don't take a trolley car down, you take the tubes and go down to the Pennsylvania or Lackawanna terminals, through the tubes? A Yes, sir.

Thomas A. Ryer, re-cross.

Re-cross examination by Mr. Hardin.

Q There is a station of the Hudson & Manhattan tunnels at the foot of Pavonia Avenue, or in the Erie Terminal? A There is.

Q Did I understand you to indicate, in reply to a question of Mr. Bain's, that you think the property on Block 76 was peculiarly valuable because it was located half way between the Hudson tunnel station in the Erie terminal and the Hudson tunnel station at the Pennsylvania terminal? A I didn't mean to imply any such thing.

By Mr. Hobart.

Q You have been in the real estate business here a great many years? A I have.

Q Can you state whether or not the development of the Long Dock terminal has been a matter of a great many years; in other words, have they started there many years ago? A They have.

Q Have you any idea how many years ago? A It was away back in the 60's.

Q At which time land was a great deal cheaper than it is now, I suppose? A A great deal cheaper.

Q You have testified at the hearing on the 1912 tax assessments, which testimony I understand is admitted in evidence in this case, that you assisted the officials of the City of Jersey City in making assessments? A I did, from the year 1908 to 1912, about four years, I was employed by the city, that is, on individual assessments, but on railroad assessments I was employed by the railroad.

Q Was that during the period of time when the city was making an effort to adjust their individual assessments, to equalize them as nearly as possible? A Yes, sir.

Thomas A. Ryer, re-cross.

By Mr. Hendrickson.

Q You were employed by both parties? A Yes.

By Mr. Hardin.

Q You spoke about this development of these terminal yards out on the meadows, by the Lehigh Valley and Pennsylvania, and the Erie and the Lackawanna, within the last few years. While they have been developing those areas they have been, at the same time, increasing their areas in their terminal yards on the river? A They have.

By Mr. Bain.

Q These various purchases by the Erie Land & Improvement Company in Jersey City, of lands near the Long Dock property, were made back in what year? A 1902, 1903, 1904 and 1905, I think.

Q Land in Jersey City at that time enjoyed high prices? A 1905, 1906 and 1907 was about as high as it has ever been.

Q Since then land values have fallen in Jersey City, haven't they? A They remained about stationary, I think.

Q And most of those purchases were not made to increase the yard room of the Long Dock property, but they were made up on the main stem, weren't they? A Yes.

By Mr. Hendrickson.

Q To increase the width of the main stem? A To increase the access to the cut.

Q To double the capacity of the access? A Yes, sir.

IRVINE E. MAGUIRE, sworn.

Direct examination by Mr. Bain.

Q Mr. Maguire, are you Secretary of the State Board of Assessors? A I am.

Q Have you the Minute Book of that Board with you? A I have.

Q Will you turn to the minutes of the meeting of August 8th, 1911? A (The witness complies).

Q Was there a resolution introduced at a meeting of the State Board of Assessors held on August 8th, 1911, relative to any increase in the assessments of second class railroad property in Jersey City? A There was.

Mr. Bain. I offer the resolution in evidence, and ask that it be read into the minutes.

(The witness thereupon read from the minutes, as follows):

"On motion of Mr. Record, seconded by Mr. Hendrickson, the following communication was directed to be sent to Mr. Charles Hansel, the expert in charge:

"We desire you, in valuing land in the main stem, to ascertain the market value of the contiguous land, and to fix the value of the adjoining main stem land at 200 per cent of the value of such contiguous land. In tidewater terminals you will make the main stem valuations of land at the same prices per square foot as the adjoining land in the terminals back of the bulkhead. You have reported to us estimates of value of second class lands based upon the value of neighboring lands. We desire you to make these valuations 120 per cent of such neighboring values. We desire to have

you turn these valuations over to the office force and instruct them to use the same in making up the assessments for the year 1911, and also instruct the office force to use the valuations found by you on the remainder of the physical railroad property."

Q That is the only resolution you find, Mr. Maguire, is it not, relative to any increase in values? A That is the only resolution I find by a critical examination of those books.

No cross examination.

WILLIAM W. DRINKER, sworn.

Direct examination by Mr. Bain.

Q Mr. Drinker, what is your occupation? A Civil Engineer.

Q Employed by what company? A Erie Railroad Company.

Q How long have you been a civil engineer? A About 19 years.

Q A graduate of what institution? A A graduate of no institution, except of the Erie.

Q What is your present position with the Erie? A Principal Assistant Engineer.

Q Of the Erie Railroad Company? A Yes, sir.

Q Having charge of the terminals of that company? A Looking after the terminal work; I am in charge of the designs for terminal facilities; I don't operate the terminals.

Q That is, you haven't charge of the operation of the terminal, you have charge of the designing of the terminals. A Yes.

By Mr. Hendrickson.

Q That is, any new tracks that are to be laid in the terminal you are directed to work them out in connection with the present trackage? A Not always; sometimes the operating department does that but we make improvements over the methods of that department which would enable them to effect economies.

Q In other words, you are in the designing department of the railroad? A Yes, sir.

By Mr. Bain.

Q Are you familiar with the railroad terminals on the Hudson River in Jersey City? A Fairly so.

Q You are particularly well acquainted with the terminal of the Erie Railroad, is that right? A Yes.

Q Have you had to do with the Erie terminal in Jersey City for many years? A For about ten years.

Q Is it desirable to have longer piers than the present Erie piers in Jersey City at the present time?

Mr. Hendrickson. There may be some cross examination in reference to his qualifications.

Mr. Hardin. He said he had nothing to do with the operating department. I suppose that is what he is put on for, to testify to what it is necessary to have there.

Q If the Erie Railroad desires to have longer piers would such question be submitted to you? A They would take my opinion before they made any decision.

Q In other words, your opinion guides the company, so far as making the terminal changes are concerned, or terminal pier changes? A Yes.

By Mr. Hendrickson.

Q Have you ever been in the Pennsylvania Railroad terminal at Greenville? A I have.

Q Have you been in the one at the foot of Exchange Place? A I have.

Q And the Harsimus yard? A Yes, sir.

Q And through the Central and Lehigh Valley terminals? A Yes, sir.

Q You say you are fairly familiar with those yards. What do you mean by "fairly"? A I mean I know the general principle of terminals in the New York Harbor, but that I am not able to give you the number of piers in each yard and the number of tracks, exactly from memory.

Mr. Hendrickson. I will permit the questions for what they are worth.

Q Have you designed piers? A Yes, I have designed piers.

Q And do you determine what kind of piers shall be constructed by the Erie Railroad? A I determine what is a desirable pier to fit the business.

Q Is there any other department of your company that has to do with the designing of the piers, or the determination of how long and what kind of piers shall be built? A There is another department which will act as a check on me, if the operating department says that the design I submit is not good for the purpose.

Q But you prepare the plans in the first instance for those changes? A Yes, sir.

Q And are your plans carried out by the company after you design the changes? A I haven't had any of them turned down yet.

Q You haven't had any turned down? A No.

Q And that applies to ten years past? A Yes, sir.

Q Does the Erie Railroad Company, or, rather, the Long Dock Company, desire any longer piers than it now has in Jersey City?

Mr. Hardin. That I object to.

Mr. Hendrickson. I don't think that was the question. I don't think he knows what the company desires.

Q Is it desirable to have longer piers than the present Erie piers in Jersey City at the present time? A In my opinion the piers, for the present business, are long enough.

By Mr. Hardin.

Q How long are those piers? A They run from 580 to 1520 feet in length, they vary.

Q That is the actual length of the pier? A Yes.

Q Regardless of where the bulkhead line is situated? A Yes.

By Mr. Bain.

Q Does that measure from the bulkhead line? A No, that is the actual length.

Q Which pier is 1520 feet long? A Pier No. 1, on which the Grain Elevator is located, at the southerly boundary.

Q And the peculiar length of that pier is because of what reason? A Well, a grain elevator requires a long pier, because it is designed to load ships which are either coastwise or trans-Atlantic, with grain; they have fixed points at which grain is discharged into a ship. You take, for instance, the west end of the grain elevator over there, it is sometimes necessary to discharge from the west

end of the grain elevator into the most easterly region of the vessel; and in the same way it is desirable sometimes to discharge into the most westerly part of the vessel from the most westerly part of the elevator; so it is practically necessary to have a pier of that sort double the length of the vessel, plus the length of the elevator.

Q The elevator pier is not operated by the Long Dock Company, is it? A No, it is operated by a separate company.

Q It is not used for railroad purposes, is it, by the company which operates it? A No.

Q It is used separately as an elevator? A Used separately as an elevator pier.

Q Is there any necessity for extending that Erie elevator pier at the present time, or any desire? A There is no desire to extend it at the present time.

Q How far is the easterly end of the elevator pier within the old pier line as it existed prior to March, 1913, meaning by the old pier line the old exterior line of the pier? A You mean how far is the interior end of the slip?

Q The exterior end of the pier from the old pier head line? A The exterior end from the old pier head line was 250 feet on this map, approximately; there has been some cut off, I don't know exactly how much, but we expect to cut more off.

Q A portion of the frontage of the Long Dock property on the Hudson River is taken up by ferry slips, is it not? A Yes, sir.

Q Is there any desire, or necessity, for extending the ferry slips out to the new pier line as established in 1914? A Not at the present time.

Q None of the piers of the Long Dock Company, as they exist at the present time, come out to the old exterior line? A The only one that is is Pier

No. 4, used for express purposes, not for railroad purposes.

Q Does that pier come out as far as the old pier line? A As far as the old pier line; it has been recently built; it is used for office purposes by the Wells Fargo Express Company.

Q And that is the only one? A That is the only one.

Q There have been no piers of the Long Dock Company built out as far as the new pier head line? A No, none at all.

Q And none of the present piers of the Long Dock Company go as far as the old pier line, except the express pier? A That is right.

Q How far west of the old exterior line for piers are the four most northerly piers of the Long Dock Company, piers Nos. 5, 6, 8, and 9? A Well, pier No. 9 is about 380 feet west of the old pier head line; pier No. 8 is about 325 feet west of the old pier head line; pier No. 6 is about 310 feet west; and pier No. 5 is about 290 feet.

Q How far is the extreme easterly end of pier No. 2 from the old exterior line for piers? A In the neighborhood of 100 feet.

Q Is there any present intention to extend any of those piers beyond the old exterior line for piers, or even up to that line?

Mr. Hendrickson. I think the question ought to be limited to his knowledge.

Q So far as you know? A As far as I know there is no intention.

Q There is no intention of extending them at all? A No, sir.

Q If there was such an intention, and if such intention was to be carried out, you would be asked to design the necessary extension, wouldn't

you, in the ordinary course of your business? A In the ordinary course of my business.

Cross examination by Mr. Hardin.

Q That would not be until after the determination was made? A The necessity would have to be ascertained first.

Q Before you would be instructed to do that? A Well, I probably would be requested to ascertain if there was necessity; that is about the way those things go; after a great deal of complaint from the other departments.

By Mr. Bain.

Q Where is the Long Dock Company's, or the Erie Railroad Company's, classification and sorting yard at the present time? A West of Bergen Hill, in what we call Bergen yard.

Q Where land is cheap? A Where land is cheap, on that marsh land in the meadows.

Q That is west of the Bergen Hill? A Yes.

Q You don't use the yard at tidewater in Jersey City for a sorting and classification yard, except to a very small degree? A Less than we had before.

Q The tendency in modern times is to put the classification and sorting yards where land is cheaper, so that a large tract can be obtained for that purpose, isn't that so? A Yes.

By Mr. Hardin.

Q You put the cheapest part of the business on the cheapest land, so as to keep the more expensive land for the more profitable part of the business; that is the way any railroad runs? A Yes, that is the principle.

By Mr. Bain.

Q The freight business is carried on mainly from the sorting and classification yards, is it?

Mr. Hardin. Is this gentleman an operator?

Q Do you know where your clasification and sorting business is carried on? A That is part of my business.

Q Where was it carried on? A Carried on, for Jersey City, at the Bergen yards.

Q Do you know what percentage of freight is carried by the Erie Railroad, compared with the passengers carried?

Mr. Hardin. Is that in this gentleman's department?

Q Do you know generally which furnishes the bulk of business, the freight or the passengers? A I am familiar with the company's records, of the freight and passenger business.

Q You know, don't you, from the records of the company, which furnishes the bulk of the business?

Mr. Hardin. Do you mean over the whole Erie system?

Mr. Bain. Coming into the Jersey City terminal.

A I do.

Q Which is it, passenger or freight? A Freight.

Q Any great percentage, of freight over passenger? A I couldn't tell you what percentage.

Q So that the yard at tidewater is used for the passenger business, instead of the freight business, generally?

Mr. Hardin. No, he said the reverse; he said the freight business was.

A I mean the receipts for the freight business entering Jersey City are greater than the receipts for the passenger business.

Q The Jersey City terminal includes the Bergen yard, doesn't it? A Yes.

Q And you included that in your answer? A Yes.

Q Freight is handled at the Bergen yard and the passenger traffic at tidewater, although some small part is handled at tidewater? A Freight is handled at tidewater and the passenger traffic is handled at tidewater.

Q But the bulk of the freight is handled at the Bergen yard? A Received and classified out there.

By Mr. Hardin.

Q There isn't any delivery at the Bergen yard, is there? A There is delivery at the Bergen yard.

Q From the West, you don't deliver it to the shippers at the Bergen yard? A We deliver in the neighborhood.

Q That is only a trifle, in amount? A We deliver to shippers in the Bergen yard material that goes north to Weehawken.

Q Do you deliver more to people at Bergen than you do at tidewater? A We deliver more at Bergen than we do in Jersey City.

Q Where do you ship your cars on hoats from? A From both Weehawken and Jersey City.

Q Where do you ship the most from? A Most from Jersey City, that is, by means of floats.

Q Do you deliver by car floats from Jersey City to the full capacity of your car float system there? A No, we don't run the car floats in Jersey City to their full capacity.

Q Do you run it to the full capacity at Weehawken? A I have no knowledge of its being run at full capacity; I believe there is still additional capacity left.

Q Your fast line for freight and your high priced freight to be delivered to New York on car floats, where do those cars stand while they are waiting delivery? A While they are waiting delivery they stand sometimes in the Jersey City yard, in the approach tracks to the piers, and sometimes they stand in Bergen; in making deliveries we have to keep the way clear between the two points.

Q How long does it take you to get a car from the Bergen yards to the car float on the tidewater of Jersey City? A It varies a good deal, depending on conditions.

Q I know it varies, but what time does it take? A At what time?

Q Could you be sure to make delivery in three hours from the Bergen yard to Jersey City? A That would depend on whether that delivery—we could easily deliver it inside of three hours to Jersey City if we had a clear track and there wasn't something else more important to be taken in.

Q You would not allow cars to remain at the Bergen yard if you had to deliver them within three or four hours on the float, would you? A We often have to.

Q You often have to? A Yes.

Q And that is because, I presume, of the yard being so crowded that you could not help it? A That is due more to the shortness of the tracks leading to the piers, lack of storage room.

Q You just put through an open cut through the Hill? A Yes.

Q Do you keep the old tunnel still working for such work? A We keep that working for freight.

Q How many tracks are in the open cut? A Four.

Q And how many tracks in the tunnel? A Two.

Q How long has the open cut been in operation? A I haven't a very good memory for dates; I think it was put in operation in 1909; I couldn't say for certain.

Q That is five years ago? A Yes.

Q It is necessary to use the tunnel for freight, isn't it? A We never contemplated using the open cut for freight.

Q The tunnel is only used for freight? A The tunnel was for freight and the open cut for passengers. Every passenger movement going out used to have to cross the freight and it made a good deal of delay and expense.

Q So that freight and passenger traffic went through the two tracks in the tunnel? A Through the tunnel.

By Mr. Bain.

Q What is the distance from the Bergen yard to tidewater at Jersey City? A I couldn't tell you.

Q Not over 3½ miles, is it? A I should say not.

Q It is approximately three miles, as far as I recall. A That would be my idea. I am not certain of the distance.

By Mr. Hardin.

Q The capacity of the terminal yards at Pavonia for freight purposes, I take it, has been increased by the relief of the tunnel by the open cut?

A I would hardly say that; it enables us to do the freight business during the day time, in taking it all through the tunnel that way.

Q Doesn't that enable you to handle more freight at the terminal than you formerly could by relief of the tracks through the tunnel? A If we had the freight to handle.

Q It would permit some increase; it is not the main limitation; the main limitation is in the area of the yard space, in the width of the waterfront.

Q Just what do you mean by that? A I mean that we dispatch freight from those various piers and that we dispatch more freight, when we dispatch them by boats, if we had additional waterfront.

Q Is there any freight delivered to consignees in this terminal? A There is some local freight delivered in Jersey City at this terminal.

Q Have there been any changes in these piers in the last ten years? A The Wells Fargo pier No. 4 which is occupied exclusively by the Wells Fargo Express Company, has been extended to the old pier head line and the pier has also been widened so as to fill the slip between pier No. 4 and the next adjoining pier on the north; that was to obtain additional tracks in there, to facilitate the handling of the freight and passenger business.

Q The only change, then, in any of the piers, has been to extend the length of pier No. 4? A No; I wont say that is the only change; we took some of the width of pier 8, cut some of that width off, so as to install an additional bridge to put cars from the land to the car floats; and there has been some cut, as I before stated, on the end of pier No. 1.

Q The ferry slips are shown on this map Exhibit S-1 south of pier No. 4? A Yes.

Q There are three of them? A Yes.

Q The piers are used for car floats? A The slips between the piers as they show on this map, between 6 and 8; those are for the car floats.

Q How many are there? A There are three shown here, but I believe there are four at present.

By Mr. Bain.

Q Is it true that the only change that has been made in any of those piers is the extension of one of them, pier No. 4, out to the old line of piers? A That is the only change of any importance.

Q And that change was made, was it not, before the pier line was extended? A I believe it was.

By Mr. Hardin.

Q You are familiar, I suppose, with the Erie Railroad yard at Weehawken? A Yes.

Q And that yard is of a newer design than this one? A Well, it was developed subsequently to this one, received its full development subsequent to this one.

Q The piers up there are longer than these piers, are they not? A Not at the northerly end, no.

Q What is the length of the piers up there? A I can give you the approximation of their lengths; they have gone out to the old pier head line; they cut off about 60 or 70 feet of their space.

Q Did you take that off? A They didn't make us take it off but I presume ultimately they will.

Q You mean you hadn't built them out to the limit yet? A No, we hadn't extended them yet. The most northerly pier is 600 feet long.

Q How far is that from the pier line exterior? A It never was extended to the old pier head line.

From the established pier head line it was moved in 70 feet; the outside end of the northerly pier is 125 feet; that is, we have a possibility of making that the shortest pier in the yard built out that far.

Q What is the longest pier up there? A The longest pier is our coal pier, which is about 1020 feet long.

Q How many piers are there altogether? A I think there are eight piers; I can't be certain.

Q You have given us the shortest one and the longest; is the shortest one the farthest north? A The shortest one is the farthest north.

Q And the longest one is the farthest south? A Yes.

Q And the others are of varying lengths, are they not? A They vary in length; there is an angle in the pier head line up there, for instance, the fourth pier from the north end of the property, you couldn't determine by ranging in between those, they are irregular; some of them are cut off beyond the established bulkhead line, and there is that angle in the pier head line; the fourth pier from the north is 750 feet long.

Q Then the second and third in between, how long are they? A They run, you could average them in between.

Q About what? A Between 600 and 750.

Q Does the pier line set back the whole length of the line? A No, only from the point where it intersected the southerly line; that is, the southerly line was prolonged, and there is a sharp point of the angle in there, and the other side was set back, about parallel with the old pier line, it was set back between 60 and 70 feet, until it intersected the other line.

Q Do you find the Erie terminal, or the area that was within the original pier line, a triangular shape? A Not exactly. We had the privilege of building the piers out to the old pier line, provided we withdrew them when the United States authorities notified us so to withdraw.

Q In locating that new line they made it just exactly clear your present pier? A That was the idea.

Q They didn't attempt to take off anything? A It didn't quite clear it.

Q The new pier line is at the upper end of your piers? A No; it is 40 or 50 feet this side.

Q Did you have anything to do with the hearings before the Government Board, with reference to the pier line? A I attended the hearing at Washington and one here in Jersey City.

Q What was the attitude of the company toward the change? A Well, it was my impression of the attitude taken by the company, that they didn't want to stand in the way for purely selfish purposes of the general welfare of commerce, and I believe we are about the only railroad that took that attitude.

Q That is, notwithstanding the effect in shortening the pier line? A We thought that if it was necessary we weren't going to complain about our smaller individual loss.

Q As a general proposition you wanted to retain the right to build out to the line without change, unless it interfered with the development of the Harbor as a whole? A Yes, at that point, because there were short piers and there was a possibility of extending them.

Q Within the range of possibility, you might want to extend them out at Weehawken? A It is very likely that we would want to extend them out; that is my own information.

Thomas A. Ryer, direct.

By Mr. Hobart.

Q Mr. Drinker, referring to this hearing before the Government officials, isn't it the fact that the Secretary of War decided that he would not change this line, but would simply give permission to the companies to go out to the old lines, and if they do so they do it at their own risk? A Yes, that is true.

Q At Weehawken, and at other points, for that matter? A The inference was plain.

Q In other words, the recommendations of the engineers of the War Department were turned down, is that true? A Practically, yes.

The hearing was thereupon adjourned until Tuesday, January 19, 1915, at ten o'clock in the forenoon.

Jersey City, January 19, 1915.

The hearing on the foregoing complaint was resumed at the office of Charles E. Hendrickson, Jr. Esq., 75 Montgomery Street, Jersey City, New Jersey.

Present: President Hendrickson for the Board.

George S. Hobart, Esq. and Robert J. Bain, Esq. (For Collins & Corbin) appearing for complainant:

John R. Hardin, Esq. and Josiah Stryker, Esq., appearing for the State of New Jersey.

THOMAS A. RYER, recalled:

Direct examination by Mr. Bain.

Q You have stated in your previous testimony that you found 26.1 acres covered by streets in the "North Section" on the Map offered in evidence, and 17.1 acres covered by streets marked "South Section" upon the Map; where did you get those

figures? A This was a hasty calculation made of all the street areas in both sections.

Q Have you since made an accurate calculation of the street areas in each of those sections? A I have.

Q Kindly state the street area in each one of the sections? A I find, of the 61.934 acres in the "North Section" there are 20.64 acres in the street areas; and of the 48.707 acres in the "South Section"I find there to be 16.17 acres in the street areas.

Cross examination by Mr. Hardin.

Q That is calculating the street areas for the purpose of the deduction exactly as they were calculated in ascertaining the areas of the whole tract of 61.934 acres? A It is; and of course, in answer to your old question of the original distance that did not answer your question, because that took in everything.

Q I understand, for instance, that the area of 11th Street included within your "North Section" between the Penhorn main stem and the Long Dock main stem, you have just given the same areas? A Whatever portions were excluded in the 61 acres have been now excluded from my figures.

Q Is it not a fact that you had originally excluded 11th Street, between the main stems? A I did, because we took no land, that is, so far as figures were concerned, or either side of 11th Street in certain portions.

Q And you likewise excluded half of the area of 10th Street along the blocks 360 and 323? A In whatever blocks there were no figures used for street valuation there were no areas taken into

consideration, naturally, any more than there was in the main stem.

Q Did you include in your "North Section" the northerly half of Hamilton Park? A I did not, not in the 61 acres.

Q Or in the other figures there? A Or in the other figures there, no; what I excluded in the 61 acres I excluded in the new figures and what I included in the 61 acres I included in the new figures.

By Mr. Bain.

Q In the "North Section" did you include in your area of 61.934 acres one-half of the streets abounding Hamilton Park within that section? A I did.

WILLIAM N. DAWLEY, recalled.

Direct examination by Mr. Bain.

Q Did you testify before this Board in December, 1912, as to the value of the items of assessment by the Board upon property described as the terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform? A Yes, sir.

Q Did you at the time you then testified, that is, in December, 1912, state the value of the property included in that item? A Yes, sir.

Q What was the value of that property as given by you? A $65,659.

Q And was that the value of the property described in that item of assessment on January 1, 1914? A Yes, sir.

Q And is the value at the present time? A It is.

Q In other words, there has been no change in the value of that property since you testified before this Board in December, 1912? A No.

Q Some of the parcels of second-class property, the assessments of which are now in dispute, have been raised above the grade of the surrounding property by filling, have they not? A Yes.

Q Have you figured out the cost of the fill upon the various parcels? A I have.

Q Will you state what the cost of the fill was upon each parcel? A In Block 183, the cost of the fill, outside of the main stem, on the second-class property—

Mr. Hardin. That would be of Plot A, for instance?

The Witness. Block 183, Plot A, yes.

By Mr. Hendrickson.

Q How many cubic yards? A 4,702 cubic yards.

Q What price per cubic yard? A At fifty cents, or $2,351. Block 218, between Henderson Street and Grove Street, 5866.6 cubic yards, at fifty cents, or $2,933.30. Block 323, between Jersey Avenue and Coles Street, 6,222 cubic yards at fifty cents, or $3,111. Block 360, between Coles and Monmouth Street, 6370 cubic yards, at fifty cents, or $3,185. Block 395, between Monmouth Street and the center line of Brunswick Street, 5200 cubic yards, south of the main stem, $2,600; 4270 cubic yards north of the main stem of the Long Dock Company and the Penhorn Creek, or $2,135. Block 421, between the center line of Brunswick Street and the center line of Division Street, 3972 cubic yards, south of the main stem, $1,896. 326 cubic yards north of the main stem, $163. Total of $18,374.30.

Mr. Bain. We desire to say to the Board that in giving these figures as to the cost of

the fill, we in no way concede that the cost of the fill is a part of the land value?

Cross examination by Mr. Hardin.

Q Your cubic yards represent the difference between the natural level of the ground and the elevation to which it has been brought for the railroad use? A Between the surface of the ground at the time the street crossings were eliminated and the sub-grade of the present track.

Q And at the time the street crossings were eliminated the railroad property and the adjoining property of Jersey City was at practically one level? A Very near it; the tracks may have been a trifle up.

Q Did you figure your cubic yards as a rectangle? A No, not as a rectangle.

Q How did you figure the cubic yards? A The superficial area as a rectangle?

Q Yes. A Oh, the cubic yards includes the depth.

Q And the depth was the depth of a rectangle, with the same base as the surface? A The base, as top surface, yes. That is, I took the average depth by taking the depth at one street and the depth at the other end of the block, and averaged them, and multiplied that by the area, excluding five feet for the thickness of the retaining wall.

Q Do I understand the retaining wall was otherwise assessed? A Yes.

Q What was your method of valuation of these buildings, Mr. Dawley? A By an examination of the working drawings, and plans for the buildings, and the application of unit prices to the quantity of material in the structures, and an examination of the cost of the buildings and structures. In other words, it was my personal judgment as to

value, from an examination of all the available data.

Q Did you get the reproduction value, and apply depreciation; was that your method? A That is the method, yes.

Q When were those buildings built, if you know? A The station proper was built in 1887.

Q Are there other structures than the station? A The train shed, ferry shed—

Q When were they built? A The train shed was built in 1898, the ferry sheds in 1888, there have been some additions and alterations to the train shed in 1911.

Q You took those into consideration in your figures? A Yes, sir.

Q You said they were made in 1911? A Yes, sir.

Mr. Bain. Do you mean the figures or alterations were made in 1911?

The Witness. The additions were made in 1911 to the train shed.

Q Is the waiting room included in any of the buildings that you have already mentioned? A The station proper includes the waiting room, built in 1887.

Q When were the ferry bridges (floats, as you call them) supposed to be built? A Well, they were rebuilt from time to time.

Q Lately rebuilt? A Well, they have been rebuilt within the last ten years, I would say.

Q Has there been any difference in the cost of material, labor, &c., since 1911? A Probably, at the present time, a slight reduction from the 1911 figures, and a considerable reduction in material prices.

Q You put the same valuations on the buildings now that you did in 1912? A Yes, sir.

Q I understand that that valuation has been put on them for the year 1914? A Yes, sir.

Q Have you had access to the original cost figures of these structures? A So far as the figures exist.

Q Well, what do you mean by that? A Our records are not complete, from those ancient times.

Q You, therefore, are driven to give your estimate to your own figures? A In some cases, yes.

Q You have not taken into consideration, at any rate, I judge, from your method, what the buildings originally cost. You have taken the present cost of reproduction and applied some percentage, some depreciation percentage? A Yes, sir.

Q What was your depreciation? A Two per cent per annum.

Q Applied to the within appraisals? A To the structures, where the age was known.

Q What was your new cost of the station proper? A $40,000.

Q And what was your present value? A $20,800, depreciation 40 per cent.

Q Based on the lapse of 24 years? A Yes, based on the lapse of 24 years.

Q Did you apply the same rate of depreciation to all the other structures? A No, sir.

Q What did you apply to the train shed, for instance, that you built in 1888? A 65 per cent depreciation, or five per cent a year.

Q What is the reason for the difference? A It is more exposed.

William N. Dawley, cross.

Q Are those buildings kept in good repair? A Only fair, just so that we can get along with them.

Q You let them depreciate as much as possible, then, in using them? A With a maximum of safety and a minimum of expense.

Q Have you the details of your estimates of the material and expense necessary for the reproduction of these buildings now? A I have not, not with me.

Q But you have those figures? A They can be produced, if necessary.

By Mr. Bain.

Q Do your maps Exhibits P-1 and P-3 correctly show the location of the lands of the terminal? A Yes, sir.

By Mr. Hardin.

Q And the buildings to which you have been testifying are what buildings? A On the two plots, at the foot of Pavonia Avenue, part of 17-A2 and the Ferry Plot.

Q You do not include the Wells Fargo building? A No, sir.

Q Or the warehouse of Pier No. 1? A No, sir.

Q But you do include what might be called the accoutrement of the ferry slips? A Part of this rack?

Q Being the rack adjoining the warehouse of Pier No. 1? A Warehouse No. 1 of Pier No. 2.

Q Likewise the rack adjoining the Wells Fargo pier on the south side? A Yes, sir.

George A. W. Achenbach, direct.

By Mr. Bain.

Q There was some mention in the testimony as to whether you figured the cost of the fill, for fill to which you testified, according to a rectangle; do you understand that that rectangle applied to the transverse section of the fill? A That is parallel with the street?

Q Just what do you mean by "rectangle" when you testified?

Mr. Hendrickson. He said the base of it was the same as the surface.

Q Did you so testify? A The base to the top.

Q Were alike? A Yes.

GEORGE A. W. ACHENBACH, sworn.

Direct examination by Mr. Bain.

Q What is your position? A Assistant tax agent with the Long Dock Company.

Q Are you familiar with the assessments made by the State Board of Assessors for the years 1911, 1912, 1913 and 1914? A I am.

Q And particularly with the assessments upon the properties the assessments of which are now in question? A Yes, I am.

Q Will you kindly state the assessments for the year 1911 upon each of the parcels, the assessments upon which are now in dispute?

A

Block 16, Plot B-6, valuation	$1,098,480
Block 17, Plot A-2	3,856,956
Ferry Plot	116,196
Block 16, Plot B-7	138,878
Block 182 Plot C	13,812
Block 185, Plot A	87,740
Block 218, Excess	40,810

Block 323, Excess	21,588
Block 360, Excess	21,588
Block 395, Excess	10,426
Block 395, Excess, South	13,536
Block 421, Excess	2,592
Block 421, Excess, South	37,152
Block 541, Plot 4-A	17,004
Block 547, Plot 2-B	3,900
Block 547, Plot 2-D	4,836
Block 961, Plot 1	28,015
Block 961, Plot 3	45,468
Block 961, Plot 5-B	15,434
Block 1,200, Plot 12	34,032
Block 1,200, Plot 59-A	57,925
Block 1,200, Plot 57-A	57,952
Terminal station, etc.	145,470

Q Were the assessments by the State Board of Assessors for the years 1912 and 1913 the same as the assessments for 1911, upon the various parcels that you have mentioned, with the exception of the terminal station? A They were identical.

Q Are the assessments for 1914, which are now in question, the same as the assessments for the years 1911, 1912 and 1913 upon these properties? A They are identical, with three exceptions.

Q What are the exceptions? A In Block 17-A2 the 1914 assessment was increased over the 1913 assessment by $116,697.

Q Making the 1914 assessments on that parcel how much? A $3,973,653.

Q What was the next parcel upon which the assessment was increased? A The ferry plot, at the foot of Pavonia Avenue; the 1914 assessment was increased over 1913 by $13,242, making the total assessment for 1914 $129,438.

Q What was the next parcel upon which the assessment was increased? A Block 16, Plot B-7, for 1914 the assessment was increased over 1913 by $14,723, making a total assessment of $153,601.

Q The company disputed the assessments for 1911, 1912, 1913 and 1914, did it not? A It did.

Q Are all those asessments now in litigation? A They are.

Q Has the assessment upon the terminal station and other buildings been increased since 1911? A It was increased $1,470 in 1912 over 1911, due to the addition to the umbrella station and extension of the trainmaster's office.

Q And the assessments upon the terminal stood at $146,470 since 1912? A It has.

Cross examination by Mr. Hardin.

Q In these lots, Block 17, Plot A-2, ferry plot and Block 16, Plot B-7, there is a change in the assessment of 1914 due to a difference in area, is there not? A Block 17, Plot A-2, the acreage was not changed; but the extension of the exterior line for piers created 116,697 square feet, or 2.679 acres of additional land under water.

Q When you say the acreage was not changed you mean that the back land acreage, which is the acreage designated for the track, was not changed, but it is a fact that the acreage of the land under water was increased by the extension of the exterior line for piers? A I assume so, because the assessments are increased correspondingly.

Q Well, you don't have to assume it; you know it, don't you? A Why, there was no change in the plot as heretofore assessed for each year, the only land described was the solid land which was described as 43.872 acres, with the statement,

"Including the value of the land under water in front thereof."

Q You knew the acreage of the land under water in front of the plot was increased by the extension of the pier head line? A I do.

Q It is shown, is it not, on this Exhibit P-3? A Yes, it is shown there.

Q It is the acreage, 2.679, shown on this map between the old exterior line for piers and the new? A It is.

Q There was a similar increase in area of the ferry plot, was there not? A The extension of the exterior line for piers created 13,242 square feet or .304 acres of additional land under water.

Q And there was a similar change as to Block 16, Plot B-7? A There was.

Q The increase in assessment of 1912 on the terminal station, which you said was due to certain additions was so increased pursuant to a report made by your company, was it not, of that increase? A It was; the value of the additions reported was $1,470, and the State's increase in assessment was $1,470.

Re-direct examination by Mr. Bain.

Q The land between the old and the new pier lines in front of the parcels designated as Block 17, Plot A-2, land at Pavonia Avenue, and in Block 16-B7 is not in use by the company at the present time? A It is not.

Q And wasn't on January 1st, 1914? A It was not.

Q And is still a part of the waterway of the Hudson River? A It is.

Frederick Dunham, direct.

By Mr. Hardin.

Q You understand, though, that the company had a right to use it? A They have a right to extend their piers out over it.

By Mr. Bain.

Q And that right is subject to Federal regulation as to navigation? A It is.

Mr. Bain. I might say, Mr. Hendrickson, that there is one other witness whom we expected to get here; he may get here this afternoon or he may not come until the next session. I would like to examine him when he comes.

Mr. Hendrickson. That is all right. You may do so.

Mr. Bain. I think that is all, then, with that reservation.

THE TESTIMONY FOR THE STATE.

FREDERICK DUNHAM, sworn.

Direct examination by Mr. Hardin.

Q Mr. Dunham where do you reside? A Jersey City.

Q What is your occupation? A Civil Engineer.

Q How long have you been such? A Thirty odd years.

Q Where have your practiced your profession? A In Jersey City.

Q Have you been in association with anybody else during that time? A Most of the time associated with Mr. Edlow W. Harrison, who is now my partner.

Frederick Dunham, cross.

Q And has the practice of your profession, and the work that you have done, in association with Mr. Harrison, since, led you to any knowledge of the value of real estate in Jersey City? A Yes, particularly as to waterfront properties; I have been engaged, on and off, for the past 20 years, in the litigation of the tax cases on the railroad properties in Jersey City and Hudson County.

Q And you have acquired knowledge of the value of waterfront properties in the neighborhood of the Long Dock Terminal, north and south? A I have.

Q And in the neighborhood immediately adjoining? A Yes, I am very familiar with all that territory.

Q Have you any present official position with the City of Jersey City? A Well, I have been, for the past three years, Harbor Engineer.

Q And you still are? A And still am, yes; and had some work for the Commissioner of Finance and Taxation.

Q Are you able to tell us the values of the Long Dock Terminal property?

Mr. Bain. I object to that. I would like to cross examine him first in reference to his qualifications.

Mr. Hardin. Certainly.

By Mr. Bain.

Q You say that your association with your partners has led you to a knowledge of the valuation of real estate?

Mr. Hardin. He hasn't said that.

Q Wasn't that what you said? A Yes, I am familiar with most of the sales through my prep-

aration of data; in fact, I prepared nearly all the data in those railroad cases for the past 20 years.

Q Your familiarity with sales comes from sitting in court and various different boards, listening to expert testimony of waterfront values? A No, from looking up records.

Q How many records of actual sales of waterfront property have you investigated? A I think every one that has taken place on the Hudson River, between Bayonne and the Bergen County line.

Q How many was that? A Well, I couldn't enumerate them; it is a great many.

Q A hundred? A No, I shouldn't say as many as that; about 25.

Q About 25? A Perhaps in the neighborhood of 25, all told, including that whole territory.

Q Did you examine the record of the sale of the so-called Yellow Pine tract? A I am familiar with that sale, yes.

Q Did you examine the record of that sale? A I have a record of that sale; I have it in my office.

Q You haven't the official record at your office? A No, a memorandum of it.

Q Where did you get that memorandum? A I don't recall now; we were engaged there in the valuation of Hoboken waterfront properties.

Q And you got that memorandum in connection with that investigation? A We collected a lot of data on waterfront properties in Hoboken.

Q Where did you collect the data? A I couldn't tell you now; possibly the greater part of it was gotten from sworn testimony.

Q As a matter of fact, almost your entire knowledge, or so-called knowledge, of values of

waterfront properties was obtained from reading testimony and listening to testimony of experts; isn't that so? A And in my investigation with Mr. Harrison, in the accumulation of such data. Mr. Harrison, you recall, was the man who first placed a valuation on waterfront properties in Hudson County.

Q Your knowledge is hearsay from Mr. Harrison, isn't that so? A Not only from hearsay, but from his original data and information filed in the office.

Q From original data that he got up? A Compiled by him, originally.

Q Do you know where he got that data? A The data was made up from a compilation of every sale that was known, or could be gotten at, on the Hudson River.

Q How do you know that to be a fact? A I know, we have the records in the office.

Q How do you know the record that Mr. Harrison had, or that memorandum of Mr. Harrison's, covered every sale on the Hudson River? A Every sale that was available and could be gotten?

Q How do you know that covered every sale? A There was a search made.

Q Who made the search? A There was a search made in the Hudson County office—

Q Who made that search? A The search was made by lawyers and searchers employed by the State of New Jersey.

Q So that Mr. Harrison's memorandum and data was hearsay, from somebody else? A It was hearsay so far as that part of it went. It was the result of a search of the records of Hudson County of every transfer of waterfront property that had taken place in Hudson County for forty years previous.

Q So it wasn't the memorandum or data that he gathered at first hand? A Gathered himself! No; he paid people to do it, or, at least the State of New Jersey paid to have it done.

Q In other words, he got the knowledge of the various parcels sold and then applied his value to it; isn't that the fact? A Well, he applied his judgment of the values to it. Those cases were very bitterly fought out in the courts for four years, from 1884 to 1887.

Q Mr. Dunham, your attention has been devoted almost entirely to the civil engineering end, and surveying, hasn't it? A No, sir.

Q When did you first become connected with tax litigations? A In 1884.

Q When did you first take any active part in tax litigation? A In 1887.

Q What did you do in 1887? A In 1887 my time was mostly devoted to measuring up the railroads of the State of New Jersey for the purpose of ascertaining their value.

Q In other words, mere surveying? A Measuring.

Q Surveying and measuring? A Getting the area.

Q You had nothing whatever to do with the placing of values upon the land, had you? A Yes.

Q For what purpose? A For the purpose of taxation.

Q Were you officially employed by anybody? A Why, by Mr. Harrison.

Q Mr. Harrison wasn't officially employed by any municipality? A Mr. Harrison was officially employed by the State of New Jersey.

Q And do your values now correspond to the values of Mr. Harrison? A No.

Q Increased, have they? A Of course values have increased all the time.

Q When did they increase? A All the time.

Q So that the data that you depend upon, that is, the data furnished by Mr. Harrison, is not the basis of any present value that you might give?

Mr. Hardin. I suggest that the witness has not said that he depended on data.

Q What else did you depend on, beside Mr. Harrison's data? A I depended on other data.

Q What other data? A Sales.

Q What sales, particularly? A Sales in Jersey City.

Q What sales in Jersey City? A Sales in Hudson County, sales of waterfront property, and the taxable value of other lands in Jersey City.

Q What particular sales, for instance? A Sales in Jersey City.

Q Sales of waterfront property? A There is any amount of sales, sales to railroads, as well as private individuals.

Q What personal knowledge have you of any of those sales? A No more than the record disclosed, and the sworn testimony of people who claim to have personal knowledge of them.

Q So that where the record does not disclose the consideration you depend upon the testimony in giving them value? A The sworn testimony of people who say they know what the values are.

Q You depend entirely upon any valuation that you might give upon the bare record, and the testimony you have heard, either in court or before different boards? A I never bought or sold waterfront property myself, if that is what you want to know.

Q And never leased any? A Never leased any.

Q Nor actually connected with the sales of any waterfront property? A Yes, I have been connected with the sale.

Q In what way? A As representing the buyer.

Q In what way were you connected? A In helping them to arrive at a value.

Q How did you help to arrive at a value? A To ascertain the area particularly; in that case the acreage value was agreed upon and the total consideration of the contract was to be ascertained by me upon a computation of the actual area.

Q Your duty was to calculate the area after a survey? A To calculate the area and ascertain the value at a rate per acre that was agreed upon.

Q The value was based upon the acreage ascertained by somebody else? A Agreed upon by the buyer and seller.

Q So you did not have to place the value, did you? A No.

Q You had nothing to do with the fixing of the price? A In two or three cases my judgment had something to do with it.

Q What were those cases? A They were not in Jersey City; they were cases along the river at Edgewater, in industrial and plant values.

Q Your part of those sales was merely to go out and survey the land and find out how much land there was in each tract? A No.

Q What else did you actually do? A I had charge of the construction of the plants that were put on the lands afterward.

Q After the sale was finished? A Yes.

Q I am asking you about before the time the sale was made. A I was in touch with the peo-

ple who were buying and, in a way they were guided a good deal by my judgment.

Q You were a partner of Mr. Harrison at the time? A Yes.

Q It was Mr. Harrison's judgment that was taken, wasn't it? A No, it was not; he had nothing to do with it.

Q What sale are you referring to? A I am referring to sales to Pyle's Pearline and New York Products Company.

Q Did Mr. Harrison have anything to do with that sale? A Not personally, no.

Q Who fixed the price of that property? A Well, the price was fixed by the buyer and the seller; they agreed on the price.

Q How did you have to do with the price, except to survey the land? A I was present during the transaction.

Q And that applies to one sale? A There were two sales.

Q Well, two sales; and those are the only sales that you had anything to do with? A Where the sale was actually consummated, yes; I have been negotiating with people on several things, but they have not materialized.

Q You don't pretend to be an expert on the value of waterfront lands, do you? A Well, I think my judgment is pretty good on it.

Q Have you anything else to base your judgment upon except the data collected by Mr. Harrison? A The data collected by myself; practically all the data that Mr. Harrison has in the way of records of sales was collected by me.

Q I thought you said that that was done by lawyers and others? A Well, where the actual search of the records was made, yes; for the tax cases of 1905 and 1906 we collected data all over the State of New Jersey.

Q What was the tax case? A General appeals.

Q Don't you know that was in 1906 and 1907? A 1905, 1906 and 1907.

Q As a matter of fact it was 1906 and 1907. A 1906 and 1907 there was an appeal at the time from the local assessments; that was when the railroad terminals were assessed by the local assessors.

Q Which year was that? A 1906 and 1907. And there was a tax appeal of 1905, there were tax appeals and for practically every year after that.

Q 1905 was about the time when the tax litigation first started, wasn't it? A No, there was tax litigation before that.

Q I am speaking of the modern tax litigation. A There has been tax litigation on railroad yards almost constantly.

Q Did you testify as to values in the cases of 1906 and 1907 on railroad taxes? A I think not; I think Mr. Harrison did all the testifying in those cases. I think I testified too.

Q But not on values? A I did not testify on values; I testified on facts.

Q And by facts you mean the dimensions of the land, chiefly? A Well, no; I mean as to sales and as to assessments, and things of that kind, the result of search or collecting of data. Mr. Harrison, of course, testified as to what his values were.

Q So that the values of land at that time were fixed by your partner, Mr. Harrison, and not by you? A I don't think I expressed my views on actual value of those properties; but I can't say that I always agreed with Mr. Harrison.

Q You did not express your judgment upon the values at that time? A I wasn't asked to.

Q Then what did you mean by saying before, that the data Mr. Harrison had was, in some respects, based upon your judgment?

Mr. Hardin. I don't think he said that.

Q Or did you mean to say any such thing?

Mr. Hendrickson. I think what he said was that he prepared and compiled the data from which Mr. Harrison testified.

Q You heard Mr. Hendrickson's statement: Did you say any such thing as that? A I don't think I said that. I think I said that I compiled the data and collected the data for Mr. Harrison, upon which he probably based his judgment to a certain extent.

Q What you mean is, you assembled the data collected by others, and tabulated it? A Well, I tabulated a lot of it, and I supervised the tabulation and collection of a great deal of it.

Q You supervised the tabulation, but not not collect any yourself? A Oh, yes; I collected some myself.

Q What did you collect? A I went over all that was collected.

Q What did you collect? A I collected the sales on deeds, wherever the consideration was shown.

Q Where did you get the deeds? A There was a search made in every county in this state in 1905 and 1906.

Q You didn't make the search, did you? A Oh, there was a search made in every county in this State, and every deed that showed a consideration there was a memorandum made of. Of

course, I didn't make those searches; there were about 50,000 of them.

Q All you did was to tabulate them after they were collected? A I didn't tabulate them even.

Q What did you do? A I got at the results and placed them in such shape that Mr. Harrison could see at a glance what the general results were.

Q Then, your connection with that matter was the mere assembling of this data? A Oh no.

Q What else did you do? This is all you testified to. A I did practically everything that Mr. Harrison did not do, that is, he went on the stand to testify, gave his judgment of values. Now, I placed all the data which he had before him, and practically all the data that was accessible to him was accessible to me, and I had the same information which he had.

Q Now, Mr. Dunham, isn't a fact that whatever little knowledge you got is based upon a lot of data collected by others? A To a very great extent, of course.

Q And you have no personal knowledge of any of the facts contained in that data? A Some of it, yes.

Q Well, what part of it? A A very small part of it, of course.

Q What part? A No man can expect to have a personal knowledge of all the sales that took place.

Q What part? A In fact, as I told you, I haven't sold or bought any waterfront properties, so I can't legally have any personal knowledge of them.

Q Did you ever operate a railroad? A I don't know what you mean by the operation of a railroad. I am interested in a railroad.

Q Did you have control or have supervision of the operation of a railroad terminating on the waterfront in Jersey City? A I never operated a railroad terminal.

Q Have you ever designed a railroad terminal along the Jersey shore of the Hudson River? A Never designed a terminal yard on the Hudson River; no, sir.

Q Have you any personal knowledge of the necessities and needs of a railroad along the waterfront? A Not from personal knowledge, no; in a general way I have.

Q Have you any knowledge of what a railroad would pay for land along the waterfront? A Not of what they have paid.

Q Have you any knowledge of what they would pay on January 1st, 1914 for land along the waterfront? A No, I have not.

Q Have you any knowledge of actual sales of land along the shore front surroundings the Long Dock yard, except what you have heard others testify to? A Except what I may be able to get from the sworn testimony of others.

Q Your whole knowledge is based upon testimony, isn't it? A Principally yes; I haven't sold any land there.

Mr. Bain. I object to any testimony by Mr. Dunham as to the value of waterfront land, on the ground that he is not qualified to testify as an expert witness.

By Mr. Hardin.

Q You have, as a matter of fact, Mr. Dunham, a great familiarity with all the transactions and doings on property along the waterfront in Jersey City, for how many years last past? A For the past twenty years, I think I have as good a gen-

eral knowledge of waterfront properties in Jersey City as anybody in Jersey City.

Q You have an individual judgment about values of such properties? A Yes.

Q You have spoken about this data that you have in the office; I suppose you have a collection there, a plant which might be said to be similar to that described by Mr. Ryer in his testimony? A There isn't another concern in this County, or in this State, that has the plant or the data relating to waterfront properties that we have right in our office, not excepting the State of New Jersey itself.

Mr. Hardin. I submit the witness is qualified.

Mr. Hendrickson. Well, this Board is going to take this testimony and the Court above will have to pass on that.

By Mr. Hendrickson.

Q You, and your firm, has been employed by the railroads to give them values on their lands on the waterfront in Jersey City? A Yes, many times.

Q Were they employed directly by the Erie Railroad Company? A The firm was.

By Mr. Bain.

Q Were they employed by the Erie Railroad Company to give their judgment as to values of lands in Jersey City on any tax litigation? A Well, the firm has.

Q Personally you never have been exployed by the Erie Railroad to give your judgment on values? A I don't think I have been asked by them to give my judgment.

Q You know you have not, don't you? A No; I think Mr. Harrison has always testified.

Q You know he has always testified? A I don't know; I have testified, of course, lots of times.

Q But you never testified for the railroads as to value? A I testified for the railroad company lots of times.

Q As to your judgment of values of land? A But I think that was on questions of fact, on this data.

Q And not as to the value of any lands? A I don't believe that I have been asked for my judgment as to the value of land.

By Mr. Hardin.

Q You mean, not by the Erie Railroad? A Not by the Erie Railroad.

By Mr. Bain.

Q Or by any other railroad company? A That I can't say; I think, perhaps, I have testified for the Central or the Pennsylvania.

Q You never publicly dissented from any values placed by Mr. Harrison upon any lands, have you? A It isn't likely I would.

Q Did Mr. Harrison arrive at whatever values he gave after consultation with you? A No.

Q He made those values separately, did he? A Well, he had some consultations with me, of course, at various times he has consulted with me; but Mr. Harrison's judgment of values on water-front property was purely his own.

Mr. Bain. We repeat our objection to any testimony by this witness as to the values on the ground that he is not qualified to testify as an expert.

Mr. Hendrickson. I think it ought to appear on the record how Mr. Dunham comes here, that he is in the employ of Jersey City and is here representing them.

Mr. Bain. But he was called by the State.

The Witness. I am here at the request of the Tax Department of Jersey City.

By Mr. Hardin.

Q You are familiar with the Long Dock terminal location and area, Mr. Dunham? A Yes, sir.

Mr. Hardin. Mr. Bain, I have a map which is marked for Identification, which Mr. Focht produced the other day; is there any objection to having it put in evidence now?

Mr. Bain. Why, I believe, Mr. Hardin, that the areas in front of the land in question, between the old and new pierhead lines, are the areas stated by Mr. Corbin, aren't they?

Mr. Focht. Yes, by Mr. Corbin.

Mr. Bain. Well, let it go in.

(Map entitled "Map showing waterfront between South Street pier, Jersey City, and 5th Street, Hoboken, together with pierhead line. Engineering Department, State Board of Assessors, Trenton, N. J. March, 1914. Scale 1 inch to 200 feet. Bearings given refer to true north. Revised to September, 1914." Made under the direction of Mr. Focht, Engineer of the State Board of Assessors, admitted and marked Exhibit S-1 in evidence).

Q Mr. Dunham, I direct your attention to the map, Exhibit 1 for the State, and to the Long Dock Terminal as shown upon that map; are you

able to identify on that map plot B-6 in Block 16? A Plot B-6, Block 16, is the tract south of Pavonia Avenue.

Q Is it shown on this Exhibit 1 for the State? A It is bounded on the north by Pavonia Avenue, on the east by the bulkhead line, on the south by land of the Erie Elevator Company and the center line of 7th Street, produced, and on the west by an irregular line about 225 to 75 feet east of Provost Street. Do you want the area?

Q Yes; give the area. A That tract contains 16.039 acres.

Q This same tract is shown on Exhibit P-1 and P 3 as Block 16-B6? A Yes.

Q It is described in the assessment as Plot B-6, Block 16, tract south of Pavonia Avenue, back of the bulkhead line. How many acres did you say? A 16.039.

Q That is the same acreage as the assessment? A That is the acreage given in the assessment.

Q Of the State Board of Assessors? A Of the State Board.

Q What is your valuation of that tract? A My valuation of that tract is $1,412,430.

Q That is slightly in excess of the assessed value? A Slightly in excess of the assessed value.

Q Can you identify on this map, Exhibit S-1, Block 17-A2? A Plot T-2, Block 17, is the main passenger terminal yard north of Pavonia Avenue.

Q And that is the same tract as shown on Block 17-A2 on Exhibits P-1 and P-3? A Yes.

Q What is the area of that tract, exclusive of the main stem? A Well, that tract, exclusive of the main stem, the area from Provost Street to the pierhead line is 64.737 acres.

Q How much of that reaches outside of the bulkhead line between the bulkhead line and the pierhead line? A 20.855, between the pierhead line and the bulkhead line.

Q How much of it is within the bulkhead line? A I don't recall, whatever the book shows, 43.872, that is the area to the bulkhead line.

Q It is assessed by the acre within the bulkhead line on the State Board's assessment, I believe. A It is assessed, the area is given to the bulkhead line but the assessment includes the value of the land under water in front thereof.

Q What is your valuation on that tract? A I value that tract at $5,216,895.

Q I now direct your attention to the tract known as the ferry plot, described in the assessment, as, foot of Pavonia Avenue between the bulkhead line and the pierhead line; do you find that on Map S-1 and on Exhibit P-1? A Yes, that tract is shown at the foot of Pavonia Avenue lying a little to the south of Pavonia Avenue, between the bulkhead line and the pierhead line.

Q What is the acreage? A Containing 2.09 acres.

Q What value do you put upon that? A I value that tract at $113,800.

Q I now direct your attention to Block 16-B7; do you find that on these maps? A Yes, that is the tract immediately adjoining the one just spoken of; that is, the one described as being at the foot of Pavonia Avenue.

Q What is the acreage of that? A The acreage of that is 2.498.

Q What value did you put on that? A That I value at $136,016.

Q You have now mentioned the four tracts which make up the terminal, have you not? A

Yes, those are the four tracts which make up what is known as the terminal yard, although there is another block to the west that might be termed part of the yard, but these are known as the four main tracts of the yard.

Q And the other tract that you refer to is to the west and described on this Exhibit P-1 as Plot A of Block 183? A Yes.

Q Have you put a valuation on that tract? A Yes, I valued that tract at $1.85 a square foot; I don't recall just what the area is. That I valued at the same average rate as the yard.

Q From the assessment, Mr. Dunham, it appears that the area of Block 183, Plot B, plus the little triangle to the north of the main stem in the same block, is 1.118 acres,—do you find a similar tract, Block 182, Plot C, on these maps? A Yes.

Q From the assessment that appears to contain .176 acres? A Yes.

Q What is your valuation of all the land in Block 185, outside the main stem and this last-mentioned small triangle in Block 183? A My valuation on those tracts is $1.85 a square foot.

Q And that valuation of $1.85 a square foot is the same valuation, you say, that you put on Block 17, Plot A-2? A That is the average valuation of the entire yard. That is the way I arrived at my value of the land as a whole—I first did that at the rate of $1.85 a square foot, and then, for the purpose of comparing with the State Board's assessment, I subdivided that by deducting the two waterfront strips there at the rate of $1.25 a square foot, which would leave a little higher value, of course, for the back land strip of the waterfront piece; but the average value for the whole Erie Terminal yard from Henderson Street to the pierhead line is $1.85 a square foot.

Q Comprising, all together, what acreage. A Comprising, all told, 85.364 acres, plus the three tracts in the rear between Henderson and Provost Streets.

Q Well, now, the three tracts in the rear comprise, all together, 1.294 acres,—assuming that, you make the total area of the yard what? A 86.658 acres.

Q Have you made an investigation of the assessed valuations by the City of Jersey City on the land, in similar areas, to the south of the Long Dock main stem? A Yes, I have.

Q And whereabouts did you locate your similar area? A For the purpose of comparing the assessed value by Jersey City with the assessed value of the Erie yard, I selected a tract of waterfront property in Jersey City which I could select.

Q Meaning what by that? A I will describe the tract—

Q I know, but you say "the only one you could select,"—what do you mean by that? A It is the only tract in Jersey City not owned or controlled by the railroad companies.

Q Within what areas? A Within the whole of Jersey City's waterfront, with the exception of some two or three tracts away down on New York Bay here.

Q The nearest point to this Erie tract in Jersey City,—is that what you mean, in private ownership? A Yes, and in the developed portion of the city.

Q And where did you find this privately owned property, locally assessed, with reference to the Long Dock property—in what direction? A Well, I must say that even this waterfront is not privately owned. There is only 260 feet of it in private ownership; the balance of it is owned by the

Pennsylvania Railroad, or the Lehigh Valley Railroad, or the Morris Canal & Banking Company, but not used for railroad purposes, but locally assessed.

Q Where did you find a locally assessed tract of equal area on the waterfront, with reference to the Long Dock property—to the north or south of it? A To the south of the Long Dock property, in the First Ward of Jersey City. The tract used for comparison was bounded on the north by the Pennsylvania Railroad yards, and on the east by the pierhead line of the Hudson River; on the south by the Morris Canal and on the west by Warren Street. This tract has a frontage of 1,475 feet on the Hudson River and the Long Dock Company's yard has a frontage of 1307½ feet on the Hudson River.

Q Have you taken an area of the same shape as the Long Dock yard? A Why, it is practically the same shape and about the same area—that is, combining the whole terminal of the Long Dock.

Q And how far back from the river front? Does your tract carry farther in distance, or the same distance as the Long Dock? A It carries —well, it carries back within about half a block of the same depth as the Long Dock.

Q And what is the total area of the tract that you have taken for comparison? A The area of the land assessed is 2,715,200 square feet, and the assessed value of the land is $4,277,750, and the average assessed value per square foot of the land is $1.57½.

Q And you included the waterfront property and the rear property at the assessed value? A At the assessed value, yes.

Q Have you given the exact boundaries of this comparative tract? A Yes, it is shown on the map which I have before me.

Q I mean, have you given it so it is on the record? A Yes, I have already given it.

Q Now, in the assessments made by Jersey City, are the land values kept separate from the building and structural values? A Yes.

Q Have you made any comparison of an area, similar in size, to the north of the Long Dock property on the river? A Yes, an area in the First Ward of Hoboken, which is on the waterfront.

Q And have you selected the first available lands north that are locally assessed? A Yes.

Q And where did you find that? A The tract used for comparison in the First Ward of Hoboken is bounded on the north by Third Street, on the east by the pierhead line of the Hudson River, on the south by the Lackawanna Railroad yard, and on the west by Willow Avenue. In that area the area of the land assessed 3,020,000 square feet, the assessed value of the land is $6,407,300; the average assessed value per square foot is $2.12 2-10. This tract has a frontage on the Hudson River of 1150 feet.

Q What would be the value of the Long Dock terminal yard, if you applied the rate that you have found from the local assessments in Hoboken? A Applying, first, the area of the railroad yard in square feet, which is 3,718,455, and putting that at the Hoboken rate of $2.12 2-10 a square foot, the value of the yard would be $7,890,561.

Q Applying the Jersey City rate to the Long Dock area, what would the valuation be? A Applying the Jersey City rate, it would be 3,718,455 square feet at $1.57½ a square foot, making a to-

tal of $5,856,566. The State Board's value on the yard, being the same area which I have used for comparison, is at the rate of $1.40—a trifle over—being a total of $5,210,510. That is the State Board's.

By Mr. Bain.

Q What is the State Board's assessment? A $5,210,510, on the land, for the tracts.

By Mr. Hardin.

Q That is the four tracts? A That is the four tracts—that is, leaving out those three small parcels to the rear between Henderson and Provost Streets.

Q Making a square foot valuation of how much average? A $1.40.

Q As against two and what? A As against $2.12 2-10 in Hoboken and $1.57½ in Jersey City.

Q Now, these figures that you have of the Jersey City and Hoboken assessment valuations were taken from what source? A They were taken from the assessment books in the City Hall.

Q The official records? A The official records.

Q Both in Jersey City and Hoboken? A Both in Jersey City and in Hoboken.

Q Have you made any examination of the properties in the rear of the Long Dock Company's yard, which have been purchased by the Erie Companies, where the considerations are known and are matters of record? A Well, I have taken it from the testimony of Messrs. Gaddis and Ryer in the tax cases of 1906 and 1907.

Q I understand they are the same data that they have put in evidence in this case? A Yes, they have put that same evidence in in this case.

Q How many parcels were shown to have been

purchased by the Erie Companies? A Why, I found 35 parcels of land which were purchased either by the Erie Land Improvement Company, or the Penhorn Creek Railroad Company.

Q That agrees, I think, with the number stated by Mr. Ryer, 33? A I think he had 34. I found 33, I may have missed one.

Q Have you calculated the square feet in the various parcels? A Yes.

Q And what did they amount to? A In the 33 parcels there is 118714 square feet.

Q Have you totalled the considerations paid for these properties by the railroad company? A Yes, the total consideration for these 33 parcels was $289,150.

Q And what does that make the average price per square foot? A The average price per square foot paid was $2.43½. These parcels extended back of the Erie Railroad land and run from Provost Street back toward the foot of the hill.

Q Have you tabulated these properties? A Yes, I have marked them Parcels 1 to 33, inclusive. I also have a tabulation showing the location of each tract.

Q All in one table? A All in one table, showing a lot number, a block number, and the area and the consideration (producing a paper).

Q It is more in detail than this one (referring to a paper in the hands of examining counsel)? A Well, this one (referring to the one in the hands of counsel) does not identify the parcel except showing which block it is in.

Mr. Bain. Do they differ from the schedules that have been put in evidence?

Mr. Hardin. No, they are just alike, except they are segregated from the mass. They

are taken from these schedules. For the present, for the convenience of the Board and of counsel, I will introduce the tabulation referred to by the witness, and, following the example set by Mr. Bain, we will mark it as Exhibit S-2.

Q Now, these parcels that you have tabulated as having been purchased by the Railroad are situated with the limits of the north section shown on Maps Exhibits P-1 and P-3? A Yes; they are north of the main stem; practically all of them are north of Eleventh Street, between Eleventh and Twelfth Streets.

Q Have you made any calculation of the average assessed rate, inclusive of both lands and buildings, within the Hoboken area to which you have referred? A Yes; the average assessment, per square foot, of land and buildings in the tract in the First Ward of Hoboken is $4.68.

Q And have you made a like comparison of the assessment of lands and buildings within your Jersey City comparative tract? A In Jersey City the average assessed value per square foot, of land and buildings, is $3.63 6-10.

Q Have you knowledge of any sales within the areas to the south of the Long Dock yard in Jersey City, between the Long Dock yard and the point where you have located your comparative tract? A Well, I know of some sales.

Q And by "located," now, I mean within a like distance from the water front? A There is one sale there which we hear so much about, and which is brought forward in every tax case on terminal yards in Jersey City, and that is known as the Vanderbeek sales—the sale to Vanderbeek and the sale from Vanderbeek to the Railroad.

Q And I think Mr. Ryer, or somebody, testified as to the date of that sale? A Yes. The first sale, to Vanderbeek, was in 1891, I think.

Q Well, when was the sale by Vanderbeek to the Railroad Company? A I think that was about 1901—somewhere around there—no, that sale was in 1903. The consideration—

Mr. Bain. Just a moment: I object to any testimony as to the sale of the Vanderbeek property, for the reasons heretofore stated with respect to the testimony as to the sale of that property.

Mr. Hendrickson. I just did not gather your point Mr. Bain; I will have to ask you to go over that again.

(The stenographer repeated Mr. Bain's question).

Mr. Hardin. You mean as to its location?

Mr. Bain. Yes; the Vanderbeek property being situated in a different section of Jersey City from that in which the Long Dock property is situated.

Mr. Hendrickson. The objection is overruled for the same reasons that were given at the time the testimony was admitted on the cross examination in the complainant's case, as to sales in this same locality.

Q What was the character of that property? A Why, that was property similar in character to all of these railroad yards. It is right within the zone of the railroad yards, and was bought by the Railroad Company for the purpose of annexing it to its yard, for the purpose of enlarging its yard.

Q Well, is it similar in character and location to the land within the Long Dock yard, I mean? A Why, it is located on a street running to the water front.

Q Well, doesn't Pavonia Street run to the water front? A I was going to say it would not be as good as property on Pavonia Avenue, because Pavonia Avenue has a value at the foot of it, it has the railroad terminal there and has the depot station; and beside, this property of Vanderbeek had no water front attached to it, it was back land lying back of the bulkhead.

Q It is within an area, however, in distance from the river, etc., similar to the land within the Long Dock yard? A Oh, yes.

Q And what shape was the property in when it was sold, such as to improvements? A Why, it was vacant property on an unimproved street and used for the storage of lumber,—a strip about 100 feet in width and running back two blocks.

Q Any building on it? A No building on it; it was only used for storage purposes.

Q What was the square-foot rate of that purchase? A Why, the Railroad paid at the rate of $5.17 a square foot.

Q Do you know of any other sales in the neighborhood, of land within an equal distance—within the distance from the River of the Long Dock terminal? A Why, there has been one sale that I know of, by the Railroad Company to the Hudson Companies, that is the Hudson & Manhattan Company.

Q By what railroad? A By the Manor Real Estate and Trust Company, which is the holding company of the Pennsylvania Railroad.

Q And when was that sale? A That sale was in 1906—January 9, 1906 is the date of the deed.

Q What was the area? A It is recorded in Book 939, p. 7; it conveyed three lots each 25x100; and the consideration in the deed is $15,000.

Q Do you know anything about whether there were buildings on that property, or not? A No, there was not. I remember that property.

Q And what would that be at square foot rates? A That is at the rate of $2.00 a square foot.

Q That was a sale by the Railroad Company? A That was a sale by the Railroad Company.

Q Weren't there some other purchases made by the Hudson Companies? A The Hudson Companies purchased several tracts to make up one block where their power house is now located.

Q Adjoining this railroad sale? A Right across the street from this railroad sale.

Q And are you familiar with the considerations of those sales? A Why, I haven't a record of them with me; I know the average price paid was about $2.00 a square foot. I recall now that there were eleven lots sold for $55,000. That sale, I think, was mentioned by Mr. Ryer in his testimony here.

Mr. Bain. I make the same objection as I made with respect to the testimony as to the sale of the Vanderbeek property, as to any testimony upon the sale of property in Block 76.

Mr. Hendrickson. Same ruling as the ruling on the Vanderbeek tract.

The Witness. The railroad company recently—well, I say "recently," within about two years ago, purchased four lots on Morgan Street, in March—March 14, 1913—

Mr. Bain. I object to any testimony as to sales of property on Morgan Street, upon the

ground that such property is located in such a way that it bears no comparison with the property of the Long Dock Company.

Mr. Hendrickson. Same ruling as above.

Q Are you familiar with those sales? A There were four lots on the north side of Morgan Street purchased from Anton Rinschler, Jr. and wife by the United New Jersey Railroad and Canal Company, March 14, 1913; recorded in Liber 1150, p. 79—four lots 25x100 each, for $19,500, at the rate of about $5,000 a lot; that is $2.00 a square foot.

Q Have there been any other recent sales, that have come under your notice, in that neighborhood? A Well, I know of sales generally in there, purchases particularly by the Atlantic & Pacific Tea Company.

Q Where was their purchase? A They have purchased quite extensively on First, Bay, Morgan, Warren, Provost and through there. Of course, the evidence I have on that is purely hearsay; it is from the man who purchased the lots.

Q Well, the schedule is already in with it on, is it not? A I believe there is a schedule in reciting some of those sales.

By Mr. Hendrickson.

Q You have furnished to the Great Atlantic & Pacific Tea Company the evidence on the cost of their pilings and foundations for the buildings to be placed on those lots, haven't you? A Yes, I had a great deal to do with the Great Atlantic & Pacific Tea Company at the time they located there; I did quite a lot of work for them.

Q You are familiar with the property? A Yes, and have had conversations with Mr. Harmon of the Atlantic & Pacific Tea Company. I know generally what they paid for their properties.

Mr. Hendrickson. Why do we go into that? There is no question about the prices paid. There is no question but what Mr. Ryer's testimony is exactly right. I was the attorney and am the attorney at present of the Great Atlantic & Pacific Tea Company and can verify all that.

Mr. Bain. There is no question about that, I think.

Mr. Hendrickson. I do not know why you waste any time over things of that sort.

Mr. Hardin. I thought, in view of Mr. Bain's objection, it was up to me to show the familiarity of this witness with this neighborhood and the transactions within the neighborhood; that was my purpose.

Mr. Hendrickson. All right, I understand your purpose now, I will keep quiet.

Mr. Hardin. Well, it seems that the facts are in. He says he is familiar with them.

Mr. Bain. I do not understand that the value per square foot of the Great Atlantic & Pacific Tea purchase has been stated, has it?

Q Have you calculated that, Mr. Dunham? A Well, it will average—

Mr. Bain. Just a moment; I want to object to any testimony as to the sale to the Atlantic & Pacific Tea Company, on the ground that the evidence of such a sale is not evidential of the value of the Long Dock property under discussion.

By Mr. Hendrickson.

Q Have you figured out the square foot price on the figures given by Ryer, on the Great Atlantic & Pacific Tea Company property?

Mr. Hardin. And otherwise known to you?

A Well, they have paid all kinds of prices; they paid all the way from $1.40 up to $2.00 a square foot. The average price would be in the neighborhood of $1.75.

Q On how many lots? A Some forty odd lots, all told.

By Mr. Hardin.

Q Have you ascertained the value put by Jersey City on the Stock Yards immediately to the south of the Long Dock yard? A Yes; the land is assessed at $911,700, and the improvements at $230,000; there is a total assessment of $1,141,700, and the area assessed is 850,750 square feet. The average assessed valuation on the lots is $1.07 a square foot; but that is unfilled land; it is merely overflowed by tide waters, and it is covered over with a pile platform, on which there is a cattle yard for cattle pens.

Q Which is assessed as an improvement? A Which is assessed as an improvement. Now, of course, besides the platform itself there are some buildings in there, that it is pretty hard to differentiate between the buildings and the platform, but the pile platform is worth about seventy-five cents a square foot; and in order to make that land available and put it to the same use as the railroad yards without filling it, of course you would have to build a pile platform over it to support tracks or whatever structures they put on the land; that would be seventy cents, added to the assessed value of the land, $1.07, brings it $1.82 a square foot; the assessed value of the unfilled land added to the seventy-five cents a square foot for the pile platform, would bring it to about $1.82; but they do not assess it as high as that; of course

there is a large depreciation there, which they figure in.

Q Is the type of that tract—the frontage it has on the river and its depth, etc., anything similar to the frontage and depth and area of the Long Dock Terminal Yard? A Oh, no; it is comparatively a narrow strip of land running out into the river, in no way suitable for a railroad yard, unless it was attached to the adjoining yard to enlarge it. Of course, in order to do that they would have to rip off everything there is on it and then bulkhead it and fill it up at great expense.

Q Well, in your judgment, does the additional area contained in the Long Dock yard, thereby making it available for the purpose it is now used for, make it more valuable? A Oh, yes; oh, yes; it is a larger tract and more suitable for a yard.

Recess until two o'clock, P. M.

AFTERNOON SESSION.

HENRY LOHMANN, Jr., a witness called on behalf of the State, having been first duly sworn, was examined and testified as follows:

Direct examination by Mr. Hardin.

Q Mr. Lohmann, where do you reside? A City of Hoboken.

Q Have you any official position there? A I am president of the Board of Assessors of the City of Hoboken.

Q How long have been a member of the Board of Assessors of Hoboken? A Since 1902.

Q Have your duties required you to familiarize yourself with the valuation of property in Hoboken? A Yes sir; they have.

Q And you have become familiar so that you are able to tell the value of lands in Hoboken? A Yes sir.

Q Have you had any particular district in the city under pour personal observation? A No; the entire city came under observation of the Board.

Q So that your experience is general throughout the city? A Yes.

Q You are, of course, familiar then, with the water front properties in Hoboken? A Yes sir.

Q A number of these properties are locally assessed by your Board? A Yes, the majority of them.

Q Have been for the years of your service on the Board? A Yes, sir.

Q Are the values put by the Board of Assessors upon the property in Hoboken, in your judgment, the true values of the property? A Yes sir; very close to the true value.

Q The intention is that they shall be true value in the best judgment of the Assessors? A Yes sir.

Q Have you given any recent attention to an area of water front property in Hoboken north of the Lackawanna Terminal, being the area that Mr. Dunham referred to in his testimony this morning? A That is the First Ward of the City of Hoboken?

Q Yes. A Yes sir.

Q Water front property, the area that he described? A Yes sir.

Q That comprised, as I recall, an area in the First Ward of Hoboken, bounded on the north by Third Street, on the south by the Lackawanna Railroad, on the west by Willow Avenue, and on the east by the Hudson River? A Yes, sir.

Q What is the assessed value of the land within that area?

Mr. Bain. I object to any testimony as to the assessed value of land in Hoboken, on the ground that such testimony is not evidence of the value of the lands under consideration.

The Chairman. The objection is overruled for the same reason that the objection was overruled as to the testimony regarding the value of land east of Henderson Street and running to the Hudson River between the Pennsylvania Railroad passenger terminal and the freight yard. The First Ward of Hoboken being known to the Board to be fronting on the Hudson River, and the same zone and distance from the water front of the Hudson River as the land under investigation in the Erie terminal yard.

Q (Repeated by the stenographer.) What is the assessed value of the land within that area? A $6,407,300 for 1914.

Q And that assessed value is in your judgment the true value? A Yes sir.

Q Of the lands in the area. What is the general character of that land within that comparative area? A In that area there is about—let's see—this part here—

Q (Interrupting.) It has a frontage on the river of 1,150 feet, I believe; am I right about that? A Yes. From Newark Street to Third Street it is river front property, and east from River Street, and the depth is about 1,225 feet; that is from the pier head line.

Q And on the water front is property developed with piers? A Yes, sir; there are six piers—no, there are, let's see; there are four piers there, three of the Hamburg-American, one of the North German Lloyd.

Q And to the rear of the water front property what is the general character of the property what is the general character of the property? A For city purposes, residences and office buildings, and some factories.

Q And general city use? A Yes sir.

Q An improved area? A Yes.

Q Are the lands and the buildings separately assessed in Hoboken—separately valued? A Yes sir.

Q And the value that you have given us is the value of the land alone? A Yes sir.

Q Have you calculated the square foot rate of the valuation of the land? A On Mr. Dunham's figure in square feet, and of the land assessed, $2.12.

Q $2.17½, I think. See if I am right about that? A Three millions—

Q You are right. Strike out my question. What is the assessed valuation of the water front property? A Sixteen hundred dollars a front foot.

Q When I use the term assessed valuation, I understand it is regarded by you as synonymous to the true value of the property? A Yes, sir; true value.

Q Sixteen hundred dollars a front foot running on the river? A Yes, sir.

Q And to what depth does that carry? A To River Street, and out to the new pier head line.

Q Does the new pier head line add something to the land under water, along the tract we are referring to? A We thought so, and we increased the value from fifteen hundred dollars a front foot to sixteen hundred dollars a front foot when that grant was made.

Q Has that assessment or valuation of sixteen hundred dollars per front foot been the subject of any particular investigation? A You mean an appeal or something?

Q Yes. A No; it has not. The parties have paid their money for the assessment without protest.

Q There is no back land connected with this water front except as far as River Street? A That is all.

Q Back of that it is general city use—the property is in general city use? A Yes sir.

Cross examination by Mr. Bain.

Q You have stated the assessed value of lands in the area bounded on the north by Third Street, on the east by the Hudson River, on the south by D. L. & W. Railroad—strike that question out—the whole question. A There is one plot of land that was not brought in there; that is the Hoboken Ferry Company; that is, of course, not included in this.

Q With the exception of that plot, the territory mentioned by you covers all the territory between Third Street on the north, the D. L. & W. on the south, Willow Avenue on the west, and the Hudson River on the east? A Yes, sir.

Q The main terminal of the Public Service Railway Company in Hoboken is located upon the southeasterly corner of that territory? A It is just south of Hudson Place—yes, southeasterly.

Q It is the southeasterly corner of the whole territory? A Yes.

Q How many trolley lines go into that terminal? A Why, I suppose six or seven.

Q There is a station of the Hudson Tunnels also at that corner of the territory? A Yes sir.

Q Directly across the street? And a terminal of the Hudson Terminal. A Yes, sir.

Q And directly across the street from the ferry terminal, and from the Hudson Tube station there are many hotels? A Yes sir—two.

Q They are on what street? A River Street.

Q River Street. Then, going—they are the largest and best hotels in Hoboken, are they? A I would not say that.

Q It is the principal hotel section in Hoboken? A Yes, it is one of them; there are two hotel sections.

Q Then, as you go west along Ferry Street the first intersecting street is what? A Hudson Street.

Q Hudson Street runs from Ferry Street north? A Yes.

Q And on Hudson Street near the corner of Ferry Street is located what bank? A Near the corner of Newark Street, I think you mean, don't you?

Q Well, between Newark and Ferry, and isn't there a bank between Newark and Ferry on Hudson Street? A Yes; that is at the corner of Hudson and Newark.

Q Corner of Hudson and Newark. What bank is that? A First National Bank.

Q What other banks are within a radius of two blocks of the bank you have just mentioned? A The Hudson Trust Company, Hoboken Bank for Savings, the Second National Bank. I think that is all.

Q And the section on which those banks are located, is the principal financial section of Hoboken, isn't it? A Yes.

Q What theatres are located in the section mentioned by you? A Within two blocks from that point the Lyric, and up there between First and Second Streets on Hudson there are some small houses on First Street; but they are not within two blocks; they are a little further than two blocks.

Q The Riding Academy is in that territory? A That is more than two blocks.

Q Yes, but within the territory mentioned by you? A Yes sir.

Q The Hoboken City Hall is located in that territory? A Yes sir.

Q And there is a bank right outside the City Hall on Washington Street? A That was named before.

Q And Washington Street is the principal thoroughfare? A Yes sir.

Q That is the principal north and south thoroughfare? A Yes sir.

Q And Newark Street is the principal east and west thoroughfare? A No, I would not say that; that is for a block or two.

Q Well, for the block or two within this particular territory? A Yes sir.

Q And the territory which you have mentioned is the principal business and financial and theatrical section of Hoboken? A Yes sir.

Q Practically what percentage of business of Hoboken would you say was done in that district? A Well, possibly a third.

Q A third of all the business done in Hoboken? A Yes sir; that is, financial business.

Q And that territory mentioned by you takes in the great steamship terminals in Hoboken? A Yes sir.

Q And the street running along the water front, River Street, there is conducted there the business of the steamship lines, and that is where the offices of the steamship lines are conducted? A Well, I would not say that.

Q Well, there are a great many saloons and places along that street? A Yes.

Q The steamship lines in that territory, the chief docks in that territory, are the Hamburg-American, North German Lloyd? A Yes sir.

Q And Scandinavian-American? A Further up.

Q In this territory? A Not in this territory, but in the City of Hoboken.

Q Is the Holland-American Line in that territory? A Yes.

Q What other steamship lines are within that territory? A In the City of Hoboken?

Q Yes. A In this particular territory?

Q Territory mentioned by you? A None others; only the Hamburg-American and North German Lloyd.

Q And the Holland Line? A No sir; that is not within this territory.

Q That is just north of the Hamburg-American? A No; it is north of the North German Lloyd.

Q North of the North German Lloyd. A great many people in Hoboken use the trolley lines to get down to the Hudson Terminal station foot of Ferry Street? A Yes.

Q And a great many people use the trolley lines to get into that terminal? A Yes sir.

Q I think you said the valuation of the water front was sixteen hundred dollars a front foot? A Yes.

Q That runs out from the new pier head line to River Street? A Yes.

Q River Street is the first street to the west of the bulkhead line? A To the west, yes.

Q And it takes in these Hamburg-American steamship piers, your value? A No; what do you mean, it takes in the piers?

Q The land on which the piers are situated? A Yes.

Q And the North German Lloyd also? A Yes; that is the part of the North German Lloyd lying in the First Ward of Hoboken. You see, the North German Lloyd property is located in two wards of the city; but the part is apportioned, or the valuation given in this Board is apportioned to the number of front feet that are located in the ward.

Q And practically all the travelling public of Hoboken go over this territory mentioned by you, don't they? A Oh, no; because we have another ferry there.

Q Where is that located? A Fourteenth Street ferry.

Q But that carries only a very few passengers in comparison with this terminal? A No; the Fourteenth Street ferry is doing quite a business at the present time.

Q But two-thirds of the people of Hoboken go to the foot of Ferry Street? A I would not say that.

Q You don't know the percentage, do you? A I did know it once, because we had a controversy with the Hoboken Ferry Company, and we undertook to find out just how many passengers were carried.

Q You found there were a vastly greater number of passengers carried to the foot of Ferry Street than the Fourteenth Street ferry? A Yes, there is no question about that, but what the exact proportion is I don't know.

Re-direct examination by Mr. Hardin.

Q How far north of this Hoboken ferry is the Fourteenth Street ferry that you refer to? A About fourteen or fifteen blocks—about a mile.

Q And is that still in the limits of Hoboken? A Oh, yes.

Q How are the values in that neighborhood?
A We assessed the Fourteenth Street Ferry Company—we assessed them twelve hundred dollars a front foot, but the property is not as big as this particular property here.

The Chairman. What is the depth up there, Mr. Lohmann, and what is the depth of the Hamburg-American land under water?

A The depth runs about from—(consulting map).

Mr. Bain. Speaking now of what?

A The Hamburg-American Line.

Mr. Bain. What is the depth?

Mr. Hardin. Doesn't it show on this map (indicating).

A Hudson County Atlas shows it. Mr. Hendrickson, I understand—

The Chairman. We haven't one.

Mr. Hardin. Oh, I thought you had it here the other day.

The Chairman. Jersey City, we had.

The Witness. I would not undertake to say, but I imagine this is the line here, and this would be about the proportion (indicating).

The Chairman. Well, it is about 1,600 feet now in front of the Hamburg-American?

A What is that?

The Chairman. It was fifteen hundred feet before the pier line was extended to the Hamburg-American Line?

A Oh, we are talking about depth at present, from east to west.

The Chairman. Depth from the pier line to the bulkhead line?

A Yes. This is 200 feet here. (Indicating). The property runs from just about here now (indicating).

The Chairman. How about the front of the Hamburg-American Line?

A 1,225 feet deep, about.

The Chairman. 1,225 feet?

A Yes, sir.

Re-direct examination resumed.

Q The whole river front, water front, in between the Fourteenth Street Ferry and the D. L. & W. Terminal, is developed, in use? A Yes; it is all in use.

The Chairman. And doesn't the value per front foot graduate substantially in proportion to the depth from the pier head to the bulkhead line?

A Yes.

The Chairman. What has influenced the Board in making these assessments is the fact that when you reduce it down and compare them with others it works out approximately on a square foot basis; because if it is fifteen hundred feet deep they charge fifteen hundred dollars a front foot; if it is a thousand feet deep, as it is in front of Exchange Place here, why, then, they charge a thousand dollars a front foot. That is the testimony all the way along. It is the same thing in Hoboken, where it is two hundred feet deep they charge two hundred dollars a front foot. That is my

point. And where it is eight hundred feet deep they charge eight hundred dollars a front foot.

Re-cross examination by Mr. Bain.

Q What is the distance from the exterior line of piers to the rear of the Hamburg-American Line? A That is the full depth?

Q Yes, from the pier head line? A About 1,225 feet.

Q And what is the distance from the pier head line to the rear of the property which you mentioned up at Fourteenth Street? A I think about eight hundred feet—seven hundred and seventy something; it was measured.

Q Those statements are rough, aren't they? A Yes. This one here in regard to the Fourteenth Street ferry is rough, but this, the one of the Hamburg and North German Lloyd properties is practically the measurement.

Re-direct examination by Mr. Hardin.

Q Do I understand that your method of valuing the water front by the front foot is related—the amount of the valuation is related to the depth from the pier line back? A Why, we think that that is the actual value.

Q And the greater the depth the greater the value? A Yes sir.

Q And the valuation that you have indicated on the Hamburg Dock, or around that part of the water front adjoining the D. L. & W. Terminal, is based upon a depth of how much? A 1,225 feet.

Q Of course, the valuation would be higher if the depth were greater? A Yes, indeed.

Q That is all.

Re-cross examination by Mr. Bain.

Q There is a limitation to the distance in back of the pier head line that adds value to the water front, isn't there? Do I make myself clear? A Yes. If the Hamburg Company and the North German Lloyd Company, for instance, could have a couple of hundred feet further—that is, further back than they have at the present time, it would add considerably to the value of their property.

Q They have got about 1,250 feet now? A 1,225.

Q 1,225. A Yes sir.

Q From the extreme westerly line of the property? A Yes.

Q Now, if they had about, let us say, fifteen hundred feet, you think it would add something more? A Yes; I think if they could have two hundred feet more than they have in depth, that that would add considerably to the value of their property, and it would meet their desires.

Q About a hundred dollars a front foot, do you think? A Oh, it would add more than that. For any other purpose than just the additional area of land we would add that, but then it would enhance the value of the property, because that is just what they are looking for. They want to increase the depth of berths for their steamships.

Q That is, if they are particularly long steamships, for instance, the Vaterland and Imperator? A Yes.

Q They are the largest steamships in the world, aren't they? A Yes.

Q But if they got that depth of land they would not need anything further, would they; that is, if they got about fourteen hundred feet? A I imagine that that would suffice for their purposes.

Q And if you got back about fourteen hundred feet, then you would say that the water front value would stop? A Why, for their use; for their particular use.

Q Well, for steamship use? A I don't see that a steamship company would want a greater depth than that.

Q And you would not value the land back fourteen hundred or fifteen hundred feet as water front land, would you? A Why, no; it could not if it was built up for the city purposes, the way the city of Hoboken is there.

Q Don't you regard the value of water front land as necessarily terminating at some point from the water front? A Why, yes; I do.

Q You would say that distance is what, about fourteen or fifteen hundred feet? A Yes, fourteen hundred feet. Then we strike a great deal higher value behind and on the other side.

Q That is because of different locality? A Different use.

Q Different use, such as you get in the Washington Street section of Hoboken? A Yes.

Re-direct examination by Mr. Hardin.

Q You terminate that fourteen or fifteen hundred feet from the water front by reason of having in mind the thought of the steamship use? A That is all.

Q It would be perhaps more valuable for some other use than a railroad terminal if it were still deeper? A Yes.

Q And would become more valuable because more available for the one, for the particular one? A Yes, the only reason that I can find into that is because when there was a steamship a thousand feet long—nine hundred and fifty feet long, it didn't require a berth any deeper than that; probably

fifty or sixty feet deeper than the actual length of the steamship.

Re-cross examination by Mr. Bain.

Q You don't know anything about the needs of railroad companies, and just what depth is available for railroad use, do you? A No.

(Witness excused.)

CHARLES HANSEL, a witness called on behalf of Long Dock Company, having been first duly sworn, was examined and testified as follows:

Direct examination by Mr. Bain.

Q What is your occupation? A Consulting engineer.

Q General consulting engineer? A Yes sir.

Q Have you been employed by various states for the purpose of making appraisals of property? A Yes; I have.

Q That is, railroad property? A Yes sir.

Q Have you been engaged as consulting engineer for railroads? A Yes sir.

Q Have you been employed as an engineer for certain railroads? A Yes sir.

Q Have you made numerous appraisals of the values of railroad lands? A Yes sir.

Q In various states of the United States? A In more than one state, yes sir.

Q In what states did you make appraisals? A In New Jersey, in Michigan.

Q Did you make appraisal of the railroad property in other states besides the two you mention? A Not of any importance, no.

Q Are you now doing any work for the Interstate Commerce Commission? A No sir.

Q But you were working upon railroad valuations for some time for the Federal Government? A Not for the Federal Government.

The Chairman. Who for? Whom?

A For the carriers; that is, the railroad. I speak of them as the carriers in the act.

Q The valuations which you are now making for carriers are to be used by the Interstate Commerce Commission or before that Commission? A Before that Commission, and we are cooperating with them in this valuation work.

Q You say you are cooperating with the Interstate Commerce Commission—

Mr. Hardin. Used before that Commission? You mean evidential before that Commission?

A Yes.

Q Is it a sort of joint appraisal being made up by you and your force and the Interstate Commerce forces? A It could hardly be called a joint appraisal. The act calls for cooperation between the carriers and the Government, and we are trying to adjust everything as we go along. In the case that we do adjust it it may be called joint; otherwise it is simply evidential of value.

Q You mentioned some act. What act is it under which this appraisal is made? A The so-called Federal Valuation Act. It is an act to amend an act called the Interstate Commerce Act, section 19-A.

Mr. Hardin. All I meant, Mr. Bain, was, that I did not think Mr. Hansel or you intended to give the impression that his valuation was official, in the sense that it was an interstate commerce valuation, unless the Interstate Commission might agree to it.

Mr. Bain. No.

Q For what railroads have you acted as engineer? A Engineer in charge—I have acted as chief engineer of the Wabash, and assistant engineer and division engineer, construction engineer on the Danville & Rio Grande some years ago.

Q How many years altogether have you been acting or employed as consulting engineer or engineer of railroads? A For about thirty-five years; I begun young.

Q Was your appraisal of railroad property in the State of New Jersey made under an act of the Legislature of this State, or were you appointed under an Act of the Legislature of the State of New Jersey to make such an appraisal? A It was not called an act precisely; there was some action taken by the State; I think it is called a resolution; I think so, to be precise.

Q You were appointed under Legislative authority? A Yes sir.

Q To make this appraisal? How long ago is that? A Well, we just started that in the year 1909, as a member of the Board of Appraisal, of which there were three members; and then afterwards that was changed in 1910 to a single head, and I was, under that second resolution—

Q (Interrupting.) Who appointed you? A Governor Fort.

Q When did you complete your appraisal of the railroad property of the State of New Jersey, approximately? A My work for the State was concluded in October of 1912. I think that answers your—because there was a combination of valuation and appraisal.

Q Did you during the course of that appraisal appraise the value of the second class property of the Long Dock Company of Jersey City? A Yes sir.

Q What was the value of Block 16, plot B-6 of the Long Dock Company in Jersey City, as appraised by you in 1911? A That is Block 16?

Q Block 16, plot B-6? A $915,400.

Q What was the value of Block 17, plot A-2, as given by you in 1911? A $3,214,130.

Q What was the value or the appraisal made of the plot described as Ferry Plot, 130 feet wide? A $96,830.

Q What was the value of Block 16, B17? A $115,732.

Q What was the value of Block 182, Plot C? A $11,510.

Q Have the valuations or the appraisals to which you testified, increased or diminished beyond the amounts stated by you—beyond or less than the amounts stated by you? A You ask for an opinion, I suppose, not for a decision? I can only give an opinion, and in giving an answer to that I should recite how I computed the value, I think.

Q Well, I will withdraw the whole question. Strike the question and answer out. What were the values of the parcels which you have just mentioned as of January 1st, 1914? A I would appraise them at the same rate, the same amount.

Q How did you arrive at those valuations? A I assumed that we had an area that was available for any reasonable purpose other than railroad use. I made no attempt to make the valuation for the purposes of the railroad, but for any other reasonable use; I assumed that the use could be described as being the construction of piers and the operation of same, the building of warehouses adjacent to the piers and the operation of same, and the construction of high class factories and shops—the whole plant something on the line of

the Bush Terminal. After having assumed the construction of these I assumed the cost, the cost of operation, income, and capitalized the income, and so decided that on a six per cent. basis for money they could afford to pay so much for the land and water. I am speaking now of the whole area, because it needs water for the piers as well as the land for the buildings. In other words, I assumed that I had a client asking me how much he could afford to pay for that area as it stood, in order to pay him that six per cent. on his investment, and on the kind of investment he would have to make in order to earn that six per cent.; in other words, I did not consider any outside property at all, except only that area that was before me.

Q And did you consider each of the parcels as assessed by the State Board of Assessors; that is, Block 17, A-2, as consisting of a single large plot? A No; I divided them up into zones in order to apply to each zone what I found to be the value for each particular class of occupation. In other words, I took the whole area of 64.772 acres—

Q That is in Block 17, A-2? A Yes, including the land under water. I assigned 25 acres for the piers at $46,330 an acre, which gave me an amount of $1,858,250. I then for the warehouses assigned 13.75 acres at $60,000 an acre, that being the upland immediately west of the bulkhead line.

Q You mean $60,000 an acre? A $60,000. That gave a total of $825,000. Then I took the 19 acres, it is the other end of the strip, at $50,000 an acre, which gave an amount of $950,000. Then the balance, on 7.002 acres, at $40,000; that gave a total of $280,000. For the grand total, $3,314,130.

Q Did you value the other plot by the same method? A On the south side of Pavonia Avenue I did it differently.

Q That is a block described as Block 16, B-6? A Yes, sir.

Q How did you value the appraisal south of Pavonia Avenue? A We took a strip—well, I will show—on the south side of Pavonia Avenue; the strip known as the west ferry slip,—is it, you wish?

Q No. Take first the large plot south of Pavonia Avenue, known as Block 16, B-6? A I divided that up in lots, all except the back end of the tract—I might describe it as perhaps the east half—all except half of the block south of Pavonia Avenue, and that I figured on 5.82 acres, at $50,000 an acre, the same as the lots on the other side which I described under the acreage given—19 acres at $50,000. The total amount of the $915,400 is made up of lots 400 by 200, at $8,200 per lot; and 800 by 200, at $8,000 per lot; and 900 by 125, at $5,000 per lot.

Q Did you in valuing Block 16, B-6, take into consideration the small parcels of land under water in front of that block? A I did, yes; I did also the value of the frontage on the south side of the lots.

Q In other words, the frontage on the canal at the southerly end of these blocks? A Yes; they call it a canal or slip; I don't know what they call it.

Q And does the value of the strip under water in front of Block 16, B-6, reflect the true value of that block? A Yes.

Q How did you value the small parcel known as the ferry block? A That is a strip known as ferry slip 130 feet wide, extending from the bulk-

head to Pavonia Avenue at the pier line, some 700 feet; that has taken the same rate per acre as the land for piers in the main body of the terminal north of Pavonia Avenue, on the same theory that its earnings would be as a pier instead of upland.

Q And did you value Block 16, B-7, on the same plan as you valued the ferry plot? A Yes, same rate, $46,330 an acre.

Q What was your total value again of the ferry block, and of Block 16, B-7—I think you have already given it? A 900—

Q (Interrupting). No, first for the ferry plot; that was $96,830, I think? A You are asking now for 16—

Q (Interrupting). No, for the ferry plot, right at the foot of Pavonia Avenue, 130 feet wide? A $96,830.

Q And for Block 16, B-7? A $115,732.

Q I think you stated for the purposes of valuing Block 7, A-2, you divided your block into zones. How far back from the pier line did your first zone run? A I will have to refresh myself on that. I don't remember. From the pier head line to the bulkhead line.

Q From the pier head line? A I don't know as I can answer that now.

Q Can you state it from the bulkhead line? A No; I haven't that data here.

Q Well, approximately. Can you state approximately how far—withdraw that. What length did you allow for piers on the bulkhead line? A Well, my recollection is about twelve hundred feet.

Q You don't recall accurately what it was? A No; I do not.

Q Then I understand, Mr. Hansel, your method of valuation was to lay out these plots according

to their best use, excepting railroad use and ascertain the income from the property if laid out for its best use, capitalize that income to ascertain what a man could afford to pay for it? A That was the plan, yes.

Q And that is the plan that you applied to the other block mentioned by you? A No. I divided that into lots, on Pavonia Avenue.

Q The block south of Pavonia Avenue you divided into lots? A Yes, divided that into lots.

Q Is that an approved method of valuation, do you know? A I don't know; it has been approved, I believe. I believe I qualified as a witness before the first Board of Acquisition on that theory. I didn't claim to be an expert in real estate under the generally accepted definition of that term, and I believe they qualified me as competent to act after having heard the theory of the valuation.

Q Now, assuming that the exterior line for piers in front of Block 17, A-2, had been extended approximately 122 feet along the northerly line, and about 100 feet on the southerly line, does that extension of the pier line add any value to that block? A Now, that area covers the front of their main tract, does it?

Q Yes. A Or does it include the ferry slip, too?

Q Includes part of the ferry slip. A Well, I should say that the part of the ferry slip that it includes had no added value, but the other part might have a potential value.

Q What do you mean by potential value? A I mean to say that there might come a time when it would be valuable, but I cannot conceive that the part in front of the ferry slip would be of any added value as a ferry slip.

Q Has the time arrived when that extension of the pier line is valuable? A I would not think so.

Q And why not, Mr. Hansel? A For the reason that I base my value on the demand for piers of a sufficient length to be a commercial pier, and such a pier can be constructed today without even going to the old pier head line. I have no means of knowing what a pier—if there is a demand for any pier of that added length. I would not suppose so, because conditions are such that there is no increased demand, certainly, for piers, and such classes of terminals as I have attempted to create—that is, a hypothetical creation—and the basis of value depends upon the demand for that kind of construction.

Q And the land at the foot of Pavonia Avenue, 130 feet wide, is covered entirely by the ferry slips. Does the extension of the pier line in front of that add any value? A I should say not.

Q Does the extension of the pier line in front of Block 16, B-7, add any? A It would have the same potential value as the slip first described.

Q Is it possible to put any present value upon the land between the old and the new pier lines at this time? A I would not know how to do it.

Q You have had no communication with Mr. Floyd Corbin, the witness who testified before you in this matter, have you? A No.

Q Have not read his testimony? A I declined to read it.

Q And have not heard his figures stated? A I have not.

Q You said that you did not value these parcels for railroad use. Why not? A Because I don't know how that could be done.

Q Is it possible to do so? A I don't think it is.

Q And why not, Mr. Hansel? A Simply because it is so essential to the railroad, and its function is to enable the carrier to gather and discharge freight which may be for points as far west as Chicago or St. Louis, and on that theory I would say the value would be distributed over the entire property, and to cut off that opportunity to gather and discharge freight would be so serious as to affect the value of the whole property, and it might absolutely destroy the value of the whole property to take away from them this terminal. On the other hand, the cost of acquiring a terminal is not value, it is an expense, and is generally reflected in the accounts of the carrier by increased taxation, without any increased earnings, but it is one of those things that is so essential to the carrier that I would not attempt to place a value on a terminal.

Q In valuing the large block 17, A-2 by zones, did you include in each zone the value reflected in it because of its connection with the other zone? A I cannot say that I did. I can hardly explain all of the reasons that I took under consideration, and the amount of weight in dollars and cents I gave to each reason. But I assumed a definite price on the acreage, and then tried to discover if I could afford to pay that for it.

Q In other words, you took the block as a whole to make your valuation? A As a whole.

Charles Hansel, cross.

Cross examination by Mr. Hardin.

Q Took the block as a whole but valued the zones separately? A Yes.

Q Each zone would have a separate value if it had not been in juxtaposition to the other zones? A Well, hardly—

Q (Interrupting). Similarly located, I mean— A (Interrupting). Because I considered the zones as created for a definite purpose, and they were all associated. In other words, the piers—if we could not get the piers we would not build the warehouses, and if we could not build the warehouses we would not be apt to build the factory buildings; so that in a manner it was associated. The fact is I did not dissociate a zone from the whole terminal.

Q That merely means, does it not, that you give each zone the advantage of its location? A Yes; that is what I endeavor to do.

Q It does not mean that you took into consideration in the valuation of each zone the advantage, or possible advantage of a combination of all zones into one tract for some use for which the larger tract in combination would be available? A That is such an involved question that I don't know as I can—

Q It does not seem to be involved.

Q (Repeated by the stenographer). It does not mean that you took into consideration in the valuation of each zone the advantage, or possible advantage of a combination of all the zones in one tract for some use for which the larger tract in combination would be available.

Mr. Hardin. It does not seem to be involved, and I know that you are a very intelligent gentleman.

A I confess that I don't know how to answer it. I will be glad to, Mr. Hardin, but it does not seem to me to be clear; because I stated first, I had a zone; I had the whole tract to consider. Having the tract, I endeavored to place a value on the whole tract by assuming a development which was an associated development; that is piers and warehouses and factory sites.

Q The same development might take place under your theory of zones if each zone had been located just as it was and did not need separate ownership? A If I knew that I could control the acquisition of the three other zones, yes—at the price I fixed, yes.

Q It gets back, does it not, then, to what you considered—that you gave each zone the benefit of its location? A Yes; I think you might say that.

Q My question was suggested by Mr. Bain's question to which you said that you did not feel that you could say yes, his question being, did you take into consideration the fact that the reflected value in each zone as distinguished from the other zones? A No; I can't say that I did that at all; I had the tract, and I developed an artificial zone because it required about so much area to build a satisfactory pier, and so much area to build a satisfactory warehouse to go with such piers. I took the peculiar plan of each land, then I said, "What is it worth for any other purpose?" And the only other purpose I thought that could be devoted to in that sized area was for a railway station; so I got at it in that way.

Q Well, common ownership is not essential to that theory? A Not necessarily. Common acquisition of ownership would have to be essential to it.

Q You told Mr. Bain that what you did was to assume a use, to estimate the income that could be derived from the use and capitalize that income by figuring what your customer, to use your own terms, could afford to pay. Did I understand rightly that was your theory? A Yes.

Q Well, now, assuming that this property in combination—we may assume, I suppose, from the fact that this was a railroad terminal that this property was valuable for a railroad terminal use? A Yes.

Q Applying that theory to the tract as a whole, it gets down to what the railroad company could afford to pay for its terminal property, then, if you are considering its availability for railroad terminal use, taking the tract as a whole? A Well, as I stated, I have no means of knowing what a railroad could afford to pay. It generally has to pay what it has to pay without regard to what it can afford to pay.

Q Well, land associated together in sufficient area, and eligibly located on a water front for terminal use, has some added value by reason of its availability for that use, has it not? A Oh, yes.

Q And your method of valuation does not undertake to determine that element of value at all? A No, sir.

Q It would appear, then, assuming the availability of this land for railroad use, that, combined as a tract, as a whole, it would be your judgment that it has some added value by reason of its availability for railroad use as a railroad terminal? A Added value—it would.

Q But your figures for the zones, for some other use, considered separately— A (Interrupting.) I haven't offered any opinion; I do not

feel competent to offer any opinion as to its value for the railroad use. I so stated in making the appraisal for the State.

Q I am not asking you to express any opinion as to its value for railroad use. I am asking you to estimate what I understood you to say gave it an element of value—its availability for railroad terminal use. I understand you to say that suggests value, and do I understand that it has an element of value that you are unable to put in dollars and cents? A It has, it may be more or less. The value to the railroad is not a value in the sense of value for another purpose, because the other purpose is a local one, whereas the railroad is in a sense not only states-wide, but several states-wide.

Q And the fact that it is available for railroad use makes it—to the railroad at least—of additional value to the railroad? A I don't know. In relation to what? That is what puzzles me in endeavoring to answer your question. It is a valuable tract, of course, for the railroad, but to say it has an additional value it has to be compared with some other value. I cannot compare it because I only took the value especially for railroad use, or whether the railroad might be able to pay at least that much for it if they could not get it for any smaller sum. Another carrier, perhaps, could not pay as high a price as I have set, because it is too great to support its business.

Q You speak about terminals being an expense to railroads. I don't know that I quite understood what you meant by that, because you immediately followed it by the statement that the terminals produced or induced additional taxation. Just what do you mean by that? A Well, I meant that this income or value that is sometimes

spoken of as unearned increment cannot be spread upon the books of the carriers as an asset in its balance sheet, but that the taxes incurred by this increased unearned increment are spread upon the balance sheet; consequently it is an expense without a corresponding asset value.

Q What is the tax put upon? A On the so-called—the increased taxes are on the so-called unearned increment, I presume.

Q I don't think I understand you. A Well, I will try to put it in another way: If there was a railroad, as there is, occupying this plant, and it acquired this land for a million dollars—supposing the Erie acquired that at a million dollars. I wish to get in competition with the Erie Railroad, and in order to get a similar tract I have to pay three million dollars. I don't get any more earnings out of my three million dollars necessarily than the Erie does out of it million, because I am in competition, and I have to carry freight of the same class, at the same rate, between the same points.

Q Is not the lack of availability of other land for railroad terminal use reflected in your suggestion of the cost of three millions as compared with an original cost of one million—does not that indicate added value in the million as a tract actually assembled for railroad terminal purposes? A I don't think that that follows, Mr. Hardin. You asked me to illustrate what I meant by added expense without corresponding value. It might be that they could acquire a space equal to this for less money. I don't know.

Q A thing is sometimes worth what it costs? A Yes, but cost has no direct relation to value. I think that the courts have said that often enough.

Q You think the reproduction value is no guide? A I have never thought that the reproduction cost had any relation to commercial value.

Q The present cost is in no sense governed by what you get now? A Yes; I would not deny that fact.

Q Isn't that another way of putting the same thing? A You must have certain things. To take the railroad, I cannot diverge a line, offset it; I cannot go to this place and that place to select my line. After I have outlined the route I have to follow it, and I have to acquire land sometimes at a cost of ten or twenty times its value for any other purpose.

Q In other words, you have to get land for a railroad terminal where the land is available for that purpose? A Yes, sir. Therefore, while I am willing to pay it, I cannot concede that it is value always, but it is cost. It is cost without a doubt; but cost in that sense may mean such a burden that there is no value in the whole property. In other words, I was asked how much it would cost to build a railroad from here to Chicago. I said, "I don't know, but I would say this: that the first item of expense that had to go down would be about two hundred million for terminals in the City of New York. That is not value; that is expense.

Q After they got the terminals you would not consider it made the value it cost to get them, although they were essential to the property? A Well, I doubt if the terminals that we have in the City of New York are justified. The expense is so enormous. It is an expense incident to the construction of the road, and whether the value corresponds with the expense I don't think anybody has any means of knowing. There is a great deal

of criticism among some of the public on account of these enormous terminals that are acquired.

Q You find a difference between the value of railroad property for rate-making and for taxation? A I would, yes.

Q And in rate-making you would take this cost that you speak about, whatever it might be, into consideration? A Yes, sir.

Q But you would eliminate it for taxation purposes? A Well, I would take it differently. If I had to pay ten thousand dollars for an acre of ground, of which the normal value, the sale price —going value— is only a thousand, I would think the thousand dollars was the taxable value, and the ten thousand dollars was the land upon which the owner should receive a return. Otherwise he could not afford to build a railroad.

Q You know no way to get at just what availability for railroad terminal use may give by way of intrinsic addition to property capable of being assembled for such a purpose? A You are speaking of what is called the plottage value?

Q Yes, if you want to call it that; that is one form of plottage. A All those elements were included. Whatever element of value there was included in my theory of developing the whole tract, on the basis of what it could be used for for purposes other than a railroad.

Q But your theory was a theory of independent zones in various use? A I am talking now about a tract, because of its combined area becoming available for railroad terminal purpose.

Q Any purpose, its availability for any use under my theory gives it value? A Do I understand your question, sir, to convey the thought that we should consider an assembled property at

a greater value than the total of the cost of each particular tract?

Q Yes. A I would say there is almost always a value, because you have assembled the property. There are here a good many points—the interest charged during the assembling, the taxes, and the fact that you have assembled it will make the total value greater than the sum of the individual parcel prices.

Q You made no effort, I understand, in your appraisal in 1911, and in your consideration or expression of opinion as to values to-day, to consider in any way the sale values of adjoining lands, adjacent or in the neighborhood? A No, sir.

Q You made no actual investigation when you were making your appraisal for the State on that line? A No, sir; I didn't consider it the proper basis; I did not know how to do it.

Q You were influenced, I suppose, to some extent in your theory of zones by the location of this property in the port of New York at the point at which it is located? A Yes, yes sir.

Q Did you give any consideration to the fact that there was no other land available for railroad terminal purposes for many blocks above and below? A No, sir.

Q The fact that the—that there are no such areas of land available for railroad terminal purposes nearby, up or down, in your judgment gives no value—no additional value to this assembled tract available for this railroad terminal use? A There comes in the word "additional" which confuses the question in my mind. I stated I gave no consideration to any other tract of land.

Q It should not be confusing and I do not intend it to be confusing. Availability for use is recognized by law. A Oh, but the value was what I was confused about.

Q And in condemnation cases the theory has been by the courts of New Jersey, said to extend to valuation of land for taxation—the peculiar availability of property for a given purpose, which is the subject of condemnation, is recognized as an element of value—what I am trying to show you; that is the additional value I am asking you to consider. A It may be that the purpose which I have assigned to this is higher use than railroad use; consequently we could not say that an added value could be given to anything when it was not a high or as high a use of the land as the use to which the value was applied, and a theory of reproduction, as generally conceded now, is that all other means of transportation are in existence as at the time of the valuation of a given property; consequently, to ask if the railroad use is an added value—I cannot answer it because I do not know whether that railroad use is a higher use of the property than that which I have outlined.

Q I haven't asked you to eliminate added value for railroad use or any particular use; I am asking you whether the peculiar availability for given use—scarcity of property available for like use in the immediate neighborhood, and the requirements for it in that neighborhood,—whether this peculiar availability if properly located is not an important element of value? A Why, yes, generally speaking, it is an added element of value for any person.

Q Don't you weaken the value of your own theory when you say you don't know whether you got the higher use or not? A No; I think not; because I don't know what the railroad use is; it may be a higher or it may be a lower use. I assumed that that tract would hardly be said to be available for a bank, a hospital, an opera house

or anything like that, because it was reasonable to suppose that there would be a demand for such a development as I thought to be its highest reasonable value.

Q And the value that you have given is the value that you assumed, you say—the value of your assumed use? A That is all. If it is not the highest value then there is some other condition under which it should be valued that I do not understand or know about.

Q In estimating this tract originally you took the area of it to the original line,—original established pier line? A Yes, sir.

Q In laying it out you took a certain area of it for the pier use? A Yes, sir.

Q You eliminated entirely, as I understand, the present use of the property for railroad purposes? A Yes, sir.

Q And this pier use that you have taken as the basis of one of your zones was a certain defined area back of the pier line? A Yes, sir.

Q Now, if the area had been larger and your pier line had been further out—your area would have been larger if your pier line had been further out—you would have had more back land, wouldn't you? A With the same given length of piers from the pier line, yes.

Q And you necessarily would have increased your figures? A No.

Q Some of your zones would have been larger? Assuming that your pier zone would have been the same, your interior zone must necessarily have increased in area, some of them? A Yes; but on the contrary; if I had increased the zone of the pier line the price per acre would have been smaller, because the income would not have increased correspondingly to the area. You can only get

about so much money for a pier, whether it be a thousand feet long or twelve hundred feet long.

Q Then your theory of valuation is entirely based on your theory of estimated income? A Yes; it is understood.

Q It stands or falls on estimated income? A Yes.

Q I understand you to say that you do find some additional value by reason of the added area between the old pier line and the new, outside of the ferry slip? A You mean exclusive of the ferry slip?

Q Yes. A I say that there is no doubt a potential value that may develop if there is a greater demand for piers than there is to-day.

Q Well, in estimating the value of the property, not in present use, which you ignored, but in estimating the value of the property for the peculiar development that you talk about, why do you exclude the added area in front of the ferry slips? A Because the ferry slip use is peculiar to the present use. Well, I do not consider there is any value there, because you cannot use it in any way. With the other I differentiate because if there is a demand in the future for a longer pier then you can construct it, but there is no demand in the business of a ferry slip, except to move boats over the water, as I understand it; and, therefore, there is no new income that would be developed by any additional amount of area in front of the ferry slip, even if it was granted clear across the river; I could not see where there would be any added value.

Q You get back again, to your income theory? A Yes; I can't figure any other way. If I knew what the income of a railroad terminal was I would use that as a basis for consideration.

Q You have known, haven't you, of ferry houses being moved out and more back land thereby obtained, in your experience and observation? A Why, I would not deny—probably I haven't, no sir; I don't know of any case, but I would not be surprised.

Q Do you know of any development of lands in this neighborhood, north or south, of the character of the zones, interior zones, which you developed? A No, sir; it is all in the use for terminals. I have no corresponding development. All I had was the knowledge that piers were in demand up to a certain extent at so much a pier per given dimensions, and that warehouses could be let for so much per foot, according to their construction, elevation, character, and so on, and I used those bases as an aid to discovering what earnings could be made off that area of land.

Q You assumed certain changes then on the face of this tract? A On the what, sir?

Q On the face of the tract which you were valuing? A On the surface of it?

Q Yes. A Yes, sir.

Q Different methods of access and different modes of going to the property both from land and water? A Why, I don't think that it would require any different kind of access than now exists. I don't remember that I took or that I had to consider that. We have got the access to the property.

Q I know, but you speak about the pierheads —bulkheads, being there. I was wondering whether in this pier zone of yours you regarded the present layout of the property as up to the theories of value that you advance? A Yes; it was, because I could a commercial pier in there, inside of the pier head line, and still not

occupy all of the land—all of the water—all of the land under water, whichever way you use it.

Q You left the ferry slips the way they are? A Yes; I didn't change those at all.

Q You think the best earning capacity, judging from your test of value,—the best earning capacity of the pier zones which you established, would be served by the piers as they now are in the ferry slips? A As they now are?

Q Yes. A No; they are not as great as I had figured. I would extend them. In other words, I would create in there between the bulkhead and the old pier line, a pier that would be sufficient to get the highest income out of.

Q And how far out would you put these piers? A Well, they were inside of the pier head lines. I don't remember whether they go to it or not; I haven't the sketch here, but they were drawn on the map, and I think I only took three piers in there, all I could develop for commercial purposes. There is not enough space between Pier 5 and the ferry slip for a vessel such as I would expect to use those piers for; and, furthermore, I did not consider that the land in front of this slip would be of as high potential value—or have any potential value, because it was felt necessary to have access to Pavonia Avenue, even if you did move out your slips. It is possible, of course, that you could do that and create a little narrow upland that would have a value. That might be done, but as a practical proposition I do not believe it would be done.

Q You are familiar, I suppose, with the whole water front; you have been at this whole terminal front, and those terminals above and below? A Yes, sir.

Q You are familiar, I suppose, with the fact that much nearer to the water front and the interior zones you have laid out on this property, from the north and south, comparatively short distance, there is an element of quite another kind? A On the upland.

Q On the upland? A You mean on the back land?

Q Yes. A Oh, yes; you mean Exchange Place?

Q Yes, and up in Hoboken? A Yes.

Q You are familiar with the value of these properties, the market values of property in these zones? A You mean adjacent to—no; I did study at Exchange Place. I tried to discover what the values were on Exchange Place and similar points, but I might say that I am absolutely ignorant about that—the value for other than terminal purposes.

Q And your zone theory and the use to which you devoted your zones ignored entirely the actual development of property no further back from the river, north and south—? A At that point?

Q Both up and down; I mean north and south, no further back from the river? A I didn't consider any of the property but this; I considered each one by itself as if it was in existence as a railroad terminal and other railroad terminals were in existence, each in its turn.

Q Even if you did know it was the fact, you would not be at all influenced by the fact that higher prices per square foot have been found in recent sales as to land in equal distance back from the river, north of this property at Hoboken, and to the south of it, just below the

Harsimus coal yard? A Wasn't influenced at all, because we could not afford to pay any more for it on the basis of this development than if they were asking ten times as much for the land; simply wouldn't buy it.

Q And if anybody did pay more for it, for some other use than the use which you collected for your comparative zones, your judgment apparently would be that it was a mistaken cost on the part of the purchaser and user of the property so purchased? A Not at all, if it is corresponding property, if it is property of the same availability and the same area, and in the same location; that is all I am considering.

Q Well, the availability of the property for your particular use results in the size of the zone which you created, does it not? A No, take every consideration, that is, the depth of water, its location north and south, generally speaking, up to a certain point it increases as you go south on account of its convenience, the depth of water and all that, and it decreases again beyond the Jersey Central on account of shallow water and getting away from the heart of business.

Q Do you know the property—looking on this map—Exhibit 1, for the State—do you know the Butler Brothers property? A No.

Q Don't know that there is a big warehouse in Block 107 on this map? A No; there might be a map there; that would not be of any consequence.

Q I was only calling your attention to warehouse property, because that is one of the uses— A (Interrupting). Oh, yes; I beg your pardon.

Q Do you know that there is a big warehouse on Block 109? A No, sir.

Q I understand, Mr. Hansel, that your valuation has no relation whatever to the neighboring property?

The Chairman. That is what I understand. It is a matter for the Board, of course.

Q You say you are unable to give us any idea of the value that may come to this property or any other property as available for the terminal uses of a railroad, because that is a value that it not local, goes back to the main stem as far as the road goes; it is not state-wide, it is several states-wide, to use your expression? A Yes, sir.

Q Do you think it is possible for the purpose of taxation to carry value that is located in Jersey City to the western part of Pennsylvania? A I could answer that both ways and be correct; answer it yes and no and be correct.

Q I understand from your rate making process that it would not matter how the value was distributed; that you take the property as a whole when you are making rates; but we have the taxation problem, and we are perhaps hampered about locating our values within our taxing district. That was a thought in my mind; if you do not care to discuss it, it is not very pertinent and I do not care anything about it.

The Chairman. I would like to ask Mr. Hansel a few questions.

Q Mr. Hansel, in fixing the value on the land, do you remember telling the State Board of Assessors in your opinion it didn't make any difference whether you got the value of that land accurately or not, because by reason

of your theory you would catch in the franchise the additional amount of money, because you capitalized the earnings of the road in such a way that you got the whole value of the road, and that your valuation on land was therefore for the purpose of distribution of the taxes to the locality? A That is, Mr. Chairman, not precisely stated, I think. But I daresay that any errors that I might fall into in the physical property—in finding the physical property, which included everything on the land—that with those carriers who earned a surplus I appreciated that it did not make very much difference, but for those carriers who did not earn any surplus, of course, it was important; so that I endeavored at all times to get as near as I could to what I considered the value, but that I did not take into consideration, especially in the rural land, the cost of acquisition, but took it at what I thought was the naked or normal value of the land for any purpose; and also stated in a report that I could well understand that it cost the carrier several times as much as the amount I had set as the normal value. It is true in explaining the result of the franchise I stated in several cases where the carriers desired us to get the physical element, but not in volume or in money, that there was no particular difference to the land. Those carriers having a surplus—the competition of the added surplus because of the lower annuity amount, and the physical element cut out, would just about balance each other, and they would have to pay the same amount of taxes as a whole; but, of course, I realized that the second class property had to be taxed in its centers; it cannot be spread

over the whole state, and I tried to get at that normal value without any thought of acquisition at all.

Q Now, after you presented this value to the Board that you have testified to, and your appraisement on your theory, the Board declined to adopt it and told you that in their opinion they thought the value of that land was higher than your estimate; isn't that so? A Yes; that is true.

Q That was true not only of this yard, but of the Lackawanna, to the north of this yard, the Pennsylvania tract to the south of this yard? A It was.

Q And we then fixed a figure and adopted the higher figure, which is the present assessment, together with you, did we not? A We adopted that figure by adding on the twenty per cent, and I think that the assessment on the whole as made was agreed to in conference with the Erie and the others all together; I think that is true absolutely.

Q Now, before the Board adopted that increase of twenty per cent. you told the Board of your experiences in Michigan, and got large terminal tracts or large tracts of land gathered together at a plottage value which in your opinion was twenty per cent, did you not? A I said that would add the twenty-five per cent to the land there for acquisition cost.

Q Well, from twenty-five to one hundred per cent? A Yes.

Q But in fixing your values on these large tracts that were available for these large uses, you added from twenty-five to one hundred per cent, depending on the locality and the

surroundings in the Michigan appraisal? A Yes; that was the cost of acquisition.

Q And you mentioned to us the names of the different cities where you did that, did you not? A I mentioned what had been done by others, in St. Paul and Minneapolis and so on, but not that I had done. In fact, I distinctly stated—

Q (Interrupting). You expressed your approval to the Board, did you not, when we adopted that increase—that twenty per cent? A That twenty per cent?

Q That it was justified here? A No; I did not as a taxing problem. I said the cost of acquisition would be probably a great many more times higher—several hundred per cent.

Q Didn't you tell us, as I remember, that in your opinion we were justified in adding twenty per cent to your figures? A I did not; I do not recall anything of that sort.

Q Now, didn't you tell us at that time that your figures were based on what you thought to be the value of surrounding property? I always had that idea until to-day? A No; it was all except terminals; whether in the country or in town, but not the terminals.

Q Well, you were present at the conference —the various conferences that we had with the various railroad companies which accepted this valuation on these terminals in Jersey City, and took in the discussion with the Lackawanna's representatives, the Pennsylvania's representatives, and the Erie representatives? A I think so.

Q And the values on these terminals in Jersey City—Lackawanna, Long Dock, Pennsylvania and Harsimus, and Pennsylvania ter-

minal at Exchange Place, at that time in your opinion, were all just an equivalent as between the railroads themselves, were they not? A Yes; I thought the adjustment was at that time—

Q (Interrupting). Fair? A Fair, as between the railroad themselves.

Q The Lackawanna, you know, accepted that figure and paid the taxes? A Yes.

Q And so did the Pennsylvania? A I understood they all did, as far as I know.

Q And you were present—you came with the Board from Trenton when Mr. Harrison Williams, representing the Erie Railroad, asked us to meet him at Mr. Record's office and discuss possible values on the Long Dock line? A I believe I was.

Q Do you rememer what Mr. Williams said at that time? A No; I do not. All that I remember of it is that he agreed to some settlement; I don't remember what the figures were; I understood he was—

Q (Interrupting). Don't you remember that he told us that the executive committee and officials had authorized him to submit to us the figure, and agreed upon the figure we adopted in Mr. Record's office, and which is this assessment? A I believe he said that, but as to whether it is the assessment or not I cannot certify to that; I assume it is.

Q Well, you remember we all went out of there together and we had agreed on his figure, had we not? A Yes, sir; I think that is true.

Q Now, in arriving at the value which you put on the back land, as I call it, of the Long Dock yard, you stated that you allotted part

of it to warehouses and part of it to factories? A Yes.

Q Now, a few blocks south of the Long Dock yard we have the plant of Butler Brothers, which occupies about three acres of ground, 32 city lots—covers one entire block; that factory lies east of Warren Street, which in turn is east of the back of the Long Dock yard. I show it to you in Block 107, located between the Harsimus yard and the Pennsylvania yard at Exchange Place. Next to that we have another large factory, P. Lorillard & Company, which occupied for many years the building now on that, and occupied thirty-two lots there; that is still east of Warren Street—P. Lorillard warehouse and American Cigar Company in the block adjoining still further to the north, 109, still east of Warren Street; the Carter Chemical Company, occupying two-thirds of the city block to the south of Butler Brothers, east of Warren Street, and the other part of the block being formerly owned by Ames Spike Works, and east of this property and nearer to the river area, as you recollect, the Hudson & Manhattan Power House, with which you are familiar, the lumber yard of Van Derbeek & Sons—that is here (indicating);—and lumber sheds; cooperage plant, and the Baker Castor Oil Works, and an ink plant; and east of Provost Street the Merchants' Refrigerator Company, occupying about twenty lots—the lots are smaller there—the Dairying Manufacturing Company occupying twelve city lots, and in this block, 172, east of Henderson Street, the Great Atlantic and Pacific Tea Company, which occupies about, I think, eight lots; and the Hartford

Suspension Company, which occupies with its plant, four lots. Now, are those the kind of buildings that you have in mind as the development in arriving at the value you gave of the land back of the Erie yard? A Well, in a degree, yes; but, more similar I would point to the Bush Terminal. The kind of warehouses you would have inland there, where you have city streets on all sides, would perhaps be of a higher class; but I cannot say as to that. I don't know as to what they handle, but what I do know is that I designed my warehouses on the same plan as the Bush, because it was a going concern in the very scheme that I was trying to develop.

Q Yes. But a warehouse that covers thirty-two lots is the kind of a building that you had in mind, isn't it? A Yes.

Q Deep buildings, big buildings? A Oh, large buildings, yes.

Q Now, don't you know of your own knowledge that there are railroad sidings through all of the streets around Butler Brothers, the Atlantic and Pacific Tea Company, and the Hudson and Manhattan Power house? A Yes, yes.

Q Those streets you know to be full of railroad sidings? A Yes.

Q Similar to railroad sidings as would have to be in the Long Dock Terminal, developed along your ideas? A Yes.

Q And as they are actually in the Bush terminal? A Yes.

Q But isn't that development fairly comparable with what you had in mind for the rear end of the Long Lock? A Well, I would again say that my whole plan was based on

the development similar to the Bush Terminal, and there is a difference, because one side is only development of water, through piers and by shipping, whereas the inland warehouses are generally available on all sides. Whether that make a greater or less value I would not—

Q (Interrupting). Wouldn't you allow any access from the streets of Jersey City to the rear of the Long Dock yard if you filled it full of manufacturing plants and warehouses? A To the rear of the Long—oh, yes.

Q Well, it would be just like this tract where Butler Brothers is located, wouldn't it? A I would be similar so far as the manufacturing plants is concerned. There they would get access all around it, but so far as the warehouses, the part, I might say, at the bulkheads, would be connected directly with the piers; there would not be any teaming around there.

Q Wouldn't you allow facilities for teams to get into the warehouses? A Oh, yes.

Q You are familiar with the warehouse back of the steamship pier in Hoboken, Campbell's Warehouses? A Yes.

Q They allow teams to get into those warehouses? A Yes.

Q Why wouldn't you allow teams to get into your warehouses upon the Long Dock yard? A We would, but not in that same manner.

Q You mean you would not have it in regular rectangular blocks, necessarily? A Yes.

Q But there would be the same access that there is in that territory where I have shown you Butler Brothers is located? A Yes.

Q Well now, that being so, don't you think that the actual value as shown by sales in the territory where Butler Brothers is located bears a relation to the value of the back land in the Long Dock Terminals? A It certainly would to the Butler property, because the center of gravity of business, as I understand it, has a great bearing on the value of property. The team work that you have to do, the availability of the tracts for warehouses depends upon the distance.

Q Now, in the case presented to us by the Long Dock here, shown on Exhibit D-3—is shown what is marked as south section and north section, which run from the hill east to Provost Street in the rear of the Long Dock yard. You are familiar with the development, aren't you, of those two sections? A Well, I am fairly familiar.

Q You worked all along this main stem that ran back through this section? A Yes, sir.

Q Now, in your opinion do you consider this land here shown in the north and south sections, running from Provost Street back to the hill, back of Division Street, as good a comparison for comparative value of the Long Dock yard as the territory over around Butler Brothers and the Hudson & Manhattan Power House plant? A Well, my recollection is that the density of population is greater down there than it is up here. Therefore, the haul —the average haul probably would be smaller down there than here, and therefore that would be more valuable if that is the fact.

Q That would be more valuable? Which would be more valuable? A Why, the Hud-

son & Manhattan Power House locality, and that is the way it worked out, as I remember it, in all our estimation.

Q Isn't that development comparable with your idea of the development of the back of the Long Dock terminals? A Yes, it is.

Q And this ground back here, in what is known as the north and south sections on P-3, doesn't correspond, in your idea, with the assumed development of the back end of the Long Dock? A I don't understand you. You are speaking of the land and not of the development in this south section and the north section.

Q I want to ask you is you would go these lands running back to Divson Street east of Provost Street, and bounded on the north by 12th Street, and on the south by 7th Street, filled with small houses, buildings on lots 25 by 100 and less than 25 by 100, and located as far back from the river, to get an idea of what river front property, such as the Long Dock terminal, is worth? A I don't think that I would; no, I can't—

Q (Interrupting). Wouldn't you go to such a development as around the Butler Brothers, which is equi-distant from the river, and only a short distance away to get comparisons that would give you comparative valuations for these water front properties? A Well, if I were going to make a valuation on any other valuation than I have I would say broadly that I would have to consider all of the relevant facts.

Q And would you consider the land around Butler Brothers? A I might; I don't see why I should exclude any evidentiary facts.

Charles Hansel, cross.

I want to answer you Mr. Hendrickson, in regard to your misunderstanding of my practice in getting the normal value of the land. That the statement I made here as to how I developed the value here differently from any other part of the State is all in the State's own testimony; it is no different than it was before; so, if you have the faintest misunderstanding about it, it is a matter of record.

The Chairman. I would be very glad to have that on the record, because I would not want to have the least misunderstanding. I have the greatest confidence in you.

Continuation of cross examination.

Q Apparently it is your experience, the experience which you have recognized in actual practice in your Michigan work, that the actual cost of obtaining railroad land, both main stem lands and exterior and terminal property, very much exceeds the selling values of adjoining property? A I so stated in my report.

Q You said many times? A Several times.

Q Several times? A As high as ten times, to my own knowledge.

The Chairman. Mr. Hansel, on this P-3 I show you a line that crosses the Erie yard. See.

The Chairman. That line—and the engineers who approved this map testified—was seven hundred feet back of the bulkhead line. Now, your value, as I understand you from your testimony, in this back land here, was forty for the back part of it and fifty-five—

A (Interrupting). Fifty and sixty; then $46,330 for the land under water.

Re-direct examination by Mr. Bain.

Q There has been some discussion, Mr. Hansel, as to what occured when you reported your valuation to the State Board of Assessors, in 1911. Were you not asked by one of the members of the Board to calculate what percentage would have to be applied to your valuation in order to add ten million dollars to value of second class real estate in Jersey City? A I believe I was, yes.

Q What did you say to the Board when you were requested to increase the valuation of second class railroad property in Jersey City? A I said that was a matter for them to decide, that I had simply been engaged to get what I considered the value of the property of the carriers in the State of New Jersey; I was not engaged to make the assessment, and any sum of money or any multiple that they saw fit to put on for any purpose was not for me to question. I went on and made my report the same as if no such conversation had occurred.

Q That is your report to the State on values which you have stated here to-day? A Yes, sir.

Q And did you figure the percentage upon your valuation necessary to add ten million dollars to the railroads of Jersey City for second class property? A I believe I advised a member of the Board what portion would have to be added on in Hudson County to get that amount of money.

Q Was that twenty per cent? A I think it was, yes, sir.

The Chairman. Now, Mr. Hansel, you say you think it was, and you say that you think a member ofthe Board asked you that, and you qualify that statement by using that word "think." Now, if such a conversation took place was it at a Board meeting when members of the Board were present—all of that? A No.

Q Who was it that you think made that proposition to you? A Mr. Record.

Q Was that in his office or at lunch, or with you personally, in the absence of other members of the Board? A As I remember, it was asked me personally, and somewhere about the State House. He asked me that question —what it would require to increase the Hudson County—I think it was—second class—a certain amount.

Q There were no other members of the Board present? A Not that I know of.

Q But you are positive now that such a conversation did take place? A I think I may say I am.

Q Well, you say quite definitely that you were with Mr. Record and in some part of the State House? A Yes; it occurred to the best of my recollection.

Q Now, I show you, in the minutes of the testimony taken at the last meeting, March 2nd, under the testimony of Irvine E. McGuire, a resolution, as shown on page 252. I ask you to read that resolution.

(Witness reads book).

A Yes; I read it.

Q Weren't you present when that resolution was drafted and passed? A I think I was.

Q And at the time we adopted that resolution don't you remember the set of figures that I had showing my idea of the value of those two terminals, on which the one tract was slightly in excess of the value that was adopted, and on the south tract slightly beneath the

figures that were adopted? A You had such figures, I remember.

Q And when I voted for the figures that were figured out on that twenty per cent basis they were approximately the figures that I had previously worked out as my idea of the value of that land, weren't they? A I believe they were; yes, sir.

Jersey City, January 21, 1915.

The hearing on the foregoing complaint was resumed at the office of Charles E. Hendrickson, Jr. Esq., 76 Montgomery Street, Jersey City, New Jersey, at ten o'clock in the forenoon.

Present: Messrs. Barber and President Hendrickson.

George S. Hobart, Esq., and Robert J. Bain, Esq. (for Collins & Corbin) appearing for Complainant.

John R. Hardin, Esq. and Josiah Stryker, Esq. appearing for the State of New Jersey.

JOHN H. EHREHARDT, sworn.

Direct examination by Mr. Hardin.

Q Mr. Ehrehardt, where do you reside? A My legal residence is in the Town of St. Lawrence County, N. Y.; I spend most of my time and do most of my work in New York City, having a business office in the Grand Central Terminal at 42d Street and Vanderbilt Avenue.

Q You say you do most of your work in New York; what is your work? A I am consulting engineer and appraiser of corporation property.

Q How long have you been such? A I devoted my time, especially to that work, since 1897.

Q In what neighborhood? A In the entire

State of New York, and in outside States, but my principal work outside of New York City has been in Jersey City.

Q You say you are a consulting engineer and appraiser of corporate property; what classes and kinds of corporate property? A Practically all kinds of corporate property, excepting large water power properties; I haven't had any amount of appraising, excepting on such plants as belong to the International Paper Company in Massachusetts, New Hampshire, Vermont and New York State.

Q You appraise real estate? A Yes, sir.

Q You appraised waterfront property? A Yes, sir.

Q In what different localities? A At the present time I am a consulting engineer of the New York Central Railroad and have charge of the assessment of all waterfrontage property of the company in the State of New York; I am also retained by that company as an expert on the appraisals of their waterfront property in the City of Buffalo, which has been condemned by the State of New York for the Barge Canal; I am also retained by the Boston & Maine Railroad on their waterfront property in the City of Troy, which has also been condemned for Barge Canal purposes; and I am retained at the present time also by the New York, New Haven & Hartford Railroad in the appraisal of properties in Dutchess County not on the waterfront; I am also retained at the present time by the Consolidated Gas Company on the appraisal of all property in New York City for State equalization purposes.

Q Have you, in your work, given any attention to New York Harbor and waterfront property in Jersey City? A In 1891 I took charge of the

terminal property of the West Shore Railroad, including all of their land from New York to Buffalo, and had charge of the terminal property from 1891 to 1895.

Q Where is that located? A That is located about three miles north of the line of Jersey City.

Q On the Jersey shore? A On the Jersey shore of the river, also one piece on the waterfront of the New York shore. Then, in 1905 I entered the employ of the Hoboken Land & Improvement Company as manager of their shorefront railroad, building a shorefront railroad connecting the railroad lines with the steamship docks; and during that time I attempted, with Mr. Palmer Campbell, to buy certain water front lands. From 1897 to 1900 I appraised over 1,000 miles of the line of the New York Central Railroad, making appraisals of property for tax purposes throughout the State of New York. From 1900 to 1906 I appraised all the Public Service Corporation property in the State of New York, the property in the streets, for the purposes of taxation, and the property outside of the streets, for the purpose of determining the intangible element in the streets; and during the same time I made a valuation of several hundred miles of railroad, over 148 miles of railroad, for the Board of Supervisors of Livingston County; also at the same time I did some contract work. From 1906 to 1908 I was consulting engineer for the New York Independent Telephone Company, a company trying to gain franchises in the City of New York. From 1908 to date I have been following strictly the valuation of corporation property for taxation and insurance and market purposes.

Q Are you familiar with the Jersey waterfront? A I should have said, further, that in 1904 I

was retained by the City of Jersey City on the valuation of this waterfront property, and appeared before the Chandler Riker Commission, having made a valuation of the Jersey City waterfront property for Jersey City, in connection with the work of that Commission; and I have been retained by the City of Jersey City on its waterfront valuation matters practically ever since.

Q You are familiar with the waterfront on the Jersey side of New York Harbor? A I am.

Q And with the values of lands along the waterfront on the Jersey side from the terminal yards at Weehawken down to the lower end of Jersey City? A Yes, from Fort Lee to the southerly line of Bayonne.

Q Do you know the Long Dock Company terminal property? A I do.

Q Referring to the map Exhibit P-1, which is the same as Exhibit P-3, I asked you if you are familiar with the Long Dock terminal; what do you include in your answer? A I include the whole terminal, and understand the valuation for the purposes of this case did not include the elevator property.

Q Taking this map then, when you referred to the terminal, did you include the land that is bounded by the red lines, which apparently excludes the Elevator property? A I did.

Q And as well of the back land as the land under water? Everything within the red lines? A Everything within the red lines.

Q In front, you will notice, there is, on this Exhibit P-3, on the river front, two red lines, the inside one, you understand represents the former exterior line of piers, and the outer one the new line for piers? A I do.

Q Can you tell us the value of that terminal property?

Mr. Bain. Before going into that question I would like to cross examine the witness on his qualifications.

Mr. Hendrickson. Proceed.

By Mr. Bain.

Q How much time have you spent in Jersey City in a year, from 1904 to 1910? A Jersey City has paid me on an average of $5,000 a year, which would mean, at $50 a day, about 100 days.

Q Did you spend 100 days in Jersey City during the time you mentioned? A I did.

Q In each year? A During that period, yes. Oh, wait a moment, now, it might not amount to 100 days,—it may be 80 days.

Q Jersey City paid you for each day's work you did in New York in the office? A That is right; but a great bulk of my office work is done in Jersey, and very little in New York. I use the employes of Jersey City in carrying out my work. I hadn't thought of that; I would say about 70 days.

Q About 70 days out of a year? A Yes.

Q You say that your time has been entirely taken up in valuing and appraising corporation property? A Generally so. I do other work.

Q But, mainly, your time has been taken up with appraising corporation property? A Yes, sir.

Q You never had anything to do with individual property to speak of? A Oh, yes. I appraised the North German Lloyd docks for the Fidelity Trust Company of Newark; I appraised the property, including Brooklyn waterfront, for the Metropolitan Life Insurance Company; and I

have appraised individual property of the Brooklyn Rapid Transit for the purpose of damages against the City of New York. As corporation property, no, that was corporation property. But I also appraised property for the Langley Estate in South Brooklyn, as I was retained by them against the City of New York.

Q From 1906 to date your time has been mainly taken up with the appraisal of corporation property for assessment and taxation? A 1908 to date, yes.

Q A period of six years? A Yes.

Q And those appraisals were chiefly for municipalities? A Oh, no.

Q Or States? A For municipalities in New Jersey and for corporations in New York State.

Q But all your appraisals in New Jersey were for municipalities? A Excepting the appraisal for the Trust Company.

Q How many municipalities in New Jersey have you appraised for? A Appraising land, only two. I think I did some, I appraised part of the Public Service property in Paterson; I think I only appraised the car barn property as real estate.

Q It has been chiefly for Jersey City that you appraised property? A Chiefly for Jersey City. Then, also, I appeared for Sanford Ross on the waterfront property.

Q Have you made a personal investigation of lands in Jersey City on the Hudson River? A I have.

Q What did that personal investigation consist of? A Making a thorough search in the Hudson County Clerk's office from 1868, I think it was, practically down to date.

Q What sales did you find in the Hudson County Clerk's office of waterfront property from 1868

to date? A The Yellow Pine property, the figures on that,—that is, I examined the deed,—I don't remember the amount of that sale; I don't remember that, I think it is not expressed in the deed, but I got it from other sources, other direct sources.

Q You asked me the other day for that sale, didn't you? A I got it in those books but I didn't want to hunt all through them for it; it has been a matter of record in these cases.

Q Did you get the price paid for the Yellow Pine tract from the record? A As I say, I think it does not appear from the record, but I got it from the parties actually in interest.

Q Can you tell us what that price was? A Just from recollection, about $53,000 an acre.

By Mr. Hendrickson.

Q Don't state it from recollection. Have you got the data that you made, so that you know what is was? A Yes, I have testified to it heretofore.

By Mr. Bain.

Q Can't you recall, off-hand, the price per front foot of the Yellow Pine tract? A No, I don't recall it off-hand.

Q Well, would you say it was $1,290 a front foot?

Mr. Hendrickson. Well, this Board will not allow Mr. Ehrehardt or anybody else to testify from recollection.

Mr. Bain. Well, I will say it was $1,293 a front foot.

A Well, I would say it was in the neighborhood of $1,300. That would be somewhere around that; it would be about $53,000 an acre.

Q What other sales have you a record of on the Hudson River on the New Jersey shore? A The sale of practically all of the North German Lloyd steamship property, and sales of the Hamburg Steamship property, the sales of every parcel of the Lackawanna yard, from the Hoboken Ferry, south to the southerly line of the yard.

By Mr. Hendrickson.

Q And that is the northerly line of the Erie yard? A The northerly line of the Erie yard, back to Henderson Street. The sale of the Harsimus terminal, about 1,000 feet south of the Erie yard, which is a part of the Harsimus terminal; all of the sales down to Morgan Street from the southerly line of Second Street, the middle line of Second Street, I should say, down to Morgan Street; the sale of the pier to Jersey City, at Morgan Street; the Vanderbeek sale south of Morgan Street, the Tilden sale, I think it was, south of that; a sale of the parcel of land, waterfront, lying between Essex and Morris Streets, and two sales on the basin.

Q Where is the basin? A The basin at the foot of Warren Street, the southerly end of Warren Street; the sales of the Black Tom property to the Lehigh Valley; then I also had a record of the sales in the Pennsylvania terminal at Greenville; and also had found some of the other sales which I did not make a record of on this map.

Q All those sales since 1868? A There may have been two of the sales in the Lackawanna yard that date back of 1868.

Q When did the Lackawanna first come to Jersey City, have you any recollection of that? A The Lackawanna came as the Morris & Essex Railroad about 1860, as I remember it; I couldn't

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give you the exact date, but the property that was turned over to the company was turned over, largely, by the Hoboken Land & Improvement Company, as I remember it, at a later date.

Q Well, the Morris & Essex bought its terminal in Hoboken before 1868? A I don't remember; I intended to make that the beginning of my dates.

By Mr. Hardin.

Q You mean all that Lackawanna terminal? A No, the main terminal; they bought between 1860 and 1881, a large parcel they bought in about 1881.

By Mr. Bain.

Q The main part of the terminal fronting on Ferry Street they bought prior to 1868? A I think so, but I wouldn't say positively that it dates back of 1868.

By Mr. Hendrickson.

Q Well, the Board wants to know what proportion of the present yard, the part that you call the main terminal was there on that date? A Well, the southerly part of the terminal was bought in 1881, it amounted to $1,800,000 and was approximately $40,000 an acre.

Q How many acres? A All that adjoins the Erie Railroad.

By Mr. Hardin.

Q Adjoins the Long Dock terminal? A Yes, the Long Dock terminal, forty odd acres.

By Mr. Bain.

Q Did that carry with it land under water? A That is, I am figuring in the forty-odd acres to the pierhead line.

By Mr. Hardin.

Q As established prior to 1913? A Yes. The next parcel was purchased in 1867 (I did go back of 1868) for $550,000. The next parcel was purchased northerly——

By Mr. Bain.

Q How many acres in that parcel? A Something between 17 and 20 acres. Later I will give you those figures exactly, when I can refer to them. I just give you them now to save time. The next parcel was bought in 1868——

Mr. Hendrickson. Wouldn't it be just as well, if you are going into that, to have those figures accurate?

Q Have you got a record of the figures before you? A I will have a record before me in a few minutes, I will have to look for it. You see, I got into New York late last night, (I have been testifying in the west end of the State) and I haven't had a chance to do that.

Q We can go into that later. You had nothing whatever to do with those sales? A I had not.

Q Your information as to sales was derived from others? A My information as to many of the sales was derived from the records of your company, from the annual reports of the Lackawanna and other railroads, and from the records of the deeds themselves, and from the data that had already appeared in some of these cases as sworn to by other witnesses.

Q Have you personally purchased or sold any waterfront in Jersey City, or leased any such lands? A I have not.

Q What is your special line of work with the New York Central Railroad? A Appraising and valuing franchise property belonging to the Company, appearing before the State Board of Tax Commissioners of the State of New York on the valuation of such franchise property. I have been also under a special retainer, I appeared for them in taxation cases on appraisals of property such as they asked me to make here.

Q By "franchise" you mean special franchises? A Special franchises.

Q What does the special franchise include? A Special franchises include the taxation of about 24 miles of property in the City of New York.

Q What kind of property? A Property in the public streets and places of the City, and about eight or ten miles of property scattered throughout the State.

Q What is the other property scattered throughout the State? A Well, the franchise property, special franchise property, the largest other element is in the City of Buffalo, then in thirty odd cities of the State through which the New York Central operates, and in hundreds of villages and towns in the State.

Q And that has nothing to do with the waterfront? A That has nothing directly to do with waterfront property, except in the City of Buffalo and the City of New York.

Q But the special franchise does not include the waterfront property in the City of New York? A The special franchise includes the waterfront between 69th and 72d Street, New York, the ends of the streets, and 12th Avenue, which is out in the river.

Q That is, only street ends? A Street ends, and 12th Avenue, which runs lengthwise.

Q You say that you were employed by the New York, New Haven & Hartford Railroad to appraise property on the waterfront? A That is right.

Q That was also a special franchise? A No, that is ordinary, that is 15 miles of railroad in Dutchess County.

Q You were employed by that railroad to appraise that particular section of the road? A Yes.

Q For what purpose was that? A In a certiorari case.

Q For what purpose were you employed to appraise the special franchise of the New York Central Railroad? A Well, for the purpose of determining its value, in the first place, then to appear before the State Board of Tax Commissioners as to the question whether the property was overvalued or not.

Q Of course you valued only the franchise? A Only the franchise, yes, although it is necessary to appraise the other property, in connection with the franchise, to determine the values.

Q I think you said that part of your knowledge of the value of waterfront lands was derived from reading the annual reports? A Some of the sales were obtained from the old annual reports of the railroads.

Q And those reports of sales showed the land with buildings upon each tract conveyed? A Well, there were practically no buildings on a large share of the tracts conveyed, with the exception that there were a couple of old buildings, on the Lackawanna, old piers, which were not adapted for the uses of that land practically, and that sale was practically for the value of the land. There was a coal trestle on one of the parcels purchased by the Pennsylvania Railroad, and there were

some on the parcel at the foot of Essex Street, there were two little pieces of old dock, and the rest of the property, as I remember it, is practically vacant land.

Q Those railroad reports showed the amount appropriated by the railroad for the purchase of each plot? A Well, they stated the amount either to the Railroad Commission, to the Public Service Commission or to the Interstate Commerce Commission, the actual amount expended, under a sworn statement.

Q Well, did the actual amount expended distinguish between the land and improvements? A No.

Q Did the reports distinguish between the amount appropriated by the railroad company for the land the amount appropriated by the railroad company for improvements which the railroad company placed upon the property? A It could not include that, because the sworn statement could not include that.

Q What was the fact? Did the report by the railroad company actually include that? A Not according to the sworn statement, because the railroad company can't report that, unless they make a crooked report. I assumed that the sworn statements represented the values.

Q Do I understand you that a very large part of your knowledge has been gained from reading the sworn statements? A No, that is confirmatory of other data.

Q And were such statements confirmatory? A They were, yes, in every case, so far as I obtained the figures, the reports agreed with those figures.

Q As far as the railroad reports correctly showed the value of the land? A Showed the actual amounts paid, as I gained, either from the records or from other sources.

Q What was the last purchase or sale of waterfront property in Jersey City along the Hudson River? A The property about at the foot of Morgan Street, as I recall it would be about the last one.

Q What was the date of that? A Along about 1900.

Q Are you sure of that? A I am testifying that as my recollection.

Q Have you any personal knowledge of that sale? A Yes, I have the exact figures of that sale.

Q From whom? A Well, they have been testified to by the company's witnesses in this case.

Q Then you got your knowledge from testimony that you heard in court? A No, I had that knowledge from other sources.

Q What other sources? A I have been working at this thing for ten years and I can't recall all that.

Q Did you get information of that sale from anywhere else except from this case, or from reading the testimony? A Yes.

Q You said that was made in 1900? A About 1900; I am testifying to that from recollection. These waterfront sales are all practically ancient history, because in 1904, when I commenced this work, all but 390 feet of the Hudson River waterfront, from the southerly line of Hoboken to the southerly line of the Black Tom property of the Lehigh Valley, was owned by the railroads, and there were no sales after that date that could be obtained.

Q All but 390 feet? A Yes.

Q Did that include the Morgan Street pier of Jersey City and the Morris Street pier of Jersey City? A That included 260 feet at the foot of

Morris Street and 130 feet of the Morgan Street property.

Q That made a total of how many feet? A 390 feet; I am including in that the Morris Canal Basins, which are probably not owned in fee by the Lehigh Valley Railroad.

Mr. Bain. I object to that and ask that that be stricken out as a mere conclusion.

The Witness. I included it in because the Lehigh Valley paid taxes on it.

Mr. Bain. The statement why he includes it may be evidence, but as to the Lehigh Valley it is a mere conclusion.

Mr. Hendrickson. The reason why he includes that does not in any way affect the Lehigh Valley Railroad, and is only descriptive of the reason why he includes that in the data from which he draws his conclusion.

Mr. Bain. I object to any testimony by Mr. Ehrehardt on the ground that he is not qualified as an expert.

Mr. Hendrickson. The Board will take Mr. Ehrehardt's testimony.

The Witness. I would like to correct my testimony in one thing: I said 1868, but I went back to 1843 in my searches.

By Mr. Hardin.

Q Can you tell us the value of the Long Dock terminal property? A I can.

Q What do you make the value of it? A $6,879,000.

Q On what total area? A On a total area of 3,718,000 square feet.

Q Have you got that in acres also? A About 85.354 acres.

Q At what rate per square foot? A. That is $1.85 a square foot.

Q And you have applied that $1.85 per square foot to the whole terminal tract, as well to the north of Pavonia Avenue as to the south, and from the waterfront back? A Yes, sir.

Q Did you, or did you not, include in that acreage the small tract shown on this Exhibit P-3 as part of Block 183? A I did not include the main stem tract; as I understand it that acreage ends at the middle of Provost Street. I did not intend to value any land back of the center of Provost Street in that valuation of $1.85.

Q Your acreage does not include any portion of the land indicated on the map Exhibit P-3 as main stem? A As main stem, nor no portion of Pavonia Avenue back of the terminal plot.

By Mr. Bain.

Q Back of the bulkhead line, you mean? A Back of the bulkhead line, as marked in red; that is, the part of Pavonia Avenue which is not included inside of the red line.

By Mr. Hendrickson.

Q Was that $1.85 a square foot on the whole terminal that is comprised within the red lines? A Yes.

By Mr. Bain.

Q Does that include the main stem? A No, exclusive of the main stem, and exclusive of Pavonia Avenue.

Cross examination by Mr. Bain.

Q How many front feet are there across the Long Dock terminal on the bulkhead line, exclu-

sive of the main stem? A About 1307½ feet,—wait a moment, take 100 feet off——

Q You mean in front of the main stem, or exclusive of the main stem? A The railroad company owns 1307.5 feet in front of the main stem, and 1207.5 in the back of the main stem, on the bulkhead line.

Q 1207.5 is the number of feet that the Long Dock Company owns on the bulkhead line, exclusive of the main stem? A On the front of their property, which is not subject to lease.

Q Of course, the main stem does not run out beyond the bulkhead line? A It does not, as I understand it.

Q How much is your value per front foot according to that 1207.5 front feet?

Mr. Hardin. You are now asking him questions that he has already answered. He said his price was $1.85 per square foot over the whole terminal.

Mr. Bain. I want the front foot price.

Mr. Hardin. Back of the bulkhead?

Mr. Hendrickson. Isn't that a mere matter of computation?

The Witness. Yes, it is a mere matter of dividing one number by another, that is all.

Mr. Hardin. The reason I asked the question—I understand it myself—is because in front of the bulkhead line there are 1307 feet, and back of the line there are 1207. His figure is from the whole terminal.

Mr. Bain. I will get it first on the bulkhead line then on the pierhead line.

Mr. Hendrickson. Then please take your time, figure the thing out accurately, and translate it into front foot valuation.

The Witness. You can't translate it exactly, because there is one strip of 270 feet that has no frontage on the bulkhead line, in part of this yard. But I would say, in round figures on that valuation, it is, separate from the main stem, about $5,000 a front foot.

Mr. Hendrickson. For the whole depth of the yard, back as far as the yard runs, in irregular depths?

The Witness. Back to Provost Street the yard is nearly square, you know, up to Provost Street.

Mr. Hardin. May I ask whether you include the land to the South of Pavonia Avenue, which has no frontage on the bulkhead?

The Witness. That would not be included in that $5,000. I am giving round figures, because you can't separate it clearly.

Q Are you employed by Jersey City at the present time? A I am.

Q And in this proceeding? A I am.

FREDERICK DUNHAM, recalled:

Cross examination by Mr. Bain.

Q You stated the assessed valuation of the territory south of the Long Dock Company's property; that territory, you stated, was bounded on the north by the Pennsylvania; the northerly boundary was really Montgomery Street and Exchange Place, wasn't it? A No, I ran it up to the Pennsylvania Railroad.

Q The Pennsylvania Railroad property runs along the northerly line of Montgomery Street and Exchange Place? A Yes, and I included some

blocks north of Montgomery Street up to the railroad yard.

Q The northerly boundary line of that property was really Montgomery Street? A No.

Q What blocks did you take in north of Montgomery Street? A Lot 71 in Block 103.

Q That ran along the northerly side of Montgomery Street and as far west as Warren Street? A As Warren Street, yes.

Q So the boundary line of that territory was Warren Street? A Yes.

Q The southerly boundary was what street? A The Morris Canal, Dudley Street most of the way; the westerly boundary is Warren Street, the easterly boundary was the pierhead line on the Hudson River.

Q On the northeasterly corner of that territory is located the terminal of the Pennsylvania Railroad Company in Jersey City? A In the easterly portion of Block 7.

Q That is the northeasterly corner of that territory? A Practically, yes.

Q And that is the main trolley terminal of the Public Service Corporation in Jersey City? A I wouldn't say that; that is one of their main terminals in the lower part of the City.

Q Where is there another main trolley terminal in Jersey City? A Well,—in Jersey City you said?

Q Yes. A. That is their ferry terminal; the other terminal——

Q The most important ferry terminal in Jersey City? A Yes, they have one more, at the Pavonia Avenue, which isn't as lagre as the Exchange Place Terminal; the other main terminal is at Hoboken.

By Mr. Hendrickson.

Q They also have a main terminal at Journal Square, haven't they? A Yes, there is a terminal there in connection with the Summit Avenue station.

Q In conjunction with the Hudson & Manhattan Tunnel system? A Yes.

By Mr. Bain.

Q That terminal at Journal Square accommodates a comparatively small number of passengers, as compared with the terminal at the foot of Exchange Place? A Well, it can accommodate a great many more passengers, at the Exchange Place terminal; in fact it is a much more modern terminal.

Q But, as an actual fact, it actually accommodates a great many less passengers than the Exchange Place terminal does? A At the present time I should say yes.

Q You don't know as a matter of fact, how many passengers go to the Exchange Place terminal and how many go to the Journal Square terminal? A As to actual numbers I don't know. I use the Exchange Place terminal myself every day.

Q Where do you live? A I live in Greenville.

Q A majority of the people living in Greenville do the same thing, don't they, so far as you know? A No, they don't.

Q Why do you do it? A They travel on the Jackson Avenue line or the West Side Avenue line running north; a majority of the people go to the Summit Avenue station. The only people that I noticed getting off at Bergen Avenue, or at Communipaw Avenue, and transferring, are the people who are actually engaged in business in lower Jersey City. People in the Greenville section who go to New York stay on the Jackson

Avenue car and go to the Summit Avenue Station and there change to the tubes.

Q How many trolley cars stop at the Summit Avenue station, make that place a terminal? A There are two lines of cars that run from there, one is the West Side Avenue car, and the other is the Jackson Avenue car.

Q And there is also a West Side Avenue line that starts from Exchange Place? A Yes; that is the Montgomery Street line, running over to West Side Avenue.

Q What is the percentage of cars of the West Side Avenue line running to Exchange Place to the percentage running to Journal Square or the Summit Station? A Why, I couldn't state positively, but from my observation I should say about two or three to one.

Q That is, two or three cars running to Exchange Place for every one running to Summit Avenue? A That is on the West Side line.

Q What is the other line? A Jackson Avenue, they all stop at the Summit Avenue station.

Q But the Summit Avenue Station is not the terminal for the Jackson Avenue line? A Yes, I should say fifty per cent., at least two-thirds stop there. I go to the Jackson Avenue cars every morning, and I should say there are two cars to the Summit Avenue station to one to Hoboken; about every third car is to Hoboken, in the rush hours. In the slack hours I think most of the cars go through to Hoboken.

Q You mention two lines that run into the Summit Avenue terminal station. A Now, in addition to that, of course, the Belt Line cars, Newark Avenue cars stop at the Summit Avenue station, and Pacific Avenue cars stop at the Summit Avenue station; that is, they run along that street.

Q That station happens to be along the line of those two cars? A No, the station was put

there to be on the line of those two cars; it doesn't happen to be there; it was done purposely.

Q Don't you know, as a matter of fact, that the station was put there because it was on the Hudson & Manhattan Railroad? A Of course it is on the Hudson & Manhattan Railroad; it wouldn't be put on any other road; it was put there because it was convenient to this trolley line.

Q How do you know that? A I know that; because they considered two or three sites for that station.

Q On the Hill? A Yes.

Q What were the others? A One at West Side Avenue, and another site further east.

Q There were a great many reasons that moved them to take that location at the Summit Avenue station, at the place where it is located. A Very likely; of course they could have changed the trolley station east of the Summit Avenue Station, but its present location was on the Pennsylvania Railroad property.

Q To get back to the facts: There were nine trolley lines terminating at Exchange Place, and cars of four lines that run through or pass the Summit Avenue station? A There are four at the Summit Avenue station; as to nine at the Exchange Place station I am not sure of that; I would have to stop to count them up.

Q And of the four that either run to or by the Summit Avenue station, the same lines also have a terminus at Exchange Place, that is, the Belt line running each way, Newark Avenue and Pacific Avenue, and the West Side Avenue line? A Well, the West Side Avenue line running from the Summit Avenue station goes over to Montgomery Street and connects with the line running down. It is not the same line; it is sort of an in-

dependent line going part of the way over the same route.

Q The only other line that runs past or stops at the Summit Avenue station, that has not a station also at Exchange Place, is the Jackson Avenue line? A The cars that run through to Hoboken.

Q That is the Jackson Avenue line? A That is the Jackson Avenue line.

Q And the Exchange Place terminal is situated upon the river corner of your territory south of the Long Dock yard? A The Exchange Place terminal is situated between the Commercial Trust Company building and the back of the ferry house.

Q And at or near the corner of that territory is located the station of the Hudson Tunnels? A Almost directly across the street is the Exchange Place entrance of the Hudson tubes.

Q That is directly across Exchange Place? A Yes, on the other side of Exchange Place, the north side of Exchange Place, on the Pennsylvania Railroad property.

Q Your territory, you say, ran to the Pennsylvania property, and therefore would run to the tube station of the Hudson Tunnels? A Oh, yes, it runs to Exchange Place.

Q How far is the trolley terminal from the entrance to the Hudson tubes? A On a direct line about 150 or 160 feet, I should say.

Q The last distance you have stated is the width of Exchange Place? A About 100 feet wide, about; it is not directly opposite, I should say on a diagonal line from the entrance of the tube to the trolley terminal would be somewhere around 150 or 200 feet; not over 200 feet.

Q Then, do I understand you to say, that your territory to which you have testified runs only to the south side of Exchange Place? A The actual

area, yes; of course the territory that Exchange Place is in includes that.

Q Includes what? A Includes whatever value there is there.

Q In the street? A In the street or anywhere else.

Q But you include in your territory of land property along the southerly side of Exchange Place? A The southerly side of Exchange Place.

Q And all the southerly side of Montgomery Street? A Yes, except where I cross over the block at Greene Street, but when I go right up to the yard limit.

Q That is where you cross Montgomery Street, but in crossing then you run north to the yard limit of the Pennsylvania Railroad? A Yes.

Q Within your territory are located the Commercial Trust Company and the building of the First National Bank, and the new Jersey City Post Office, the Union Trust Company, in whose building we are now sitting, the New Jersey Title Guarantee & Trust Company, the Hudson County National Bank and the Provident Institution for Savings, the factory and buildings of Colgate & Company? A And part of the sugar house.

Q And Colgate & Company's office building? A Yes.

Q And the Lincoln Trust Company? A Yes, everything that is in that territory.

Q All those things are in that territory? A Yes, and a little more.

Q And that is the principal financial section of Jersey City? A I should say yes.

Q And the principal business section of Jersey City? A No.

Q I am not speaking of commercial business, I am speaking of business in general, the office section? A Yes, office buildings.

Q Do you know the assessment upon the land upon which the Union Trust Company building is situated? A This particular land,—I can tell you what this block, the average assessment, is.

Q What is it? A $3.71 a square foot.

Q How much is that a lot? A About $9,300.

Q You have just given us the average assessment of the land upon which the Union Trust building is situated? A The average value of the plot.

Q That plot, that is, the plot of the Union Trust Company, in which we are now sitting, fronts on Montgomery Street? A Yes.

Q What is the assessment upon lots on Montgomery Street? A I don't recall that off-hand; I took them by blocks.

Q Give us the assessment upon the land at the corner of Montgomery Street and Washington Street covered by the Union Trust Company building? A I don't know what that is; I took it by blocks.

Q Would you say it wasn't $15,000 a lot? A I should say it was worth $15,000 a lot.

Q $15,000 a lot? A I should say so.

Q It is probably worth more than that, isn't it? A It is worth about that, I should say.

Q And that is a lot 25x100? A Yes, that is right.

Q You say it is about $15,000 a lot? A I should say so, yes.

Q It wouldn't surprise you any if the assessment was $18,000 for a lot on that corner? A I don't know how they subdivided the assessments that way; it may be assessed as a plot; I am not sure about that.

Q In other words, you don't consider, in stating your assessments upon the whole territory, of

various lands, the assessment according to the location of each particular block? A I take the total assessed value of each block of land the entire block.

Q But you found, when you investigated those assessments, that land in some blocks had a much higher assessed valuation than land in other blocks? A Oh, my, yes; I found, for instance, take this tier of blocks that we are on, starting at Montgomery Street, and running straight south, between Washington and Warren Street, to the Morris Canal, starting with the block we are on, Block 102, total assessed value $296,900.

Q That is the block on which the Union Trust Company building is situated? A Yes; that is the total assessed value. Then take Block 101, the next block south, $72,500.

Q That is the total assessed valuation of that block? A Yes, then take Block 100, the next block south of that, $32,300. That is low because the old postoffice is in there, and the park is in there, and the churches.

Q There is exempt property in that block? A Yes, there is not a block around that hasn't; we have a big public school in this block. Then take Block 99, between Sussex and Morris Streets, $76,000. Then Block 98, $69,650. Block 97, upon which the sugar house is located; no exempt property in there at all; that land is assessed at $82,900 just a shade over $1 a square foot.

Q Every block you have mentioned is equally distant from the Hudson River? A Yes.

Q So that there is no zone of equal value running through that section of Jersey City, of equal distance from the Hudson River, as shown by the assessments? A Why, they vary as to the distance from the main thoroughfare, and through

other causes, outside of the higher value on Montgomery Street. There is a zone of equal value there, but those totals I give you don't correctly express the true value of the block, on account of exempt property being located in those blocks.

Q You are largely guessing on that; you don't know the value of exempt property, and you don't know the value of the property, and the assessments to which you are testifying are only the assessed values? A The assessed values.

Q You don't know anything about the value of the property? A I know something about it. I know you can't buy any of it for the assessed value.

Q Suppose you take the block upon which the Commercial Trust Company is situated, Block 7 is that? A Block 7.

Q What is the value of that block? A The total assessed value of the land, (I am giving the land value now, understand) is $526,000.

Q What are the assessments upon the next block to the south of Block 7? A Block 6, $102,000.

Q What are the assessments upon the next block to the south of Block 6? A It is pretty hard to separate them, because they have waterfront values included in there, I see.

Q Give us the assessments upon Block 5? A Blocks 5 and 6 are all linked together with the waterfront.

Q I thought you just gave us Block 6. A Blocks 4 and 5 are lumped together, I mean.

Q What are the assessments on Blocks 4 and 5? A Including waterfront, $643,725.

Q And the next block south of block 4 is block 3? A Block 3.

Q What are the assessments upon that block? A That includes waterfront, $236,350.

Q That also includes the waterfront? A Yes, that is the American Coal Company's property; there is some question about their title to that waterfront.

Q So that it is apparent from the assessments upon these properties that the blocks are not of equal value, as shown by the assessments? A With the exception of one, Block 7, they are fairly of equal value; there is a little difference in the values of the blocks near the Morris Canal, because the streets are all deadened there; that is the limit of the streets.

Q In other words, you state that land along Exchange Place and Montgomery Street, in your territory has an especially high value because of its location upon those streets? A Yes, that particular tier of lots along that street has a higher value.

Mr. Hendrickson. And the Board itself recognizes that.

Q Now, take the tier of blocks, the most northerly one of which is No. 38; what are the assessments upon Block 38? A Between Hudson and Greene Streets, Block No. 38, total assessed value there is $244,200. The Colgate office building is located in that block, and the Fuller building.

Q What is the next block to the south of Block 38? A Block 37, upon which the Colgate plant is located.

Q What are the assessments on that entire block? A They occupy the entire block; the total assessed value is $112,000.

Q The next block to the south is Block 36? A Block 36.

Q What are the assessments upon that block? A $76,550.

Q And the next block to the south of that? A Block 35, total assessment $70,000.

Q And the next block to the south? A Block 34, total assessments $72,500.

Q And the next block to the south? A Block 33, $116,000.

Q So that that tier of blocks you have mentioned also shows different assessed values? A Yes.

Q No exempt property in any one of this tier of blocks that you have mentioned? A There is a Swedish Church; it doesn't amount to much.

Q No dead ends of streets in that block? A Greene Street and Hudson Street are dead end streets they end on the Morris Canal.

Q To the south of Block 33? A Yes.

Q But not at the east? A All the streets running to the east are dead end streets, with the exception of Exchange Place.

Q Block 106 is the corner of Washington and what other streets? A Block 106 is north of Pennsylvania Railroad; Washington, Steuben, Morgan and Warren Streets.

Q And is on the westerly side of Washington Street? A Yes.

Q The Block in which the Union Trust Company is located, Block 102, is also upon the westerly side of Washington Street? A It is on the westerly side of Washington Street, south of the Pennsylvania Railroad.

Q So that with respect to Washington Street, blocks 106 and 102 correspond? A They correspond, inasmuch as they are on Washington Street, but in entirely different localities, so to speak.

Q Because of the difference in locality, those two blocks have different assessed values, haven't they? A Yes.

Q What are the assessments upon Block 106? A $115,000. $1.44 a square foot.

Q Yet both of those blocks are equally distant from the Hudson River? A Yes, but not from the ferry.

Q So that the locality, with respect to the section of the city does make a difference in value? A Most assuredly.

Q Now, take your territory to the north of the Long Dock property; the southerly boundary line of that territory is what? A Ferry Street, upon which the Lackawanna Railroad is situated.

Q What is the northerly line of that whole territory? A Third Street.

Q The main Hoboken terminal of the Public Service Railway Company is upon which corner of the territory last mentioned? A The southeasterly corner.

Q Is there a tunnel station of the Hudson tubes also upon that corner? A Yes.

Q Is there a hotel and restaurant opposite the trolley and tube stations? A Yes, there is a restaurant there known as the Duke's House.

Q Upon what block is that situated? A Block 230.

Q What are the assessments upon that block? A I don't know; I took that First Ward in bulk from the Tax Board.

Q Then you don't know the assessments upon any one particular block in that Hoboken territory? A I had them here, but Major Lohman took the map away; I had a map here with the assessments upon each block but he took the map away with him.

Q Have you designated the two territories mentioned by you, one to the south of the Long Dock Company's lands and the other to the north of this company's lands, upon your map? A I did.

Q In testifying you have been referring to a map? A Yes, the two tracts used for comparison, one in Hoboken and one in Jersey City, are colored yellow on this map. This map also shows the terminal yards of the railroads in Jersey City.

Q Your Hoboken territory includes many banks, trust companies and theatres? A Well, it is sort of a conglomerate section; it includes practically everything that you expect to find in a city; it includes steamship lines, banks, theatres, tenement houses, stores, apartment houses, high in value and low in value.

Q In other words, it is the principal section of Hoboken, isn't it? A I wouldn't say that it is; it would probably be the principal financial section.

Q And business section? A No.

Q Aside from commercial business? A No, the bulk of the retail business is done on Washington Street, north of Third Street.

Q It contains the best land in Hoboken? A It contains——

Mr. Hardin. Which territory is that?

Mr. Bain. This territory referred to by him.

A No, I wouldn't say that either. It contains some very good, some very high priced land, upon which the banks and trust companies happen to be located; there are two or three blocks right near the ferry that probably are higher priced than any other blocks in Hoboken, but the rest of that section is low. The business and residential sec-

tion north of Third Street has higher values than the territory here. As a matter of fact, values on the lower end of Washington Street are lower than there, the entire section of Washington Street, that is, where they approach the railroad yards.

Q Yes, and the values along Hudson Street are the highest values of any land in Hoboken? A The values on Hudson Street, just where the banks happen to be located, in the neighborhood of Hudson and Newark Streets, are probably, for a very limited area there; the highest value property per square foot of land in Hoboken.

Q And that land you have just mentioned is within your territory? A Yes, a very small part of it.

Q You can't give us the detailed statements, or the assessments in detail upon those properties? A No, I can't give that; I can give you the total for the whole section. This area I have here includes the First Ward of Hoboken complete; it was totalled right up in their book, the total land value of the ward.

Q And the City Hall of Hoboken is in that block? A Yes.

Q And the Hamburg American Steamship Company's pier? A The Hamburg American Packet Company, and part of the North German Lloyd Steamship Company.

Q And the large office buildings are located in that territory in Hoboken mentioned by you? A Why, there are three or four office buildings on Ferry Street, on Newark Street, and River and Hudson Street; I am not familiar enough with the office buildings there to tell; there are three or four of them located in that section.

Q There is a new building, recently built, erected upon Hudson Street, the Terminal Building, an

office building? A Yes, there is one new building, I know, there.

Q Twelve or fourteen stories in height? A Well, I don't know the height; I know quite a large office building is there. It is nowhere near as large as the Commercial Trust Company building.

Q You have stated the prices paid, or alleged to have been paid, by the Erie Land & Improvement Company for some 33 parcels of land, containing 118,714 square feet. The consideration price for those purchases included buildings, didn't it? A Whatever there was, some had buildings on and some not.

Q And some buildings were three or four story tenement houses? A There were a lot of old tenements.

Q There were brick tenement houses? A As I remember, there were a lot of old dilapidated tenement houses.

Q Do you remember what rent those brick tenement houses brought in? A I don't know.

Q It may have been high, so far as you know? A I don't know; probably so.

Q Some of those parcels were covered by factory buildings? A Yes, I think so; one or two factory buildings.

Q Brick factories? A I believe so.

Q You haven't separated the total consideration paid for each sale into the value of the land and the value of the buildings? A No, most of them were torn down; some of them are still standing, but a great many of them were torn down for the railroad.

Q They might have been torn down since the company bought the property? A Yes.

Q There has been some testimony about the sale of the plot by the Vanderbeeks to the Manor Real Estate Company; did I understand you to say that that property had waterfront,—the Vanderbeek property? A There is no water front attached to the property, no.

Q But it abuts upon the Morgan Street pier? A There is a public pier in front of it; they had the same rights to use it as anybody else.

Q You don't know what moved the Manor Real Estate Company to buy that Vanderbeek property? A No, not from personal knowledge, I don't; but I can guess.

Q In all of the considerations for the purchase of the property that you have stated, you have not segregated the value of the land from the value of the buildings? A I can't do that after the building is gone.

Q In cases where the buildings are still standing you have not separated the consideration paid into the value of the land and buildings? A No, I have not.

Q There has been some testimony about the assessments upon the Stock Yards adjoining the property on the south. I think you said that that property was assessed at $911,700 for the land? A $911,700 for the land, yes.

Q Do you know the amount of the assessment, as reduced upon the Stock Yards, by the Board of Equalization of Taxes, for the year 1909? A No, I don't.

Q You don't know that the assessment for that year was a little over $700,000? A No, I only know what it is now.

Q There was something mentioned by you of 75 cents a square foot for a platform on that property, if anybody wanted to use it. You don't

mean that platform is built out to the pierhead line over the entire width of the Stock Yards? A Well, that is practically the way they use it.

Q Out to the pierhead line? A Yes.

Q What they have got there now is, in effect, a pier, isn't it, something of that nature? A Well, in the nature of a pier, yes.

Q Your statement about a platform is because of what? A Because the land is unfilled and cannot be used in its present shape without a platform on it.

Q Have you ever been down under the present flooring of the Stock Yards? A Not in recent years, but I was, at one time, under it.

Q So you don't know how far below the floor of the Stock Yards the solid land of that property is located? A Well, up at the westerly end of it, it is pretty well up to it; I think the westerly part of it is filled in.

Q All solid land? A Yes, I think part of the westerly end of it; then it shelves off as you go out toward the line, it is some distance below the floor.

Q At the bulkhead line, how far is the solid land below the present floor of the Stock Yards? A I couldn't state at the present time; my recollection is it is flowed with tidewater.

Q You don't know the distance from the floor of the present Stock Yards, down to the solid land at the bulkhead of the Stock Yards? A I couldn't say, I said I was under it several years ago, went out in a rowboat.

Q Do you know how far the present floor of the Stock Yards is above the grade of the surrounding property? A I think it was about four feet, if I remember correctly. I may be wrong on that, but that is my recollection.

Q But you don't know what, if anything, it would cost to fill the land of the Stock Yards, down to the bulkhead line? A Today?

Q Yes. A It would cost an awful lot of money. You would have to rip all the platform off first to fill it.

Q And not knowing how much fill you would have to put in you don't know what it would cost to fill it? A I couldn't give you an estimate of the number of cubic yards; I know that, in order to fill it, you would have to rip off the platform that is on it.

Q Those assessments upon the Stock Yards are upon the land alone of the Stock Yards? A Upon the land alone, just as it is, yes; not as improved land.

Q The improvements are assessed separately? A Yes.

Q I think you said the improvements were assessed at $230,000 upon the Stock Yards property? A $230,000, yes.

By Mr. Hardin.

Q Your figure was without allowance for depreciation? A Oh, yes; there was a big allowance for depreciation on that.

By Mr. Bain.

Q You are at the present time employed by Jersey City to testify for Jersey City, at this hearing? A Yes, to testify for the State.

Q At the request of Jersey City? A Yes.

(By consent of counsel the map used by the witness in testifying was offered in evidence, admitted, and marked Exhibit S-2, and the witness is directed to make tracings, which may be used in place of the original map).

Re-direct examination by Mr. Hardin.

Q Some reference has been made to the buildings on tracts purchased by the railroad, some 33 of them, mentioned in your original testimony and referred to on your cross examination. In order to make that property available for railroad use those buildings had to be removed, did they not? A Oh, yes; a great many of them were removed.

Q These comparative tracts that you selected, both in Hoboken and in Jersey City, as I recall it, are the first areas on the waterfront which are privately assessed, or assessed comparative to the Long Dock terminal yard, north and south of that Long Dock terminal? A Yes.

Q And they comprise waterfront property and back land, just as it happens in that location? A Yes, just as it happens.

Q Now, the inland property is of almost every kind, good, bad and indifferent? A Oh, yes; there is some high priced property and some very cheap property.

Q The waterfront property on Blocks 4 and 5, assessed at $642,725 represented the depth from the pierhead line of how much? A An average depth of about 950 feet.

Q And average width of what? A About 665 feet on the pierhead line, and between the pierhead line and the bulkhead line; back of the bulkhead line just two city blocks; that is, two city blocks are 200 feet each, making 400 feet.

Q Block No. 3 on the map, assessed at $236,350 is a little less in width from the pierhead line than Blocks 4 and 5? A Yes, about 900 feet—well, they run about 940 to 950 feet.

Q And that waterfront of the American Coal Company, Block No. 3, is assessed with the back land to Hudson Street? A Yes, that is assessed

in there, the total for the plot and the water in front of it. That American Coal Company piece, it is a question of whether they have a grant there or not.

Q It is assessed all together? A It is assessed together, yes.

Q How about Block 2? A Block No. 2 is the property of the Morris Canal & Banking Company?

Q Locally assessed? A Locally assessed.

Q Is that assessed to the pierhead line and the land in front, and back to Hudson Street? A Yes.

Q What is the size of that plot, as compared with the regular blocks line Block No. 3? A That is 350 feet in width, and about 930 feet in depth.

Q How do the assessments, per square foot, on these tracts compare with each other, that we have been discussing here, with the back and the river land?

Mr. Bain. You had better mention the blocks, Mr. Hardin.

Mr. Hardin. Blocks 2, 3, 4 and 5.

A Why, I don't know that I can give that, the assessments run about $1,100 a front foot.

Q With an average depth of what? A The average depth was 950 feet; they run about $1.20 a square foot, from the pierhead line back. With the exception of one pier there, owned by the Pennsylvania, this land is really not developed waterfront; there are a lot of ramshackles in there; that is used for dry docks and things of that kind. The assessments per square foot on the land from the pierhead line back to Hudson Street is very nearly the same as the Hoboken as-

sessments on the waterfront; it runs about $1.25 in Hoboken.

Q Can you tell, from looking at this map, whether Blocks 4 and 5 are assessed together as one tract, or are they separately assessed? A Blocks 4 and 5, or part of them, are separately assessed; and then there is added into that the waterfront parcel; parts of 4 and 5 are assessed in with the waterfront, that property of the Associates of the Jersey Company or the Pennsylvania Railroad that is locally assessed.

Q Plots 4 and 5, with the waterfront, are not in common ownership and in common use? A No, the westerly parts of Blocks 4 and 5 are in separate use and separate ownership.

Q Now Block 3 is in one ownership, including the waterfront in front of it? A No; the most of the westerly portion of Block 3 is in separate ownerships.

Q How about Block 2? A Block 2, with the exception of a small corner of it, with the exception of about six lots in there, is in one ownership; that is in the so-called Morris Canal basin.

Q These assessed figures that you have given are the combined assessments or are they against the different parts of the block? A Combined.

Q There is no reflection, then, of plottage value, of a whole block or a whole area taken together? A No, they are in separate ownerships.

Q And, in your judgment, would the values be increased, if they were in one ownership, and subject to an addition for plottage? A Yes.

Q That is usual and customary to add something for plottage? A Yes, where there is a large tract, surrounded—

Q In this locality? A Well, that is the effect of it. I know; whether it is the custom or not I don't know. It is the effect of it.

Q Well, in valuing real estate, do you take that into consideration? A In valuing the railroad yards I have not taken into consideration the plottage value; I have taken it as a plot, as it stands.

Q Yes, I understand that; but I mean, your figure includes the fact that the area is as you found it? A Includes the fact that it is one large plot of land connected in one ownership.

Q I don't recall whether you mentioned this, that is, the purchase from the United New Jersey Railroad & Canal Company by the Hoboken Land & Improvement company, in your testimony? A No, I haven't made any reference to that.

Q Do you know about the considerations for that transfer, when it was made, etc.? A Yes.

Q Where is the property located, conveyed by the United New Jersey Railroad & Canal Company to the Hoboken Land & Improvement Company? A Deed dated April 13, 1899, at the foot of Second Street.

Q Does your map show that? A Yes.

Q Will you indicate it on this map? A It goes from 100 feet south of Second Street to 50 feet north of Second Street, which is now the northerly part of the Hamburg-American property.

Q Was it waterfront property? A Yes, it runs back to River Street.

Q From River Street to the pierhead line? A River Street to the pierhead line.

Q What was the consideration paid?

Mr. Bain. I object to that question on the ground that it is immaterial, incompetent and irrelevant and not evidential of the value of the lands under consideration, it being too far

distant from the lands under discussion and being in a different locality entirely.

Mr. Hendrickson. The objection will be overruled.

A The sale from the United New Jersey Railroad & Canal Company to the Hoboken Land & Improvement Company, deed dated April 13, 1899, consideration $332,500, property located on the east side of River Street at the foot of Second Street; had a frontage on—

Q What was the area of that property? A The area of that property to the solid filling line is 2.33 acres, and to the pierhead line 5.35 acres.

Q Does that mean all together 8 acres? A No, all together to the pierhead line it is 5.35 acres.

Q That was a front foot value of what? A That cost, to the solid fill line is $2, and to the pier line $2.50, and I take the average and make it $2.25 and that brought the cost per front foot $1,480

Q Was the same tract later sold by the Hoboken Land & Improvement Company to the Hamburg Packet Steamship Company? A That tract together with another tract adjoining.

Q And when? A The Hoboken Land & Improvement Company sold to the Hamburg-American Packet Steamship Company by deed dated April 30th, 1899; the consideration was $472,500.

Q The tract conveyed included the land which you testified a minute ago and other land? A Yes, and that tract.

Mr. Bain. The same objection applies to this last question as to the former.

Mr. Hendrickson. The same ruling.

Q Making a total of what? A Making a total of 9.22 acres, from River Street to the pierhead line.

Q What was the acreage price? A The acreage price—I didn't give you that in the other case. Did you want that?

Q Yes. A The acreage price was $50,200 to the pierhead line, and the front foot price is $1,420.

Q What was the acreage price in the earlier conveyance from the United New Jersey Railroad & Canal Company to the Hoboken Land & Improvement, in that portion of the tract? A The acreage price in that case, to the pierhead line was $62,100.

Q Are you acquainted with the transfer by Campbell & Company to the North German Lloyd Steamship Company? A Yes.

Q When was that made? A That was by deed dated July 12, 1899.

Q Where is that land located? A That land is located just north of the Hamburg-American tract.

Q Also included in your comparative area in Hoboken? A Yes, part of the North German Lloyd Steamship Company's property.

Q What was the consideration for that conveyance?

Mr. Bain. I object to that on the same grounds, that it is incompetent, immaterial and irrelevant and that it is not evidential of the value of the lands in question.

Mr. Hendrickson. The same ruling.

A The total consideration was $265,000. They paid $65,000 and assumed a mortgage of $200,000.

Q What was the area of that tract? A The area of that tract was 6.34 acres.

Q The price paid per acre to the pierhead line was what? A And the price paid per acre $73,300 and the cost per front foot was $1,610.

Q Are you familiar with the improvements upon this property at the time of the sales in 1899?

Mr. Bain. Referring now to the last three sales on the Hoboken waterfront?

Mr. Hardin. Yes.

A Yes.

Q How did they compare with the present improvements? A Why, there were some old piers built on there; they were torn down by the steamship companies to make way for their present structure.

Q Are the present piers of a higher type, or a different type altogether? A Yes; the others were old-fashioned piers, old wooden piers, quite aged then.

Q Now, with reference to exempt property within these comparative areas, of course the figures of the assessment that you have given do not include the values of the exempt properties? A No.

Q In stating the square foot rate as an average over these areas have you included or excluded the exempt properties? A Excluded them.

Re-cross examination by Mr. Bain.

Q You have just mentioned three sales of waterfront property in your territory in Hoboken; from what source did you obtain your knowledge of the consideration for those sales? A Principally from the deeds themselves, and the mortgages, and because of the fact that my partner,

Mr. Harrison represented the North German Lloyd Steamship Company and knows the company's own figures.

Q And the lands in those sales included the buildings when the property was purchased? A Whatever structures were on there.

Q You haven't deducted the value of the buildings? A No, they were all torn down.

Q Yes, but they existed at the time the property was sold to the steamship company? A Yes.

Q And they formed part of the consideration price, whatever the value of the buildings were? A Well, I presumed they were willing to pay for the buildings to get the land.

Q That is pure assumption? A That is what they did do.

Q In your area south of the Long Dock property, south of Montgomery Street, I understand you excluded both the exempt property and the assessments upon exempt property? A Yes.

Q The assessments upon the area covered by the exempt property? A Yes.

Q In other words you excluded both the exempt property value and the exempt property itself? A Yes.

Q You have stated the assessed value, or what purports to be assessed value, upon the territory north and south of the Long Dock Company's property; does that include the assessed value in the streets or not? A Yes.

Q Have you included in the area— A Let me understand just what you mean by the value of the streets.

Q Well, it includes the values given to the parcel assessed in the street and the reversionary interest of the owners of the property in the

streets? A It includes the actual value of the lots.

Q A lot running to the center of the street? A A lot running to the street line.

Q A lot really runs to the center of the street, so far as the value of the lot for assessment is concerned, doesn't it? A Not necessarily.

Q The city assesses the value of the lot because of its frontage on the street? A Not necessarily.

Q Well, it does, doesn't it? A If a lot is on the street it is assessed on the street, of course.

Q And the assessed value includes the value because of the frontage on the street? A Probably it does; not in all cases.

Q And that is really street value? A Because they assess land that does not front on the street just the same.

Q The assessments which you mentioned include the value given to the lots because of the frontage on the streets? A It includes the value of the land as it is, wherever it is.

Q Includes the street value to the property? A Whatever adds value to the lot.

Q Street value does add value to the territory in the portions you mention, because most of the streets are main thoroughfares? A No, they are not.

Q Doesn't the fact that the property abuts on Montgomery Street give it a higher value, because it fronts on that street? A On Montgomery Street, yes.

Q And doesn't the fact that the property fronts on Washington Street give it a higher value because it fronts on Washington Street? A Not as much as Montgomery Street.

Q And River Street and Ferry Street, in Hoboken, and Hudson Street, in Hoboken? A Well, it does on some of those streets, yes.

Q Which one doesn't it apply to? A Some of the properties, not so much in Hoboken as in Jersey City, would be much more valuable without the streets.

Q I am now speaking of Hudson Street, Ferry Street and River Street, in Hoboken? A Oh, yes; that is the reason the lands are higher priced.

Q And the value of the street is included in the assessments? A Well, I can't say that; you will have to ask the assessors.

Q You don't know the system of making assessments, do you? A The value of the lots as they find them, wherever they find them.

Q You wouldn't say that the reversionary interest of the owner of the land is included in the value? A I don't know.

Q Isn't that part of the lot value as it is assessed? A I don't know whether that is included.

Q You don't know what the fact is, do you? A I don't think it is.

Q Do you know? A I know that it is not taken into consideration when a lot is valued, the reversionary interest of the owner of the land to the center of the street.

Q Do you know that in assessing lots that is not taken into consideration? A In my own assessment.

Q Do you know the system upon which lots were assessed in Jersey City for the last four years? A The way they are assessed now, yes.

Q Do you know whether or not the method by Mr. Ryer was used in making those assessments? A Yes.

Q He was the assessor, wasn't he? A No.

Q For the city? A He was not.

Q Well, he made the assessments, didn't he? A I don't know whether he did or not; he was employed by the assessors to give them advice.

Q And the assessors adopted his figures in making the assessments; you know that, don't you? A I don't know that; they adopted it in many cases.

Q Don't you know that Mr. Ryer included the reversionary interest in his values? A (No answer.)

Q Don't you know that the assessors included the reversionary of abutting owners in the street? A I don't know what they did.

Q Don't you know that they have been doing that very thing in assessing the property in your territory? A I don't know what they did. I know there are cases where they couldn't do it.

Q Where is there any lot where that cannot be done, situated in your territories? A There is a lot on the Boulevard, where they can't assess for the reversionary interest.

Q Lots on the Boulevard are two miles away from your territory? A I know, but it is a principal thoroughfare; there is not any property there with any reversionary interest on the street.

Q Now I am speaking of the territory which you have mentioned. Are there any lots in that territory where the reversionary is not included? A There is a question of the lands sold by the Associates of the Jersey Company, there it is a question whether a lot has reversionary in the street or not.

Q Do you still say that you don't know whether that reversionary interest is part of the value of the lot? A I don't know.

Q You have included the street areas in making up your comparative areas? A No.

Q Then your map is not strictly correct, as showing the territory, because you colored in yellow the streets, as well as the blocks themselves? A My map shows the territory assessed.

Q Exclusive of the streets? A Of the streets assessed.

Q Are the streets assessed? A Do you know?

Q I am asking you. A I don't know.

Q However, you do exclude the street areas in your total? A I exclude the street area in my area of the land assessed.

Q By the area of the land assessed you mean the actual area in each block within the street lines of the block? A Within the block lines.

Q The block lines, or the street lines? A Within the blocks themselves.

Q By block lines you don't mean to the center of each street? A No.

Q You mean to the boundary line of each street? A Absolutely.

Re-direct examination by Mr. Hardin.

Q Do you know whether the streets have been vacated in Jersey City, at any time, at the request of railroad companies or, particularly, of the Erie Railroad Company? A They have.

Q Do you know whether any recognition in value is given to the street, when such vacations are made? A Yes, recognition is given to the value of those streets and the railroads have paid for it.

Q Is there any customary rate recognized when streets are vacated? A Well, the rate which the—

Mr. Bain. Don't guess; tell us the absolute facts.

The Witness. I am telling facts.

A The only custom is the one established by the railroad companies themselves; they are always willing to pay it.

Mr. Bain. That is not a custom.

Mr. Hardin. That is the only thing that makes custom.

Q What I am asking is by any official action resulting in vacation of streets, what compensation is received by the city in payment thereof? A Yes; the railroads have paid more for the streets per square foot than the value of the adjoining land.

Q That is not the question; what is the rate, if you know? A I know they paid all kinds of prices; there is no particular rate; it depends upon the location of the street.

Q I understood you to say a minute ago that there was a square foot rate recognized, which the railroads are accustomed to pay the city when the streets are vacated? A Well, that is only the average rate, of about $1 a square foot; that is what they have paid; but in some cases they are willing to pay higher than that.

Mr. Bain. I object to that whole line of testimony and ask that it be stricken out as the mere conclusion of the witness.

The Witness. That is a matter of record; that is not a conclusion.

Recess until two o'clock p. m.

AFTERNOON SESSION.

Hearing resumed at two o'clock in the afternoon.

LOUIS FOCHT, sworn.

Direct examination by Mr. Hardin.

Q Mr. Focht, where do you live? A Trenton.

Q Are you connected with the State in any way? A I am engineer for the State Board of Assessors, and have been since 1898; I also had charge of the engineering and revaluation of railroads from 1910 to 1911.

Q In a general way, what are your duties as engineer of the State Board of Assessors? A Appraising and listing, appraising of the railroad property in the State, comprising structures.

Q Apart from your present employment, what is your occupation? A Civil Engineer.

Q How long have you been such? A Thirty years.

Q Were you connected with any railroad work before you became connected with the State Board of Assessors? A Yes, I was.

Q What? A I was Division Engineer of the Lehigh Valley Railroad for about 15 years, and had charge of the construction of many of their lines in New Jersey and Pennsylvania, and some in New York, and had experience in South America.

Q Have your duties in these various capacities made you familiar with the value of various railroad structures? A Yes, I have designed and constructed them.

Q Does your experience include the value of stations, ferry houses and things of that sort? A Yes, docks and all.

Q Have you put a valuation upon the terminal station of the Erie Railroad, located on the Long Dock property at Jersey City? A I have.

Q That is shown on this Map, Exhibit P-3, is it? A There are three ferry slips and bridges —I have a sketch here which will show somewhat more in detail—it consists of three ferry slips with three ferry bridges and concourse between the ferry bridges and the main station, a platform to the south and north of the main station, and platforms and shelters between the tracks, together with a concourse between the main station and the shelters, the latter lying to the westward of the main station.

Q Have you made a sketch of these various structures to which .you have referred? A I have made a sketch showing, in a general way, the relation which each one of these structures bears to the other.

Q Have you got it with you? A Here it is (handing to counsel the paper referred to).

Mr. Hardin. To make his testimony now competent I will offer it.

The Witness. The measurements are general, not exact but within focus; it was merely made for estimating purposes.

(The sketch was thereupon marked Exhibit S-3.)

The Witness. It does not pretend to be each, but it is near enough.

Q Does this sketch that you have just produced, covering the property described in the assessment as the terminal station, include the ferry buildings, racks, platform, floats, waiting room and train shelters? A What do you mean?

Q The $146,470. A It does.

Q Did you have the original plans from which those structures were made? A No, sir; the estimate was made from the measurements of the exterior of the building and estimated by comparison with the cost of similar work.

Q Had you made any effort to get the plans, in order to work from the plans themselves? A I had always understood that there were no plans showing collectively all of these structures, that is, this combination of structures.

Q Where did you get that understanding? A I got that understanding in conferences with the representatives of the railroad company some years ago when this question was up before.

Q Have you, in detail, the bases by which you arrived at the total of $146,470 with you? A I have.

Q Will you give that, please? A (Produces paper called for.)

Q What are the items by which you arrived at the total? A Do you want this in detail.

Q Yes. A Ferry racks, three slips, 1,275 lineal feet of racks, at $31.89 a foot, $40,664.

Q That estimate of $31.89 per foot was what? A The estimate of the cost.

Q Does that represent a structure of the kind now in the Erie terminal? A Yes, and my estimate of the cost of reproducing a rack similar to this.

Q After an actual examination of that particular rack? A After an examination of the structures; there are three ferry bridges and pontoons.

Q Is that with or without depreciation? A That is estimated at cost without the depreciation; the depreciation is figured in afterwards.

Q The next item is three ferry bridges and pontoons at $2,322 each; that includes what? A

There are some gallows frames over them; the amount is $6,966 for the three.

Q Was that figure arrived at similarly, by actual examination of the structures? A It was; all of these were.

Q Are you familiar with the materials and the cost of them, that went into this? A I am.

Q And the method of construction? A I am.

Q Proceed; platforms? A The next item is for platforms, embracing 38,800 square feet, at 75 cents, amounting to $29,100. There is a ferry waiting room between the northerly and the middle slip, which was valued at $6,250. The fire house and repair shop—

Q How did you get at the value of the waiting room? A By measuring the square feet and the cubic contents.

Q And applying a rate? A Applying a rate per square foot, and a cubic foot rate on it.

Q And these rates are according to your experience? A According to my judgment they were correct, about what they would cost, as near as I could arrive at it, from an examination such as I was able to make. The next item is fire house and repair shed, estimated at $3,860.

Q That was similarly valued, by a like method? A Valued by the same method.

Q The next item is what? A Terminal station, including offices and foundations, which was estimated to cost $63,400.

Q Value arrived at by a similar method? A Similar method. We couldn't see the foundations, so we had to assume about what they were. The next is the ferry concourse between the ferry slips and the main terminal station, which includes the roof and sides, whatever sides there were,

covering 18,930 square feet, at 50 cents a square foot, which estimated cost is $9,465.

Q The next? A Next we have the platforms and concourse between the easterly ends of the platforms, that is the train platforms, and the main building, and the shelters over the platforms.

Q Now, what are those, cement or wood? A They are all kinds; shelters are constructed of wood; some platforms of cement; some of timber; and some of cinder; there is one of cinder, I think, one short one; the bulk of them were concrete and wood.

Q Your prices are within your knowledge and are correct? A Yes.

Q What is the value? A In the concrete platforms is included the curbing on either side to carry them down alongside the tracks, that is, to carry the platforms down; estimated at 20 cents a square foot, and the shelters, including, as near as I could arrive at it, the foundations; it is an umbrella shed—the foundations of those shelters at 35 cents a square foot; the total for the shelters and platforms was $33,879.

Q That makes a total of what? A That makes a total of $193,584 as the cost; to which was added an item of engineering and interest, of seven per cent., amounting to $13,516.

Q Is that a general addition in railroad valuation? A Yes, engineering and interest, that is customary to add an amount for engineering and interest during the period of construction, and that was added in the revaluation of railroads in this State.

Q Applied to all the railroads? A Throughout all the structures in this State. That made a total of $207,100.

Q That was the cost now? A That was the cost up to December 31, 1911. Then, in 1912, the railroad company reported an extension—I don't know whether it was an extension of an additional platform, but it was 255 feet long, it costs $1,220 at 53 cents a square foot; that included the platform and shelter. Then, in addition, there was an addition to the station master's office, $250, which brought the total up to $208,570, and this was taken, and there was 30 per cent allowed for depreciation, bringing the total up to January 1, 1914, to $146,470. The values from 1912, 1913 and 1914 were the same; in other words, there was no change in value for those years.

Q Assuming that they cost that new, is that, in your judgment, the true value of the property described, in the year 1914? A I thought it was, when it was put on.

Q Has there come into your department and under your observation the expense of terminals and changes made in terminals by the railroad companies? A All changes in their properties, such as terminals, removal of buildings, addition of new buildings, changes of line, track and everything are accounted for every year.

Q Have there been any recent changes in ferry bridges and ferry racks, the exact cost of which has been brought to your observation? A The most recent pieces of construction around New York consisted of the Central Railroad work, in remodelling their terminal at Communipaw.

Q Was that a more modern improvement, up to the ferry houses? A Perhaps the most modern ferry bridges are much more complicated and elaborate than these at Pavonia, an entirely different type of construction, a lot of reinforced concrete and other material there, and then the ma-

chinery for adjusting the ferry bridges to take care of the different stages, to adjust them in accordance with the rise and fall of the tide, are much more elaborate.

Q And that sort of construction is very much more expensive? A More elaborate and more expensive.

Q In making your estimates you proceeded, not on the higher advanced conditions that you have described at the Central Railroad, but by actual examination and reproduction of the conditions exactly as you found them in the Long Dock terminal? A I did. The estimate put on the Pavonia terminal was made prior to the beginning of the construction of the Central Railroad.

Cross examination by Mr. Bain.

Q These figures that you have given, and the appraisals, were made how long ago, Mr. Focht? A They were made in 1910 and 1911.

Q About three or four years ago? A They were.

Q Have you taken into consideration depreciation since that time? A No; I have considered that the structure, as it stands, has got to be kept up to a certain degree of efficiency, and the figures which we placed on it I thought represented those conditions.

Q There is depreciation in three or four years, even though the property is kept up to a certain degree of efficiency, isn't there? A There might be and there might not be.

Q You wouldn't say there wasn't? A I wouldn't say there isn't, no.

Q Your costs have all been— A When I say there might not be, I would like to qualify that,—because repairs and renewals might come in and modify them.

Q But even though there were repairs and renewals there would be depreciation in the general value, as a whole, in three or four years? A Yes, probably there would.

Mr. Hendrickson. Why so, Mr. Bain; you can place a good deal of new work in there, and in replacing that you might increase the value.

Mr. Bain. I am just asking Mr. Focht.

The Witness. I would like to explain a little further. We have not, not knowing the date on which these structures were built, any knowledge of this; they were not reported to us by the railroad companies; and oftentimes it is very hard to get them; without a starting point we cannot take any fixed depreciation; furthermore, when repairs are made and renewals are made and they are not reported to us, we have to depend on average values at certain periods.

Q But your estimate of cost of reproduction of these buildings was based on the cost at the present time? A Based upon what we considered the cost of reproduction at the time those estimates were made, in 1911; and I don't see that there is much reason to change them at the present time.

Q But your estimates of cost do not pretend to be the estimates of the actual cost to the railroad company? A No, they do not. I tried to get the actual costs from the railroad company, but they stated they had no records. If we had the actual costs to go on which would have been satisfactory, we would have based our estimates on those largely.

Q What is the ordinary life of a building such as the terminal station in question?

Mr. Hardin. You mean with or without repair.

Mr. Bain. With reasonable repair.

A Well, it might be 20 years, or it might be 40 years.

Q Not over 40 years? A It might be 45; I have known buildings to stand 50 years.

Q In other words, you would not figure any depreciation for about 30 years use, or after 30 years use? A No, not after an examination. There was more paint on it then; there has always been a lack of paint there; but I can't say that that affects the interior very much from the examination I made; I couldn't see that that affected the character of the engineering construction, there doesn't seem to be any structural weakness of the building.

Q The floors are much worn, are they not? A That is a matter of surfacing.

Q The stairways are pretty well worn? A Those floors have got to be kept up to certain conditions otherwise people couldn't walk over them safely.

Q The stairways are very much worn? A What stairways are there?

Q The stairway from the ground floor to the offices? A The same answer I have made in regard to the platforms and floors applies to the stairways.

Q Have you examined the present condition of the floors and stairways? A Not within the last year.

Q Do you know what the depreciation is in the value of those from the time they were originally constructed? A If there was any wear on them they had to be renewed to keep them up to a cer-

tain state of efficiency, otherwise they would be dangerous for use and the building would have to be closed.

Q The floors and stairways might be kept up to a certain state of efficiency and still not have, as a value, what it cost originally to construct them? A True; we have allowed for that by deducting 30 per cent.

Q I think you said a terminal station like this might last for 45 or 50 years? A It might.

Q Then the life of it would be gone? A No, not if it was still in use; that is why I qualified my statement, by saying that if it was still in use at the end of 50 years it would still have some value.

Q Then you regard the value of a building by determining whether or not it is useful, irrespective of its condition? A By its condition; there are some sheds that have outlived their theoretical life and are still useful, and we can't ignore them.

Q They haven't the value that it cost to reproduce them originally? A No; we have considered that here.

Q There has been depreciation? A Oh, yes.

Q How many years does your 30 per cent. depreciation apply to; how many years use? A It applied to the condition of the building as we found it, in our judgment of the condition as we found it when we made the examination.

Q Did you personally make the examination? A I made an examination, yes, of all this large structure.

Q And of all the various buildings mentioned in your schedule, or mentioned by you in your testimony? A You mean in connection with this one building here?

Q No, in connection with all the terminal structures to which you testified. A Of the Long Dock Company?

Q Yes. A I did.

Q I think you said you didn't examine the foundation of the terminal building? A I couldn't, without tearing up the floors.

Q And the foundations might play an important part in the value of the whole building? A Decidedly so.

Q So you would not attempt to place a market value on the building, accurately, without knowing the condition of the foundations? A My estimation is based on my knowledge of what has been done in other cases, what is necessary to have there to hold it up.

Q Next take the train sheds; the gases from the locomotives eat into the metal structure of the train shed? A No metal there.

Q None at all? A Not at all; there is all wood and tar paper.

Q Aren't there some iron parts? A Pieces of wood get better from the gases the longer it stays there.

Q What about the ferry shed, the middle of the ferry shed? A They have corrugated iron, as I recall it.

Q You say there was some lack of paint? A Yes.

Q Did you see whether that metal work was rusted under the paint? A I suppose you might see some there, yes.

Q And that caused a depreciation, didn't it? A Yes; that was considered. Metal work is a very small portion of the building when you apply it to a cubic foot or a square foot basis; very small.

Q You say that you added seven per cent. to your estimate of the cost of the building for engineering and interest? A Yes.

Q Shouldn't that cost be added as of the time when the buildings were constructed, and not as of the present time? A That was a figure that was put in in the revaluation of all the railroad property in the State; there was a general figure that was applied to all structures and classes of structures for all the railroad throughout the State, placed uniformly.

Q Irrespective of whether or not it cost seven per cent. of the cost for engineering and interest at the time of the construction? A Naturally, because the usual practice is to allow ten per cent. for those things.

Q It might have been less at the time the buildings were constructed? A It is possible; it might have been five; but the usual practice is to allow ten per cent. for this item.

Q What about the frame structures that you have testified to; isn't the life of those 30 years? A Which frame structures do you refer to?

Q The ferry racks are frame; aren't they wooden racks? A Oh, yes; they are timber.

Q The ferry bridges and pontoons are timber? A Yes.

Q A large part of the waiting room is timber? A Yes.

Q The platforms north and south of the station are timber? A Yes.

Q The ferry concourse, roof and sides, are timber? A I think, as I recall it, the trusses are steel or iron.

Mr. Dawley. Steel frame work.

The Witness. Steel frame work, yes.

Q Roof of the concourse and the train shed are timber? A They are timber, I think, with a tar and gravel roof on there.

Q The concourse between the station and the train shed is of timber? A Yes.

Q What is the life of such timber structures? A Well, it might be 45 or 50 years, if it was well taken care of. I have seen timber as old as 70 and 80 years, in good condition.

Q What is the ordinary recognized life of such structures? A There isn't any ordinary recognized rule; that is the trouble; you can have averages and you can apply them to broad areas, but when you come down to specific items they won't work.

Q Are there not some recognized rules regarding the life of frame structures, in figuring depreciation? A Well, I wouldn't say they are well recognized; there have been rules deduced which, when taken broadly and collectively through large groups, will work out all right; but when you come to use them in specific cases I have found they don't work out always, and you have got to supplement all those rules by a personal examination, an examination on the ground.

Q That is, some buildings may outlast others? A That is it exactly.

Q But generally, in your profession, there is a recognized life of frame structures, of about 30 years, isn't there, with ordinary upkeep? A Well, it might be more or it might be less. A frame building,—what kind of buildings do you refer to?

Q Buildings such as we have here. A I should say that I don't think 30 years—I wouldn't want to say there is a rule there, because the longer I observe these things the more skeptical I become about those rules.

Q Are there not rules, well known to your profession, as to the life and depreciation of frame

structures? A I wouldn't say they are well known; there are rules deduced but not altogether accepted.

Q But applied generally? A They are applied in a general way, yes.

Q According to those rules a structure such as you have described, that is, a frame structure, would have a life of about thirty years? A Oh, no; I wouldn't say that; my observation proved that if they kept up with their improvements it would run longer than that.

Q According to those rules, what is the life, with ordinary upkeep, of frame structures such as we have here? A I should say the life of one of those structures, if it was kept up properly, and there was no reason for tearing it down to make way for other improvements, with a building like that, it ought to stand for 50 years.

Q Then how much of its value is gone at the end of 25 years from the time it was constructed? A 25 years, theoretically there might be 50 per cent. of its value gone, but practically, when you come to look at it that amount has not disappeared; and that is the trouble I am always running into in a lot of these structures, because under the rules they have outlived their theoretical life and they are there and I can't ignore them.

Q They have outlived their theoretical life but are still in use? A Still used, and you can't ignore them when they are still there.

Q But it is not proper to give them, as market value, their full cost of reproduction? A Oh, no; I agree with you on that.

Re-direct examination by Mr. Hardin.

Q Mr. Focht, isn't it true that in railroad accounting it is required that to the expense of

operating is added the cost of keeping these buildings up to efficiency? A Maintenance is charged up against operation, yes; they have got to be kept up to a certain degree of efficiency; otherwise they become dangerous for use.

Q When you last saw these buildings a year ago, you found them in substantially the same condition, as to efficiency, as they were in 1911? A So far as I could observe them, yes.

Q In 1911, when you made your valuation, you regarded their then condition, as represented in money, at their then cost of reproduction, less 30 per cent. A That struck me as being a fair allowance to make.

Q That was their then money worth? A That is what I thought.

Q Isn't that the market value of the property? A That is what I assumed and I placed that value on it accordingly.

Q Probably I misunderstood you, or probably you misunderstood Mr. Bain. I understood him to ask whether you did not regard the market value as the taxable value of the property? A The sale value.

Q No, the market value; he asked you, I believe, and you told him you did not think so. Now, as a matter of fact, what value were you intending to put upon this property? A I was intending to put on the property what I considered the cost, less depreciation.

Q And was that in your mind, the then money worth of the structure? A As it stood, yes. When he spoke of market value I want to explain what I thought he meant, because I thought what he meant was if it was offered for sale at auction or in some other way.

Louis Focht, re-direct.

Q You did not mean scrap value? A No, because scrap value would not represent its value as it stood as a going structure.

By Mr. Bain.

Q Just what do you mean by "going structure," Mr. Focht? A I mean, when I say "going structure," I mean used for the purpose for which it was constructed.

Q In other words you make the use for the purpose for which it was constructed a part of your estimate? A No, it is built for a purpose, and it is there, and it is fulfilling its mission, you might say.

Q And because it is fulfilling its mission you value it at cost at the present time, less a certain depreciation? A Yes, for it was of value; I couldn't eliminate that entirely.

Q Did you measure up all these quantities yourself that you testified to? A No, personally I did not; I had to have assistance; I couldn't do that all; I had about a hundred men working on it.

Mr. Hardin. Do you want us to bring all the men that did the measuring there to prove that?

Mr. Bain. No.

Louis Focht, re-direct.

By agreement of counsel the calculation referred to by Mr. Focht on his examination is incorporated into the record at length, and is as follows:

January 20th, 1915.

LONG DOCK COMPANY.

Statement Showing Estimate of Terminal Station, Including Ferry Buildings, Racks, Platforms, Floats, Waiting Room, Train Shelters and Platform.

Ferry racks, 3 slips, 1,275 lin. ft., at $31.89			$ 40,644
3 ferry bridges and pontoons at $2,322			
Ferry concourse (platform)	18,930 sq. ft.		
Ferry waiting room (platform)	3,036 sq. ft.		
Fire house & Rep. Shop (Platform)	3,036 sq. ft.		
Platforms:			
Platform north and south of station	13,798 sq. ft.		
Total	38,800 sq. ft. at $0.75		29,100
Ferry Waiting Room:—			
	3,036 sq. ft. at $2.05		
	60,720 cu. ft. at $0.102		6,250
Fire House & Repair Shop:—			
	3,036 sq. ft. at $1.27		
	60,720 cu. ft. at $0.063		3,860
Terminal Station, Including Offices and Foundations:—			
	14,790 sq. ft. at $4.286		
	887,400 cu. ft. at $0.071		63,400
Ferry concourse (roof and sides), 18,930 sq. ft. at $0.50			9,465
Platforms, Concourse & Shelters:—			
5 platforms, 15′ 6″ wide x 3820′ long.			
(Concrete)	38,845 sq. ft. at $.20	$ 7,769	
(Wood)	11,700 sq. ft. at .15	1,755	
(Cinder)	3,520 sq. ft. at .03	105	
5 shelters, 19′ wide x 2,773′ long—52,700 sq. ft. at	.35	18,445	

Concourse, between station and train shed 232′ long x 50′ wide—11,610 sq. ft. at .50	5,805		
		33,879	
		$193,584	
Eng. & Int. 7%		13,516	
		$207,100	
70%			$145,000

ADDITION REPORTED IN 1912.

Frame shelter and concrete platform 9′x255′ —2,295 sq. ft. at$0.53		$ 1,220	$ 1,220
Addition to office of Station Master—Pavonia Avenue:—			
22′x10.5′x10′	231 sq. ft. at $1.08		
	2,310 cu. ft. at 0.108	250	250
Total, January 1st, 1914		$208,570	$146.470

CORNELIUS J. CRONAN, sworn.

Direct examination by Mr. Hardin.

Q Sheriff, where do you live? A Jersey City.

Q How long have you resided in Jersey City? A 52 years.

Q What is your business? A Real estate.

Q You have been engaged in that business for quite a while? A 30 years.

Q You have been sheriff, I believe, of the County of Hudson? A Yes, sir.

Q Are you in any way associated with the Jersey City government? A I was appointed by the Commissioners as tax assessor.

Q What part of the city is within your jurisdiction? A Well, it is general now, our Board has control of it.

Q You are not assigned, then, to any particular locality? A No, we have a new system; we have

12 assessors, and it is divided into districts, and the tax assessors go over them.

Q You are on the Taxing Board? A Yes, sir.

Q Are the assessment figures in Jersey City intended to be at true value? A In lower Jersey City they are almost up to true value.

Q It was your intention that they should be true value? A Yes, sir.

Q So that when the assessed figures are taken from the records of land values, for purposes, of assessment, in the district of Jersey City bounded by the water front, the Morris Canal and the Pennsylvania Railroad, running to the west to Warren Street, the figures shown on the city's assessment maps would be the true value of the lands? A Practically so.

Q They are intended to be so? A Yes.

Q And that would be so, also, in the district shown on the map, Exhibit P-3, and the land at the rear of the Long Dock terminal, running from the rear of that terminal back to the hill on this map, shown as the North and South Sections? A Yes, sir.

Q It is also true of the district in between the North and South Sections on this map, Exhibit P-3, and the land I first asked you about to the south of Exchange Place? A Yes, sir.

Q Along the river front? A The river front, of course, we don't assess.

Q But I mean such parts as are locally assessed. A Yes, sir.

Q Have you known about any sales in the neighborhood of the Long Dock property? A Yes, I had a few sales there in the last seven years.

Q I don't know whether I asked you, but I meant to ask it; in your business and the ex-

perience you have had, have you become familiar with the values of land in Jersey City? A Yes, sir.

Q Where were those sales to which you now refer? A One was in Block 219.

Q Block 219 is bounded by what streets? A Between Henderson, Grove, 11th and 12th Streets.

Q What property is in that block? A Street No. 551 Henderson Street and 183 12th Street.

Q Running through the block? A No, sir, they were different portions; one fronted on Henderson, the other was half way up to Grove Street.

Q When were those sales? A Those were in February and March, 1906.

Q What are the numbers? A 183 12th is 100 feet from the corner of Grove Street.

Q What is the consideration? A $9,500.

Q What was the size of the tract? A 25x100.

Q Is it vacant land, or land and buildings? A Land and buildings.

Q What kind of a building? A Four story brick in both cases.

Q Where was the other one? A 551 Henderson Street, about 50 feet south of 12th Street.

Q What dimensions? A 25x100.

Q What was the price of that? A $9,500.

Q What kind of buildings on that? A Four-story brick.

Q Are you able to give us the land values of those tracts? A On Henderson Street the land values would represent about $3,000, the building about $6,500. On 12th Street the land value represented about $2,000, and the building about $7,500.

Q Have you had any other sales in the neighborhood? A Yes; I sold one lot in that block,

three lots, to the Erie Improvement Company, I believe.

Q In Block 184? A Yes.

Q Bounded how? A On the corner of 12th and Provost Streets, 75x100 feet.

Q What was the consideration? A The plot has four buildings, practically useless for living purposes, and had been for a long time, $16,000.

Q You considered the buildings of no value? A No value; they were giving $35 a month for the whole of it, for the water company's stable.

By Mr. Hendrickson.

Q $16,000 for the three lots. A Three lots.

Q That is immediately adjoining the Long Dock Company? A Directly opposite the machine shop.

Q Is that block surrounded by railroad tracks? A On two sides, 11th and 12th Street. I had a sale, the Desmond Estate, a Master's sale, of property left by a man who died years ago, no heirs in this country at all, the people all lived in England and Scotland, his nephews, children and grandchildren; 175 and 177 Provost Street, 50x100, corner of 9th and Provost Street.

Q What block is that? A 182.

By Mr. Hardin.

Q That is property now occupied by the Armour building? A No, they haven't got those two houses.

Q Was that property sold at public auction? A Yes, sir; brought $18,000.

Q What are the buildings on it? A The buildings were a four-story brick and a four-story frame building, with brick front; the buildings were worth about, all together, $10,000.

Q Leaving a land value of what? A About $8,000. In that same sale we sold 594 Henderson Street, 25x100, that is on the block between 9th and 10th, west side of Henderson Street, opposite Swift's property.

Q In Block 217? A Block 187; they are behind the other block.

Q What was the dimension of that property? A 25x100.

Q And the price? A $9,300.

Q What buildings were there? A One brick building; the building worth about $5,000.

Q Making the land value about $4,300? A $8,500 for the property.

Q That left the land worth about what? A The building was about $5,000 and the land, I think, about $3,500.

Q Any other sales? A Then on Henderson Street, just beyond the zone, it is on Henderson Street between 14th and 15th, on the east side of Henderson Street.

Mr. Bain. I object to any testimony as to that sale, on the ground that it is incompetent, immaterial and irrelevant, the property being in a different locality from that of the property in question.

Mr. Hendrickson. The property objected to is two blocks away. The objection will be overruled.

Q Have you got the block? A Yes, 187. That was sold at $9,300.

Q What buildings were on there? A A four-story brick building worth probably $6,500.

Q Making the lot worth what? A About $2,800.

Q A lot 25x100? A Yes. Also in Block 220, 169 13th Street—

Mr. Bain. The same objection.

Mr. Hendrickson. The same ruling.

Q What block is that in? A (Witness indicates on map). That had a three-story frame building on it and sold for $5,375.

Q What are the dimensions? A 25x100.

Q And what do you think the building was worth? A Well, the building was worth about $3,000.

Q Have you any other sales in the neighborhood? A Well, those are old buildings, none of them complied with the Tenement House Law.

Q What do you mean by that? Why didn't they comply with the Tenement House Law? A As to fire escapes, toilets in the house, light rooms, light halls.

Q Were they remodelled to comply with the Tenement House Law after the sale? A They were all changed, except, possibly, that Provost Street property; I think they didn't change that; there is a saloon down stairs.

Q How much did it cost to remodel them? A Well, in connection with 594 Henderson Street it cost $1,000 very nearly.

Q Then the sale price was $1,000 less than the sale price would have been if it was possible to use that at the time of the sale? A Yes.

Q Is that true of all those you testified to? A All those cases.

Q The parties paid about $500 or $1,000 to put them in condition; the purchaser was under the necessity of making immediate changes? A Yes.

Q This necessity for making changes on the part of the purchaser depresses the prices? A Well, of course that is considered by the purchasers.

Cross examination by Mr. Bain.

Q Sheriff, of course you are familiar with the assessments upon the land included in all these sales that you testified to? A I was, at the time of the sales; I was paying taxes on them.

Q Suppose we take the first sales, in Block 219. A Yes.

Q I think there were two sales in that block, you said, of lots, 25x100, one on Henderson Street and the other on 12th Street? A Yes.

Q Are not lots in that block on Henderson Street assessed at $1,800 a lot? A I couldn't say as to that. I might say that in my preparation I did not go fully into the details of the subject because I only knew last week I was to be called, and I haven't had a chance to post myself on the matter.

Mr. Hendrickson. Why not produce the best evidence, when he says he doesn't know them? Hasn't Mr. Ryer got a schedule of that assessment?

Mr. Bain. Suppose, then, the Board allow us to make up a schedule of the assessed values of the land included by Sheriff Cronan in his testimony.

Mr. Hendrickson. We have no objection.

Q The properties in Block 219 mentioned by you were each covered by a four story brick building? A Yes, sir.

Q Tenement houses? A Yes.

Q They returned a good rent, didn't they, those tenement houses? A Well, they didn't at that time; they do much better now; the one on 12th Street was an old style house, three rooms front and three rooms back; the ones on Henderson and Provost Streets were better houses.

Q Did you appraise these buildings yourself? A At the time of the sale, or before the sale?

Q Before or at the time of the sale; have you personally examined any of the buildings? A Oh, yes; we had charge of them for some time.

Q These are your valuations of the buildings that you have given? A The approximate values.

Q I think, in Block 219, you placed higher values upon the Henderson Street building than you did on the 12th Street building. A No, I think it is the other way. The reason for that was that it was a small brick building in the rear of the 12th Street house and that we couldn't rent at all; it was a three-tory building; we couldn't get tenants to live in there.

Q The value of these buildings for renting purposes played some part in the value of the property as a whole? A It was up to the buyers, they examined the property and they just paid for what they wanted.

Q Sheriff, you wouldn't say that any one of these sales is a fair indication of the value of property generally in the entire locality? A Well, at present time I don't know, but you wouldn't get the same prices for the other property as property that has tracks crossing overhead, and Provost Street has been closed; that has affected property more or less.

Q Property generally has depreciated in that neighborhood hasn't it? A I don't think it is; it is not active; people want their prices and nobody is willing to pay the prices just now.

Q An inactive market? A It is inactive; very.

Q But any one of the sales that you have given us does not show the value of all the land in the territory within which the property is located? A Those are scattered in the section that was affected by it and I think they measure up pretty well. It seems to me that the public sale by the Master, it was a public sale and we had a great many people around, when it was sold in the Real Estate Exchange Room.

Q Was that a sale of the property 25x100? A That was a sale of the four pieces, 182, 187, 217 and 220; one I sold for $16,000, one was sold to the Erie Land Improvement Company; that was sold through your office; Mr. Charles Corbin had charge of it.

Q Your land which was sold at auction contained a four-story brick building and a four-story frame building? A Yes.

Q That was tenement property? A Yes, sir; they were all about the same class of tenement property, but changes had to be made in them.

Q Did you examine those buildings? A Yes, I had charge of them for five years.

Q What did you say the value of those buildings was? A Well, I think I said 75 and 77 Provost Street, the corner brick building about $6,000 and the frame building about $4,000, 594 Henderson Street, about $6,500.

Q You regard the assessments upon the land included in the sales that you have testified to as indicating the true value, rather than the considerations that you have given? A Well, I think the sale is the best test of that; the assessors may not have got up to the proper level.

Q Some of them may have been high peak sales,—you know what a high peak sale is, of course? A I don't quite understand that expression.

Q That is sales of property which brought a particularly high price for some reason or other. A They brought good prices; the people were well satisfied with the results; they brought as much as I expected they would bring, and more.

Q They brought more than you expected? A Yes.

By Mr. Hendrickson.

Q In making these assessments of land and the building, the assessment board of the city used its judgment in dividing a part of the assessment for the building and part for the land? A Yes.

Q And they approximated it as best they could? A Yes. In speaking of the assessments for this year, we came in on July 1st, and we haven't re-assessed anything since I have been on the Board; I only got in the Board in the latter part of July at the time the tax assessment were closed.

Q The Tenement House Law, with its requirements requiring large outlays of money, anywhere from five to ten per cent. of the value of the building, in order to rehabilitate it and put it in shape where it could be used for renting purposes, resulted in a serious loss in value to the buildings in this area, did it not? A It does, because you can't get an additional rent for them.

Q You can't rent them at all, until you comply with the law, can you? A No.

Q And that moved your people to sell, rather than to repair? A In a good many cases.

Q Now what effect does the soft coal burning on the Erie engines have on this district? A Well, it has caused a great deal of complaint.

Q What is the result and the effect upon the value of property? A Well, within two blocks from the railroad the tenants complain about their washing being dirtied by it.

Q I asked you what effect it had on the surrounding property? A Lots of effect.

Q What effect; does it improve or deteriorate it? A It deteriorates it.

Q During the last few years have you known of any suits against the Erie Railroad Company, to suppress that smoke nuisance?

Mr. Bain. I object to that on the ground that it is incompetent, irrelevant and immaterial.

A Oh, yes; St. Michael's Church brought a suit, and St. Francis Hospital brought a suit, and a number of people on Jersey Avenue and 12th Street brought suits.

Q And those institutions are located in this so-called north and south section on the map marked Exhibit P-3? A Yes, they are both on the south side. St. Francis Hospital is in Block 284 and takes in the entire block, except 50 feet square on the southwest corner.

Mr. Ryer. He means they are in the North Section, south of the track.

The Witness. Yes. St. Michael's Church is located in Block 285, and runs from 9th to 10th Street and has about 12 or 14 lots in it.

Q Now, this tract that is termed on this exhibit as the north and south section, is a very familiar section to you, is it not? A Yes, I have lived in

that section during the entire time I was living in Jersey City, four blocks either way.

Q That is not in any sense of the word a business or commercial community, is it? A Oh, no.

Q How would you characterize it? A Well, it has principally tenements.

Q A residential district? A Except the section around Hamilton Park, there are private houses around there, the north section is entirely tenement.

Q Now, do you consider that as any proper area to take to get a comparative valuation or a comparison, by which to make the valuation of the Long Dock Terminal, which would lie between these two tracts and the Hudson River?

Mr. Bain. I object to that. Mr. Cronan has not qualified as an expert on the value of waterfront land.

A I think it should not go beyond Jersey Avenue, at any rate.

Q Jersey Avenue is four blocks back of that? A It may go to Coles Street, on the south, but not on the north; that takes in the Hamilton Park section.

Q Coles Street is the block next back of Jersey Avenue? A Jersey Avenue.

Q Now then, are you familiar, yourself, with the land lying between the Harsimus yard and the Exchange Place terminal of the Pennsylvania Railroad, lying east of Henderson Street and running to the Hudson River? A Yes, sir.

Q Do you know the development of that property? A I do.

Q Now, is that a residential or an abandoned residential locality at this time? A It is now entirely a manufacturing locality there; there are very few houses there any more.

Q That territory is filled with warehouses and manufacturing plants? A Yes.

Q And that lies in the same zone and distance away from the Hudson River as the Long Dock terminal? A Henderson Street runs on a straight line and takes them in.

Q Takes in both tracts? A Yes, sir.

Q Now, do you regard that as an area by which to compare for the purpose of attempting to fix values on the Long Dock terminals? A I think it is a fair way to compare; you go down to Warren Street and Warren Street is quite some distance in the Erie yards.

Q It is right in the center almost? A Yes.

Q You think that is a fair area to compare with the value of the lands in the Erie yards in the rear of it? A Yes.

Q Now, there is a block which lies north of 12th Street and east of Henderson Street, in which there are four blocks and parts of two or three more blocks, how do you think that compares with the back land of the Erie yard, as compared with the tracts marked north and south tracts on Exhibit P-3? A There is nothing here (indicating) outside the two blocks there (indicating); the Lackawanna comes up to that.

Q The Lackawanna takes in all that? A Yes.

Q Did you handle the sale of the tract north of the Erie yard, here on Henderson Street, that was sold by the Hudson & Manhattan Railroad? A No, sir; I didn't sell it for them; I bought it for them; I gave them an appraisal on it, and I never heard anything about it.

Q The average price per square foot on this Long Dock terminal, as fixed by the State Board of Assessors, amounts to $1.40 per square foot, for the whole area including the value of the use of the

land under water lying in front of it, and the frontage on Pavonia Avenue, and all the advantages that may accrue to an area of that size on the Hudson River by reason of the fact that there are two large continuous tracts. What is your opinion, as a real estate expert of that square foot value, estimated on two tracts such as these?

Mr. Bain. I object to that on the ground that the witness is not qualified as an expert on the valuation of waterfront property.

Q Before you answer that. You know what lots around and fronting on the Hudson River are worth, south of York Street? A I don't know of sales on the bulkhead?

Q Do you know of sales to the bulkhead? A I don't know of any to the bulkhead.

Q South of York Street? A A few on Grand and York Streets.

Q That isn't on the waterfront? A No, it goes to the center of the block.

Q Haven't you any idea about what lots between Hudson Street and the Hudson River ought to be worth in Jersey City, and are worth? A I should think they would be worth $10,000 a lot.

Mr. Bain. The same objection.

Q At least $10,000 a lot? A Yes, I think they are assessed for $10,000 a lot.

Q You are familiar with the Vanderbeek sale, aren't you?

Mr. Bain. I object to that as incompetent, irrelevant and immaterial.

A Oh, yes; that has been a standby for years.

Q At what rate was that? A I haven't the figures on that piece here; I saw it figured out.

Q Didn't that figure out $5 a square foot, the Vanderbeek sale to the Pennsylvania? A I am not certain as to the figures; I saw it figured out.

Q How do you feel about it yourself,—do you feel that you know enough about lower Jersey City to put a valuation per square foot on an area of that size or not? A I should say that $1.40 per square foot would not be at all an excessive price for it.

Mr. Bain. I object to that on the ground that any comparison of property in that section between the Harsimus and Pennsylvania Railroads is not evidential of the values in the area in question.

Q The sales between the Harsimus and Pennsylvania Railroad brought more than that? A Oh, yes, they are averaging $5,000 a lot there, and a good many of them sold at that price.

Mr. Bain. I now move to strike out all the testimony of the witness as to the value of waterfront lands, on the ground that he is not qualified as an expert on the value of such lands.

Q You know, of your own knowledge, that there has been no such tracts as these two Long Dock terminal tracts, that have been sold in Jersey City, from the Hoboken line down to the south Cove, where there was an actual sale, from which anyone could make a comparison? A There was no sale.

Q The only way one can arrive at the value of such tracts is by using his best judgment on sales that can be gathered together, and that you have given us? A That is all.

Re-cross examination by Mr. Bain.

Q Did I understand you to say that part of the Long Dock property was sold to that company by the Hoboken Land and Improvement Company? A No.

Q I think you made some reference to the blocks east of Warren Street? A East of Henderson Street.

Q East of Henderson Street and between First and Steuben Streets? A Yes, sir.

Q That section comprises the downtown manufacturing section of Jersey City, doesn't it? A One portion of it; the other is on the south of Exchange Place.

Q But in this particular section of Jersey City in which that territory lies, that territory mentioned by you, such territory comprises the principal manufacturing section? A They all came there within the last seven years, except Lorillards and the Merchants; the others are just coming in there.

Q But that is the principal manufacturing section? A Yes, sir.

Q There is a trolley line running through Henderson Street? A Yes.

Q And there are railroad connections on the various blocks? A There could be connections with the buildings.

Q And it is from the fact that that territory is in a manufacturing section that it has a value of its own? A Because it is convenient to the railroad it gets a value; then again it was mostly all vacant land; they were not obliged to buy any buildings.

Q And for that reason higher prices were paid for the vacant land? A They paid a good price.

Q Block 76 is within that territory, isn't it? A Yes, sir.

Q That block is the block on which the Hudson & Manhattan power house stands? A Yes, sir.

Q And that was convenient for the power house for the tunnels? A Yes.

Q And that power house is on the main longitudinal tunnel running under Jersey City? A Yes, sir.

Q It runs under Washington Street? A Runs under Washington Street.

Q You don't mean to say that the blocks east of Washington Street, and between Steuben and First Streets, bear any comparison to the value of blocks south of Montgomery Street and between Washington and Green Streets, do you? A Certainly not; Montgomery Street is the main artery to New York for travel, and has been the principal business street of Jersey City for years, in fact, the business was down here forty years ago, and then went up Newark Avenue.

Q Taking a tier of blocks running along Washington Street, southerly from First Street and ending at the south of Essex Street, each one of the blocks in that tier has an entirely different value, hasn't it? A No, taking out these blocks on Montgomery Street, going back, they have all the ordinary valuations of the others.

Q To ordinary valuations apply to lands south of York Street? A Yes.

Q And the valuations of the lands in the blocks south of York Street are much less than the valuations of land in the blocks between First and Steuben Streets? A No, they are paying big prices in there; Colgate's paid a great deal and they are paying large prices, and the people around there are holding their property, knowing that factories are coming there.

Q Colgate's is further to the east, isn't it? A They are in here and here and here (indicating on map.) They run through those three blocks now; Colgate's are on York, Grand, Hudson, Greene, Grand and Sussex Streets, and they had part of that Hudson and Greene and Sussex and Morris Streets; now they have bought across here (indicating) about 40 per cent. of that block from York to Grand, between Greene and Washington, 175 feet on one side and 150 feet on the other.

Q What is the average price paid in Block 76, as compared with the prices paid for lands in the block bounded by Washington, Greene, York and Grand Streets?

Mr. Hendrickson. Before you answer that, Sheriff, I want to state on the record that the two blocks described by Mr. Bain, on which he asks comparative prices, differed at the time of the sales, in that the blocks south of York Street were entirely covered with brick buildings, formerly used as dwelling houses of substantial size.

Q The two blocks I mentioned had entirely different values, as shown by the sales in the blocks? A I don't know what Colgate & Company paid, except in one case I know they paid $10,000 for one lot.

Q That included the house and lot? A Yes.

Q Do you know how the value of the two blocks compare, as shown by the sales? A I would have to know the prices the Colgate property brought.

Q Isn't the block bounded by Washington, Greene, Grand and Sussex Streets worth much less than the block bounded by Washington, Morgan, Bay and Greene Streets? A The land, you mean?

Q Yes. A Well, the land in the block bounded by Bay, Morgan, Greene and Washington Street is used for very large business purposes.

Q And has a much higher value? A It has, because the Baker Castor Oil Company has been extending their plant until they own three-quarters of the block.

Q Do I understand that the two blocks cannot be compared in price? A I think that the property brought as much in amount as it would bring in block 76.

Q I am speaking about the block to the south of 76. A I think block 76 brought higher prices at that time.

Q Now, suppose, we take the tier of blocks bounded on the west by Warren Street, on the east by Washington Street, running from First Street on the north to Essex Street on the south; each one of those blocks have different values because of their location? A They are practically equal after you leave York Street.

Q Between York Street on the south? A Essex Street on the south and York Street on the North.

Q They are about equal values? A About equal value.

Q Then from York Street on the south to Steuben Street on the north has much higher values than the streets to the north? A Block 138, that is owned by the Pennsylvania Railroad; of course that isn't in the market for sale at any price; there are only two small parcels there—they haven't got the block numbers on this map (referring to Exhibit S-1). This part is the Ames property (referring to Exhibit S-2).

Q I am running only from Steuben Street on the north to York Street on the south, and the blocks between Warren and Washington Streets I have last mentioned have a higher value than the blocks to the south of York Street, between War-

ren and Washington Street? A Of course, lots 102 and 103, they are valuable blocks, the Title Company, the Lincoln Trust Company and the Union Trust Company, are on those two blocks.

Q Those two blocks have a much higher value than the blocks to the south of York Street, between Warren and Washington? A Certainly; those lots are assessed at $15,000 a lot.

Q And blocks 105 and 106 have a higher value than the blocks to the south of York Street, between Warren and Washington Streets, haven't they? A Well, there is very little in 105; that is Pennsylvania Railroad property; 106, that is a higher value, yes.

Q How do blocks 107, 108 and 109, between between Washington and Warren Streets, compare blocks 102 and 103 to the south of them? A Well, you strike Montgomery Street again.

Q Blocks 106, 107 and 108 have a much lower value than blocks 102 and 103? A Certainly.

Q How do Blocks 106, 107 and 108, which are between Washington and Warren Street, compare in value with Blocks 97, 98, 99, 100 and 101, which are also between Warren and Washington Streets? A 106, 107, 108 and 109 have a higher value, they are all improved with large business buildings; 109 is Lorillard's, 107 is Butler Brothers, and 106 is the block that has been burned.

Q Aren't there different values in all the blocks between Washington and Warren Streets, from Dudley Street and running north to First Street according to the location of each block with respect to the developed portion of Jersey City? A It is so, because it is developed into railroad property, but I sold land in this location (indicating on map) for less than I could buy land over here for (indicating on map).

Cornelius J. Cronan, re-cross.

Q The values of land in Jersey City are entirely a matter of locality? A This side is improved (indicating) and that part is standing still (indicating).

Q South of York Street is improving all the time? A Gradually improving, but not as rapidly as to the north.

By Mr. Hendrickson.

Q Mr. Bain asked you if this tract lying east of Henderson Street, between the Harsimus branch of the Pennsylvania and the Pennsylvania terminal yard, is not the chief manufacturing center of Jersey City, is it? A No, I wouldn't say that.

Q Now then, that tract referred to by him is about four blocks square; there are large manufacturing industries in Jersey City that are not located in that territory, aren't there? A Certainly.

Q In fact, aren't there many times more outside of that tract than there are in this tract? A Take the Lafayette section, for instance. In the Lafayette section there are large businesses. In Blocks 106, 107, 108 and 109 are not manufacturing plants; Butler Brothers don't manufacture anything; the Atlantic & Pacific don't manufacture anything.

Q Now, south of York Street, in this comparative tract selected by Mr. Dunham, there is the Manhattan Electrical Supply Company, isn't there? A Yes.

Q How big a plant is that? A They cover the property 100 feet front on Sussex Street and they run back to Morris Street 50 feet.

Q What is the block number? A Block 35.

Q What is Mr. Daly's Company's name? A The Gautier Company.

Q J. H. Gautier Company? A Yes, sir.

Q How large a territory does that occupy? A They occupy the greater portion of the block.

Q What block? A Block 65.

Q Then there is the sugar house? A The sugar house on Blocks 97, 98 and 66, and part of 65.

Q They are large plants? A They are large plants; they employ more people than on the north side.

Q Do you think of the names of any very large concerns to the south of York Street? A Some companies are in Essex Street here (indicating).

Q And Colgates are in there? A Colgate has a whole block in there.

Q How many blocks has Colgate got? A He has the entire Block 37, he has 100 feet on Hudson Street and about 175 feet on York Street; in Block 38 he has about 8 lots; on Block 36 he has ten lots and about six lots in Block 35; right through that tier.

Q Then he comes back how far? A Those lots are in the center of the block; he is going right through the block.

Q Are there any other large concerns south of Montgomery Street in this immediate vicinity that you think of? A Then the Colgates, they own on the corner of Greene and York Street, and a plot in there they paid a big price for, more than $10,000 a lot.

Q Now the Lorillard Company moved out of this territory that Mr. Bain referred to, and has a large manufacturing plant on the West Side? A They manufacture snuff and cigarettes here yet.

Q They manufacture all that they have room to manufacture in there, but they have a larger plant than that on the west side of the Hill? A Oh, yes; west of the hill is a much larger plant than they have here.

Q So that there are some other big buildings out of this territory? A Oh, yes, but that has grown more rapidly; the Atlantic & Pacific has built this year one nine-story addition, and another six-story building.

Q And the National Carbon Company, they have just located in the block you just sold to the tunnel company? A They located in Block 186, they have built only about 150 feet on Henderson Street, on the full front of Henderson Street.

Q They have the entire block for their use? A Yes.

Q Do you know of any other big concerns that are located around the Lackawanna yard east of Henderson Street? A There is one west of Henderson, in 14th Street, the Brady Brass Company, they have a plant covering about ten lots, that would be in Block 222.

Q That is three blocks away from the Erie yard? A Yes.

Q So that you think that the lower part of Jersey City, from a manufacturing viewpoint, is improving all the time, improving very much, and land values increasing? A Yes.

By Mr. Bain.

Q The Brady Brass Company left the block there, didn't it? A They just built there; they left 10th Street.

Q Let me ask you this: Notwithstanding the fact that some manufactories are located in Blocks 97, 198, 65 and 66, which are between Warren Street on the west and Greene Street on the east, those blocks have a lower value than Blocks 106, 107, 74 and 75, which are between Warren and Greene Streets on the east? A 106 and 107 are higher priced.

Q Higher than 97 and 98? A Oh, no; those lots were all bought at very high prices.

Q Take Blocks 99, 100, 67 and 68, the tier between Warren and Greene Streets, those blocks are lower in value than 107, 108, 75 and 76, which are also between Warren and Greene Streets? A Yes, those blocks were built with higher priced houses, some changed into three-family houses; Block 76 is the Hudson & Manhattan power house; Block 75 is the Castor Oil plant; Block 74 has the galvanizing company and two other companies; and down here belongs to the Pennsylvania Railroad (indicating) that strip in Blocks 73, 74 and 75, 100 feet.

Q In other words, Sheriff, because the territory south of Montgomery Street, between Warren Street on the west and Greene Street on the east, is used for variety of purposes, and the property between Warren and Greene Streets, in Blocks 106, 107, 74 and 75, are used for a single purpose, which are general to that locality, property in that whole tier of blocks has a higher value? A The reason for that is the houses there; you got to pay for the lot and house.

Q In other words, the price is regulated according to the development? A Yes, in time they will do the same in there, as Colgate did in Blocks 102 and 101; somebody will come along and buy those buildings and make them over for manufacturing purposes.

Q Development means according to the way a city is developed with respect to the uses of the various properties? A That is so; we are just beginning to develop everything now.

Cornelius J. Cronan, re-cross.

By Mr. Hendrickson.

Q Where is Lembeck & Betz Brewing Company? A Lembeck & Betz's brewery is in Block 219; I sold one house in that block, and they have the balance of the block except four houses on Henderson Street; it runs from Henderson to Grove.

Q That is a large concern, isnt it? A Oh, yes; out of 30 lots they have got 28 lots.

Q Where is Swift & Company? A Directly across the street, in Block 183; they have all that block except two lots that I sold.

Q They both adjoin the Long Dock terminal and have railroad connection? A Well, Lembeck & Betz hasn't; Swift's have a connection with the railroad.

Q Have Lembeck & Betz got a switch from the Long Dock yard? A No, they haven't; they were beaten all the time by the Board of Works.

By Mr. Bain.

Q I just want to ask you this: At the time of the sales mentioned by you, the houses upon the property included in those sales were rented? A Only partly, in the sale of the estate; the others were rented.

Q You mentioned some suits to recover damages by smoke; there was only one suit in which they recovered a verdict and that verdict was set aside, wasn't it? A I understand that the suit of St. Francis Hospital was settled.

Q But that verdict was set aside? A Yes.

Q Sheriff, I want to make clear what is known by development. Property is developed according to its locality, isn't it, and values are given to property according to its locality? A Yes, certainly.

Q Sheriff, there have been no increase in ratables in Jersey City in the last two years? A Not in lower Jersey City.

By Mr. Hendrickson.

Q How about on the Hill, up around the Hudson & Manhattan tunnel? A They have increased very much there.

Q How much of an increase? A In some section they have doubled the rate, on the land on Central Avenue, and around Bergen Avenue and the Boulevard—

Q How much? A At least 50 per cent. there; they are just beginning to do it.

GEORGE A. W. ACHENBACH, recalled.

Direct examination by Mr. Bain.

Q You are assistant land tax agent of the Long Dock Company? A Assistant tax agent.

Q Were you in 1910 and 1911? A Since 1909, December, 1909, I have had charge of the land and tax matters of the Erie and associate companies in the State of New Jersey, and direct charge of the taxation of those companies.

Q And that taxation, during that period, was under your direct supervision? A Yes.

Q Your immediate superior was Mr. Harrison Williams, up to 1910? A Up to 1912.

Q Mr. Williams was General Land Tax Agent of the Long Dock Company? A He was.

Q What was your connection with the taxation in New Jersey in 1911, of the Long Dock Company property? A I had direct charge of whether the assessment of the company's property was agreeable to the company, and on my recommendation

the taxes were paid, or not paid, or the assessments disputed.

Q Do you recall the attempt made to adjust the assessments for the year 1911 upon the property of the Long Dock Company? A I do.

Q Will you just tell us briefly what actually occurred?

Mr. Hardin. When, and where?

Mr. Bain. Between Mr. Williams and the State Board, of which you had actual knowledge.

Mr. Hardin. Was he present? I object unless he was present.

Mr. Hendrickson. I don't think I will allow him to testify to anything Mr. Williams said in the presence of the Board when Mr. Achenbach was not present.

Q Mr. Williams at that time was not an executive officer of the Long Dock Company? A No.

Q What was Mr. Williams? A He was general land tax agent of the Long Dock Company.

Q What were Mr. Williams' actual duties, with respect to taxation in New Jersey, in the year 1911, so far as you can state? A Mr. Williams was my direct superior, and such reports as I made in regard to the adjustment or payment of taxes were transmitted, or reconsidered by him and transmitted to his superior officer of the company; he had no authority to make any agreement, other than a tetative agreement with reference to any matters of taxation.

Q And any such agreement had to be sanctioned by the executive officers before it could be binding?

Mr. Hardin. I object to that, because it does not appear that this witness is an executive officer of the company, or what the conditions were.

A It did.

Q Was any such agreement made, to your knowledge?

Mr. Hardin. I object to that also because this witness is not able to know what Mr. Williams did or did not do; if this question refers to what Mr. Williams did, or attempted to do, it cannot be of service in determining this matter, or any other matter.

By Mr. Hendrickson.

Q You don't know what Mr. Williams did, do you? A Mr. Williams discussed the adjustment with me and we, together, made up a recommendation to the executive officers.

Q You don't know what Mr. Williams recommended to the State Board of Assessors? A His personal conference with members of the Board, no; I wasn't present at those, but the recommendations—

Mr. Hardin. I object; I don't think this matter has any place here.

By Mr. Bain.

Q So far as you know, was any agreement made with the State Board of Assessors, relative to any adjustment of the taxes for 1911 of the Long Dock Company?

Mr. Hardin. I object, unless the witness his answer to any agreement he himself made.

A Mr. Williams recommended to the executive officers an adjustment which had been arranged

between him himself and the State Board of Assessors, that is, he recommended the acceptance by the Long Dock Company of that adjustment; and the executive officers refused to accept that adjustment.

By Mr. Hendrickson.

Q Hadn't you and he made an recommendation to the officers of the company of the value of these lands, and Mr. Williams been authorized to present that to the Board, prior to the one which you say he submitted to the officers of the company and recommended for their approval? A No, he did not.

Mr. Hardin. How is all this competent on the 1914 issue. I don't see why Mr. Bain should bring it in.

Mr. Bain. I only do so because Mr. Hendrickson brought it out the other day.

Mr. Hardin. As I recall the testimony, you and Mr. Hendrickson questioned Mr. Hansel with reference to some alleged agreement made by Mr. Williams.

Mr. Hendrickson. Which Mr. Achenbach confirms.

Mr. Bain. I don't understand Mr. Achenbach does any such thing. But whether it was made or was not made, if all the testimony relative to that alleged agreement is struck from the record, well, and good; I will withdraw the witness and ask that the testimony be struck out.

Mr. Hendrickson. I won't strike out anything. I am going to let the court have anything you want to put in.

George A. W. Achenbach, direct.

By Mr. Hendrickson.

Q Mr. Achenbach, don't you know, of your own knowledge, that Mr. Williams telephoned from your office, or from his office, to the State Board of Assessors, and asked them to come to Jersey City, to receive from him a figure agreed upon by the railroad company, which he and you thought would be satisfactory to the State Board of Assessors? A I do not.

Mr. Bain. We offer in evidence the valuations by Mr. Charles E. Hansel, of the second class property of railroads in the State of New Jersey, as reported by him to the State Board of Assessors; and particularly his valuations of second class railroad lands in Jersey City and Hudson County.

Mr. Hardin. Does the "particularly" change the offer any?

Mr. Bain. No; we desire to offer in evidence all of Mr. Hansel's valuations of second class railroad property in the State of New Jersey.

Mr. Hardin. All second class railroad property, of all the railroads?

Mr. Bain. All second class land values.

Mr. Hardin. Then I object; having no objection, however to the introduction of Mr. Hansel's figures as to the valuation of the second class parcels under appeal. I understand the appeal is limited to specific parcels of Long Dock Company lands, and as to those lands I have no objection to the proposed offer of Mr. Bain.

Mr. Bain. I might say that my offer relates to the summaries of the value of second

class railroad lands as made by Mr. Hansel of each railroad.

Mr. Hardin. That does not relieve the force of my objection; it increases it, because it makes it impossible to distinguish the lands in question.

Mr. Hendrickson. The Board sustains the objection. Mr. Hansel's values, as reported to to the Board in his report, were never accepted or adopted by the Board; after an examination, in almost every case, the Board found that Mr. Hansel's land valuations were not up to the values that the Board had used for a long time.

Mr. Hardin. Independent of the objection that I make that the matter has not reference to this appeal, I may also object on the ground that if Mr. Hansel's figures are competent, they are best shown by bringing Mr. Hansel here.

Mr. Bain. I understand that his valuations have been reported officially under the Act under which he was appointed, both to the State and to the State Board of Assessors.

Mr. Hardin. The Act under which he was originally appointed was repealed, and he never made an assessment.

Mr. Bain. I am speaking of that Act, as supplemented by one or two other Acts. I also offer in evidence Mr. Hansel's valuation for the entire State.

Mr. Hardin. The duty of assessment was upon the State Board, and not upon Mr. Hansel, and his figures are not official figures of the State Board of Assessors, and never were.

I have no objection, however, to their introduction as to these particular parcels under appeal.

Mr. Bain. I will also offer Mr. Hansel's valuation of the entire propery of the Long Dock Company, as reported by him.

Mr. Hardin. I object to that, on the ground that there was no appeal taken from the assessments made by the State Board, either in 1911 or now, except as to certain parcels, the parcels, I understand, being the same parcels in 1911 as are now under appeal.

Mr. Hendrickson. The objection is sustained.

Mr. Bain. I might say that we do not offer Mr. Hansel's valuations as evidence of the value of the property in question, but to show the application to values in the year 1911 of a multiple of 20 per cent to the valuations as made by Mr. Hansel, of second class railroad lands.

Mr. Hendrickson. And that is the principal reason why the Board overrules it, because no matter how the thing figures out on a percentage basis, there were too many items changed, (and it comes to my mind now the tremendous change through Paterson and Passaic along the lines of the Erie Railroad), to make it fair to use that kind of an argument before the Court. I remember particularly well in Paterson and Passaic.

Mr. Hardin. It seems to me that however the figures may have been reached, the valuations have been accepted and the taxes paid, except as to the tracts under appeal, and there

is no dispute between the State and the railroad company on the others.

Mr. Hendrickson. I make the same ruling in disallowing the offer, and for the further reason that whatever the percentage may figure up, as suggested by Mr. Bain, the Board does not change the values by percentage on that second class property, but may change it all the way along the line because of the Board's own estimate of the values of the land.

The hearing in the above matter was resumed this sixth day of May, 1915, at eleven o'clock in the forenoon, at the office of Charles E. Hendrickson, Jr. Esq., 75 Montgomery Street, Jersey City, New Jersey, in the presence of the full Board; and of counsel for the respective parties.

CHARLES E. HENDRICKSON, Jr., sworn.

Direct examination by Mr. Hardin.

Q Mr. Hendrickson, where do you reside? A At Jersey City.

Q What is your profession? A I am a lawyer.

Q How long have you been such? A Since June, 1898.

Q Where have you had your office and practiced your profession? A In lower Jersey City; first 1 Exchange Place; then at 76 Montgomery Street; then at 15 Exchange Place; and latterly at 75 Montgomery Street.

Q Have you occupied any official position? A I have been a member of the State Board of Assessors for seven and a half years.

Q Commencing when? A In 1908, taking office about March, I think.

Q And you are still a member? A I am still a member; and have been President of the Board for the last three and a half years.

Q Have you familiarity with the railroad terminals in Jersey City? A I have; I have been very familiar with them since the spring of 1908, at which time I walked over the area around the waterfront and went personally over all the railroad land in Jersey City.

Q When you refer now to railroad terminal in Jersey City, does that answer also cover the railroad terminals in the municipalities to the north of Jersey City, and to the south? A Yes, sir; I went, with the same particularity and care over the Lackawanna Terminal in Hoboken, the Pennsylvania Terminal in Hoboken, the New York, Lake Erie and Docks in Hoboken, the West Shore and New York Central properties in Weehawken and West New York, and up near the Fort Lee ferry, where the Erie has another property, also in Bayonne the Pennsylvania Terminal.

Q Did you participate in making the assessment upon the Long Dock Terminal property for the year ending December 31, 1914, for the assessment now under review by the Board? A I did.

Q Are you familiar, in any way, with the values of land in Jersey City and Hoboken, in the neighborhood of the Long Dock terminal property? A I am.

Q Is your familiarity such as to enable you to know the values of property in the neighborhood of that terminal? A Yes, sir.

Q Will you kindly explain, in a general way, such familiarity? A I have heard testified to, before me and all the other members of the Board,

values of nearly all of the land in lower Jersey City and Hoboken surrounding these railroad terminals, including the Long Dock terminals, the testimony being given by real estate agents in Jersey City and Hoboken, men whom I had known personally for a good many years, and whom I knew to be personally familiar with the sales about which they testified, their testimony being given before this Board, in the presence of myself and in the presence of real estate agents who had like knowledge, who were in the employ either of the City of Jersey City or of the State of New Jersey, and who were present to give testimony on behalf of the City and on behalf of the State, and these real estate men who were witnesses were there to give testimony on behalf of the several railroad affected; and those values, in every instances, were verified and accepted by the real estate experts on behalf of both sides of the litigation. And as to those of which I had no personal knowledge, I knew the testimony to be correct, because it was approved by real estate agents and experts on both sides of the controversy. The facts of the prices paid for the various plots at the times of the various sales were always correct and accurate, many of them were verified by myself, personally, after the testimony was taken and written up. I had personal knowledge of the sales of the Vanderbeek property.

Q Before you go to your personal knowledge, as you term it: the information that you have described as obtained from real estate experts is information as to the actual considerations paid in the transactions testified about as you have described, by these real estate experts? A Yes, sir; the facts of the actual consideration paid at the sales was invariably correct; the deductions as to

the value of the railroad yards, as made by the railroad experts' reasoning, from these sales was, in my opinion incorrect, that is, the result of their deductions. Their deductions never coincided with my judgment from the same facts which they stated guided them in arriving at their deductions of value.

Q The point of my questions is, that the information you have been describing, that you have obtained from those sources, was information as to the actual considerations paid in these various transactions, and not the judgment of the real estate experts? A As to the actual considerations paid, in every instance, I found their testimony to be correct.

Q The results of these considerations, as shown by the records that were, from time to time, tabulated and displayed before you in that form? A Yes, sir; and checked up and verified for me personally by real estate experts employed by the City or the State.

Q Now, outside of the information as to the facts of the character that you have described, coming to you, in the first instance, from other sources, and in part verified by you afterwards, had you personal knowledge of real estate transactions covering actual sales of property in the immediate neighborhood of the Long Dock Terminal and relating to property similarly situated with reference to distance from the waterfront? A I had.

Q Describe them, please? A I was the personal attorney of Mr. Isaac P. Vanderbeek at the time, and for some time before and after, the sale by Vanderbeek & Sons to the Manor Real Estate & Trust Company, in 1903, of the tract of 1.66 acres, in blocks 42 and 11; I had personal knowledge of that sale, as I represented Mr. Vanderbeek, as his

attorney, recorded the mortgage which was given as the consideration price paid for that tract. Vanderbeek & Sons purchased this tract of ground in, I think, 1893; they purchased it for the purpose of using it for a lumber yard, and did use it for that purpose up until 1903, and possibly for a year or two after that. They sold that property to the Manor Real Estate & Trust Company in 1903, for $400,000. The price which they paid for it averaged, over the tract, two dollars a square foot,—a very, very slight fraction over that; the price at which they sold that tract was five dollars a square foot.

Q Who was the purchaser? A The purchaser was the Manor Real Estate & Trust Company, nominally, but practically the Pennsylvania Railroad Company, the Manor Real Estate & Trust Company being a real estate holding company owned by the Pennsylvania Railroad and held in trust for the railroad.

Q And was the tract immediately adjacent to any railroad terminal? A It separated the passenger terminal of the Pennsylvania Railroad from the Harsimus yard of the Pennsylvania Railroad, and ran from Hudson Street back two blocks, occupying the northerly half of each of the two blocks. It was sold by Vanderbeek & Sons practically at a forced sale. A gentleman, by the name of Pearson, who was a partner in the firm, had withdrawn from the company because the business was no longer profitable, and that worked a dissolution of the firm and made it necessary for the firm to sell that very valuable piece of property in order to enable them to divide the partnership assets and close up the business; the consideration was paid by the railroad company by a mortgage for $400,000, bearing interest at four per cent., run-

ning for ten years, and the payment of it was guaranteed by the Pennsylvania Railroad Company. I recorded that mortgage.

Q Did you have to do with the negotiations that preceded the sale? A No, sir; except personally, with Mr. Vanderbeek, from time to time, as he came here to the office and went over the details of it with me.

Q At that time, or prior to that time, were you informed, or did you inform yourself, of the transactions in the neighborhood, as to the real estate values, with a view to determination of the value of the tract with Mr. Vanderbeek? A No, sir.

Q That negotiation he made himself? A The price was arrived at after a dickering over a period of two months, possibly longer; when Mr. Vanderbeek thought he had got up to the highest price he could get;—and therefore, I assume, that the railroad got the price down as low as they thought they could get it,—they agreed to it, the railroad company drew the mortgage, which was sent here with the bond for my approval. I was also the attorney for the Great Atlantic & Pacific Tea Company. I became their attorney shortly after they had erected their first building, which fronted on Bay Street, First Street and Provost Street.

Q Being which block on the map? A Block 172. And after they had erected that building their machinery jarred some of the surrounding property, and injunction suit was started against them, and to defend that I became their attorney.

Q Do you remember about when? A I should think it must be eight or ten years ago; at that time they owned twelve lots, I think. The only thing I knew about the price which they paid for those lots, which was at the rate of $1.27 a square

foot, I learned first from Mr. Ryer's testimony before the Board on behalf of the Railroad Company, and after his testimony was given I verified it from the various officials of the Great Atlantic & Pacific Tea Company. Since that time they have purchased 21 or 22 lots in that location and vicinity, and the price which they paid for those lots I received from them as they purchased them.

Q So you know of actual considerations from personal knowledge? A I do, from their own statements to me. Now, their prices for the first lots they purchased,—they paid $1.27, as I recollect it, a square foot,—and those were the cheapest of the entire 32 or 33 lots which they have ever been able to purchase in that immediate locality adjoining the various railroad terminals on the Hudson River, lying east of Henderson Street and north of the Pennsylvania Railroad main terminal, and they have paid, for exactly similar land, in exactly similar locations, up as high as $1.75 a square foot.

Q Within this Block 172? A The last purchase that they made was in Block 193; one of the later purchases was in Block 139, when they purchased the Salvation Army Industrial Home site, which is on Morgan Street, between Henderson and Warren Streets.

Q And nearly opposite the southerly end of Provost Street? A Opposite the southerly end of Provost Street. That property had been burned by fire and the Salvation Army buildings were all destroyed and the ground lay there vacant, except for the refuse of the fire that lay upon it, and the Salvation Army wanted then to move away and go over on Erie Street, near Hoboken, and they sold that property. They have since purchased one or two lots from the City, at the rate of two dollars a square foot, adjoining their first plant; that was

purchased for the purpose of building a new building the same size as the first building that they built on Bay and First Streets; I also had personal familiarity with a sale made to the Hudson Tunnel Company over in Block 186; the price paid for that block was 80 cents a square foot, and was also regarded by me as a sale which had a lot to do with the fixing of valuations of the rear end of the Lackawanna yard and the Long Dock yards, and that was sold by Mr. Jarvis, who at that time was a client of mine.

Q You had personal knowledge of that transaction, without reference to any information obtained from any other source? A I had personal knowledge of that sale at the time it was made.

Q Was that property still retained by the Hudson Tunnel Company? A No, sir; that is owned by the National Carbon Company.

Q Did you know anything about its resale, about the condition and consideration, I mean? A I don't know exactly what it was resold at, but I had heard that it was substantially the same price.

Q What range of territory did these tabulations and testimony of these real estate gentlemen that you have earlier referred to, describing the actual considerations paid in the change of ownership of real estate, cover? A They covered practically the entire area of lower Jersey City lying east of the Hill, and running to the Hudson River, and running north from the Pennsylvania Railroad land line, through Railroad Avenue, up to the Hoboken line and on into Hoboken four or five blocks north of the Jersey City and Hoboken boundary line. I always regarded the sales of land lying east of Henderson Street as bearing very exact evidential relation to the value of the railroad terminals, for the reason that all the sales in that ter-

ritory represented actual sales for business purposes, severed from any element which threw an incidental or accidental value into the site itself, as being really an evidence of the value of the ground itself for business purposes. The sales east of Henderson Street, running from the Pennsylvania Railroad north to Hoboken are all in, (to me), a perfectly comparative zone of both use and value to the lands devoted to use and forming railroad terminals in that same area. There have never been any sales of large areas of 100, or of 200 or 400 acres made anywhere around these railroad terminal yards which bear, in my mind, a relation to the value of these terminals. There is not any area in that territory which is comparable to the area of the railroad yards, no area whatever which has a waterfront connection and facilities so that they could be compared with a sale of a railroad terminal as such. In arriving at a value of the railroad terminal yards I was always influenced to the opinion that square foot values in this area, of the land used for private business, the properties represented the square foot value very fairly of land equi-distant from the Hudson River; the Hudson River is the main artery of travel, the street or highway on which these various railroads front.

Q Were you also informed of the assessed valuation put upon property within the area that you have referred to, by the Jersey City and Hoboken authorities? A Yes, sir; we had that carefully tabulated and varied and approved by both sides in all the discussions.

Q What do you mean by both sides? A The City and the State made the preparation of those things and put them in evidence, the railroads verified and approved them; the railroads made tabulations of actual assessments, and they were veri-

fied by the City or the State representatives and approved. The first assessments—and assessments have always been difficult things to make comparisons by for me, by reason of the fact that four-fifths, probably, or two-thirds anyway, of the lands contained in these tabulations made from assessments, were all confused as to value, by reason of the fact that on them were erected buildings, and while in the later years in the testimony before the Board the assessments have been given on the separate land value as assessed, separately from the buildings, my own experience has always shown me that the separation of value as between land and buildings, in assessments, is empirical, and will not compare accurately with what the land would be worth, or is worth, where the building is separated from the land.

Q Have you, by reason of your knowledge or considerations and conditions, and familiarity with the territory and with the real estate transactions in the neighborhood a personal knowledge of the value of property in that neighborhood,—had you such personal knowledge at the time you were making these assessments in 1914? A I did; I fixed the value on railroad terminals, including the Pennsylvania's two yards, the two Long Dock yards adjoining on the north, and the Lackawanna yard adjoining the Long Dock on the north, I fixed my values on those yards, or my idea of value on those yards; in this way:—

Q Before going into that: Did you make known to your associates the personal opinion that you have about all these matters, in your discussion of the assessment? A I did. On these Jersey City yards I collected together a good deal of data, wrote it out by hand and had it typewritten, and at various time, it has been submitted to the

Board, and the ideas which I have been expressing were contained in this memoranda. In looking over my scrap books and papers in Red Bank the other day I ran across a part of them,—I am sorry I haven't got the whole of it, but it was practically the same as to all the yards up to Fort Lee and all the way down the river. Some of the members may have read them; if they did not read them they certainly have had my ideas rubbed into them with all the vehemence that I had in my make up.

Q In the discussions of the assessments your personal knowledge was brought to the attention of your colleagues? A Yes, sir.

Q What is your personal knowledge, as to the value of the Long Dock terminal? A My personal judgment as to the value of the Long Dock terminal is, that the land under water in front of it is worth not less than one dollar a square foot; that that runs from the bulkhead out to the pierhead line; the upland back of the bulkhead line I value at three dollars a square foot, back to the line, or the imaginary line, of Hudson Street, produced, back of Hudson Street to the line of Washington Street, produced, I make the value and always made the value two dollars per square foot; back of Washington Street, to Provost Street, I made the value one dollar per square foot; then the street areas, or imaginary street areas, projected in accordance with the plan of Jersey City, if produced through the railroad yards which never were produced, but that area of land I figured would be worth one dollar a square foot as representing a plottage or continuity of the tract and that general value which comes to a large tract in a locality where there is a positive demand for a tract larger than the ordinary city blocks, or lots. The reason that I arrived at that value of one dollar a square

foot for that area is this: In arriving at my figures of one dollar, two dollars and three dollars a square foot, as a valuation of the land in those railroad areas, which would be used as City lots if they were cut up into City lots, is because the only basis of comparison that I have ever been able to find out to my satisfaction is City lots in the surrounding neighborhood, and therefore, where I find a City lot to be worth three dollars a square foot, two dollars a square foot or one dollar a square foot, in the comparative zone or area parallel with the main thoroughfare or the Hudson River, I have put that same valuation on the area in the yards. Now, I know, from my own experience and observation and seeing the constant intensive use made of the railroad yards, that there is a positive demand for areas the size of those railroad yards, and the fact that Vanderbeek & Sons could no longer use their land for lumber yard purposes, because it had become too valuable for that use and therefore sold it to the railroad to be added to their railroad terminals, also satisfied me of that demand. Now then, in order for me to arrive at a conclusion as to value of the areas it is necessary to add to those City lot values a valuation for that continuity and possibility of use for larger purposes than a City lot or City block in Jersey City, a price paid by the railroads or by manufacturing industries for the closing of streets, where they wanted to unite blocks to make tracts larger than ordinary City blocks, seems always to have been at the rate of one dollar a square foot, regardless of the value per square foot of the lots or blocks on either side of them; I have seen one dollar a square foot paid for the closing of a street, where the land on either side was worth sixty or eighty cents a square foot, and I

have seen one dollar a square foot paid where the adjoining land was worth three dollars a square foot. Pearl Street, in the Pennsylvania yard at present is an instance, and 19th Street, in the Lackawanna yard, is a sample where one dollar a square foot was paid for lands on either side were worth less per square foot than one dollar a square foot at the time. Now, I can give you the areas to which I applied those values in both the Long Dock terminals.

Q As a matter of fact, what is the only street that breaks the continuity of the Long Dock terminal tract? A Pavonia Avenue breaks the continuity of the Long Dock yards. I have, of course, heard, many times, the statement made by the railroad company, that Pavonia Avenue spoiled the two railroad yards. That, of course, is a matter of opinion, and the probability is that, if it were possible to close it, it would not be closed. The Central Railroad Company at Communipaw, in Jersey City, in the same zone, maintains through the center of its yard a similar street, at its own expense, paying all the paving and upkeep of that street. The terminal yards of the Long Dock Company and the Central Railroad are nearly comparative in size and the express business of both companies and the traffic to and from the yards, of course, requires a street, and accessibility is just as much a part of the value of a railroad terminal as it is anything else.

Q Is there a public ferry to New York on this Long Dock terminal property? A The Erie Railroad Company maintains a ferry from its yard, from its Long Dock yards under discussion, to three places in New York City.

Q Where is that ferry located, with reference to Pavonia Avenue? A That ferry is located at

the foot of Pavonia Avenue, alongside of and adjoining the railroad station, the passenger station, on the Long Dock terminal land, adjoining the express station.

Q And is that ferry property included in this terminal tract? A Yes, sir.

Q Now, applying your analysis of values, from your personal knowledge, what value did you put upon the Long Dock terminal tract,—and before you answer that question, will you look at this Exhibit P-3 and let me know whether your idea and mine coincide, that the terminal property is the property included within the red lines east of Provost Street and inclusive of the small area between the former exterior line for piers and the new one established in 1914? A It does; and it includes the small area of 2.769 acres covered by the waterfront of these two Long Dock yards caused by the removal of the pier line by the War Department further out into the Hudson River, for the reason that I asked the Long Dock-Erie people whether they claimed the right to the ownership of that additional tract and they advised me that they did.

Q Does it also apply to the small areas, 13,242 square feet and 14,723 square feet, in front of the Pier No. 2 and the Ferry Pier? A Yes, sir; it does; one is called land at the foot of Pavonia Avenue, and the other Block 16B7.

Q Do, or do not, your figures include Plot A in Block 183 on both sides of the main stem to the west of Provost Street and Henderson Street? A It does not.

Q Will you give us your personal valuations? A The reason it does not is because, in my figures here, which were made years ago, I only figured them back to the line of Provost Street.

Q Now I want your personal figures. A My personal figures for the Long Dock terminal, known as South tract, South of Pavonia Avenue—

Q How is that identified on the map? A Also known as Block 16B6, comprising 16.126 acres, is made up as follows: Land under water, 253,366 square feet, at one dollar per square foot; land, bulkhead to imaginary line of Hudson Street projected, 64300 square feet, at three dollars a square foot, $192,900; land from the imaginary west line of Hudson Street projected to the east line of Washington Street projected, 215,000 square feet, at two dollars per square foot, $430,000; land from the west line of Washington Street projected to the line of Provost Street projected, 171,390 square feet, at one dollar per square foot, $171,390; street areas in this tract, all upland, exclusive of land under water, 254,800 square feet, at one dollar per square foot, $254,800; making my total estimate of the value of the tract $1,302,456 as against the assessment—

Q Never mind that, for the present. A The North Tract of the Long Dock terminal, known as Block 17A2, containing 43.872 acres—

Q How many acres did you say? A I say 43.872 acres.

Q Is that accurate? A It does not include the area of the land under water, which, in making the assessment, we assessed separately and differently, and add the value of that land under water as a part of the value of the upland back of the bulkhead line. It is the value reflected into the upland by reason of the continuity and contiguity of the land under water lying in front of the bulkhead.

Q Is this method of assessment by reason of a judicial decision? A So I understand it.

Q What is the area of the land under water which you include in the 43.872 acres, actual area of the land back of the bulkhead line? A 20.885 acres or 901,930 square feet.

Q In addition, also, the acreage between the old pier line and the new? A That is not in my figuring. We, as the State Board, assessed the additional area, of 2.679 acres, but that, I believe, is not included in my square foot area, which was made before the pierhead line was changed.

Q Now, you may give us your valuations. A The valuation that I had placed on this north tract is made up as follows: Land under water, 901,930 square feet, at one dollar per square foot, $901,930; land west of the bulkhead to the easterly line of Hudson Street projected, 309,575 square feet, at three dollars per square foot, $928,725,—that is the first zone; land lying between the westerly line of Hudson Street projected to the easterly line of Washington Street projected, 591,050 square feet, at two dollars per square foot, $1,182,100; land lying west of the west line of Washington Street projected to the east line of Provost Street projected, 524,645 square feet, at one dollar per square foot, $524,645; to that I added street area, 504,402 square feet, for the same reasons given by me in making up the values of the south tract, at one dollar per square foot, $504,402; making the total valuation on this area, in my judgment, $4,041.802. The reason for my placing the valuation of one dollar per square foot on the land under water is because in all of the testimony given in the last seven and a half years before the Board, by the expert witnesses they have always given a front foot value,—they give a front foot value of $1500 a front foot for a tract which measure 1500 feet deep; for a tract measuring 100 feet deep they give

a front foot value of $100; for a front foot 800 feet deep a value of $800 for a front foot, and so on,—so that, while averring that the only way to figure the value of waterfront river property is by the front foot their values satisfy me that a square foot value amounts to the same thing. The reason for putting the value of three dollars a square foot on the zone which I have described, is arrived at by me from the values of land lying in Jersey City outside of the railroad yards in the same zone. Mr. Harrison's testimony on lands at the foot of Pavonia Avenue was at five dollars a square foot in that same zone. There, however, there seemed to me to be an incidental value coming from the fact that the trolley line runs to the foot of Pavonia Avenue, and two ferries are located there, which justify, in my mind, in making this three dollars a square foot on the average, instead of five dollars. At the foot of Exchange Place, Jersey City, the value, in the same zone, is $12 a square foot; that also is the end of a trolley terminal and is opposite the Pennsylvania Railroad station, and there is an incidental value there in excess of the true value of land lying along the bulkhead in Jersey City; there are sales south of Exchange Place and east of Hudson Street which justify a value of three dollars per square foot on that zone strip; the Vanderbeek sale at five dollars a square foot lies to the west of that strip; in the two dollar a square foot zone, in Hoboken and west of Hudson Street, values run from ten down to five dollars a square foot, but they are likewise affected by being at the terminus of the trolley company and the ferry and the railroad terminal. In the two dollars a square foot area, as I have said, is the Vanderbeek sale, purchased by Vanderbeek for lumber yard purposes and sold for five dollars a square foot to the railroad company; it had a value to the railroad com-

pany above anyone else, because it made possible the union of two of their yards. The Pavonia Avenue values, as testified to in this area, are all at two dollars a square foot and three dollars a square foot; in Hoboken they are much above this value in the same zone, but are affected there, particularly at Washington Street, because they are in the retail and bank district of Hoboken, and the values there run up to five and six dollars a square foot. The one dollar a square foot zone is affected, in my judgment, by the Atlantic & Pacific Tea Company purchases, which are all in excess of one dollar per square foot, being from $1.27 up to $2 a square foot. The block condemned by the tunnel company, bounded on the east by Henderson Street, on the south by the Pennsylvania Railroad main line and Railroad Avenue, was covered with buildings; I was one of the condemnation commissioners before whom that land was condemned; the block, as I recollect it, averaged in cost three dollars a square foot, which had a number of buildings, some very good, and some very inferior, some valuable and some bad, and it is contiguous to the Atlantic & Pacific Tea Company, Butler Brothers and all that other property. On Henderson Street the values run higher than this one dollar a square foot zone, but that also is caused by a trolley line, a certain amount of retail business, and there are various businesses and industries on that street, which make a higher value than I would consider the fair value of this one dollar zone through the railroad yards.

Q By the way, was testimony taken before that condemnation commission? A Yes, sir; for two days. Now, I would like to say one word about this zone which the Long Dock witnesses prepared in the rear of Henderson Street.

Q Go ahead. A The two comparative tracts selected by the witnesses for the Long Dock Company shown on Exhibits P-1 and P-3 and described by those witnesses as the north section and the south section, lie in parallel lines with the north and south lines of the two large Long Dock terminals under discussion in this case, but these tracts are separated from the Hudson River, have no connection whatever with the main street or artery of travel, the Hudson River, which gives the value to those terminal tracts on the Hudson River. They begin at a point 2,100 feet, or approximately half a mile, back of the bulkhead line, and run from that point all the way back to the Hill, a distance of approximately one mile, all of the tract a half a mile or more back from the river, and has no increment of value attached to it by reason of the river, and therefore, in my judgment, is not comparative at all with the value of river front property in Jersey City; it is used largely for dwellings and tenement house properties of the poorer character, and renting at comparatively low rents, except as affected by the fact that single buildings are much crowded and occupied by many families or rooms, occupied by different occupants at different parts of the day for sleeping purposes, for some at night and for some in the day time, and has not characterization in common with the property lying to the east of Henderson Street, which is all business property. I also differed very much from the conclusions as to area of value or per square foot as arrived at by the witnesses produced by the railroad, even when argued from the data which they have accurately presented of sales within these two comparative territories, and from the testimony they have given I would figure out an entirely different valuation; and an exam-

ination of their testimony will convince the student that their conclusions as to areas larger than city blocks are not justified by the testimony which they have given accurately of the areas.

Q What is your personal valuation of the ferry plot, known in the assessment as the tract south of Pavonia Avenue, I think? A I never personally figured the number of square feet in that area, but the valuation fixed by the Board was examined by me personally, as to its comparative value, compared with the other values which I had figured out around it, and I voted for it for that reason; and the same is true as to the tract immediately to the south of the ferry tract, known as Block 16B7.

Q Do these figures that you have given us, of your personal valuations of the blocks 16B6 and 17A7 coincide exactly with the assessment? A They are a trifle more than the assessment; my assessment on the north tract is $4,041,802, and the assessment is slightly under that, $3,973,654; my valuation as figured out on the south tract was $1,302,456 and the assessment is a trifle under that $1,098,480. The assessments as arrived at were near enough to my ideas of the value to heartily receive my approval and vote. I would like to make one more statement: These values which I have testified to as my values of the Long Dock terminal bear an exact comparative relation to the terminal tracts in the Lackawanna yard to the north and to the Harsimus and Pennsylvania passenger terminal to the south, and are as nearly and exactly proportionate to each other, in my opinion, as the human mind can work them out.

Q Have the assessments made on the Lackawanna terminal to the north and on the Harsimus and passenger terminals of the Pennsylvania to

the south been contested by the railroad companies?

Mr. Bain. I object to that as immaterial, incompetent and irrelevant.

A They were not contested, and, in addition, they were accepted and approved by the real estate and land tax officials of both of those companies.

Q Did the personal figures that you have given us here, which, I understand, differ slightly from the assessments made by the Board, represent a judgment reached by you by any arbitrary addition of twenty per cent to any former valuation, or any other valuation than that you have described here? A They did not; they were figures arrived at by me prior to the time when Mr. Charles Hansel was employed by the State of New Jersey as a revaluation commissioner and expert on railroad property.

Q Do they represent the present values, in your judgment, as well? A They do; I do not think there has been any substantial change which one could separate or say was either an increase of any substantial amount in the last seven or eight years; there have been slight changes in the method of handling business and these particular terminal yards under review here may be slightly more valuable to the railroad company now, by reason of the fact that more of the high class freight and express matter is handled there through them than formerly, but the surrounding values have not changed materially. I told you the increase in values in the Great Atlantic & Pacific Tea Company purchases; the land itself probably is no more valuable today than it was when they made their first purchase, but as they

had been increasing their plant they had improved that community for that class of business and people are getting a little more money for the same values.

Q Increased demand? A Very much increased demand.

Q You spoke about demand for land for terminal purposes; have you knowledge or not of the increasing by the railroads of their terminal properties in the neighborhood of this Long Dock terminal? A The Long Dock Company, or Erie Railroad, which owns the Long Dock Company, has since I have been on the Board, very much increased its facilities for business through that terminal; it is, of course, as far as passenger travel is concerned, a wonderful railroad station; they have an immense commuter travel,—I suppose the largest that comes into New York City; they have a wonderful railroad service; they start out for different points three trains at the same time, on one the first stop begins at Ridgewood, I think, the second one begins to stop at intermediate points, and one makes all of them. I used to live one summer out beyond Ridgewood, at Hohokus, and became well acquainted, while living there, with the immense commuter travel; they also have a large freight traffic there; it has been necessary for them, since I have been on the Board, to put four additional tracks through the Hill of Jersey City, into their passenger and freight terminal; they have built a large railroad cut through the Hill, operating and maintaining that, in addition to the former tunnel which has two tracks in it.

Q Do you know whether they have increased their terminal facilities east of the tunnel, as I call it,—east of the Hill? A East of the Hill they have widened out their main stem by creating a

new railroad, running parallel with the main line into these same yards; I don't know whether it is six or eight tracks through there now; they have an additional system, known as the Penhorn Creek, which runs east of the Hill, from east of the Hill to the terminal yard which is under discussion. They have purchased for that purpose a great many lots and half blocks all along the line from the yard west to the Hill; they have also acquired seven or eight blocks to the east of the Hill immediately at the foot of the Hill, which they use for car storage yards, and those have all been acquired since I was a member of the Board.

Q Is that called the Monmouth Street yard? A I don't know the name of it; it lies out along the line of the New Jersey Junction Railroad Company, to the east of the New Jersey Junction Railroad at Coles Street.

Q Do you know whether the Lackawanna has increased its yard adjoining the Long Dock terminal to the north? A They also have acquired three or four city blocks back there, 86 lots at the north of the entrance to the Lackawanna tunnel; I think there are 86 lots there; they were acquired since I was a member of the Board.

Q Do you know whether the Pennsylvania Railroad, to the south, the Harsimus yard, has been increasing in any way recently? A The Vanderbeek purchase was made before I went on the Board, and the Pearl Street and seven or eight lots adjoining Pearl Street, part of the passenger yard, were acquired by the Pennsylvania after I came to Jersey City, in 1898, in the next two or three years.

Q Were those tracts that you have referred to, the Vanderbeek and others, incorporated into the Harsimus yard? A Into the passenger terminal.

Q Into the Pennsylvania terminal? A Yes, sir. All the railroad property east of the Hill and north of Railroad Avenue is in active railroad use today, I think. There may possibly be a little part of the Lackawanna yard that is claimed not to be, but I guess it actually is.

Q Are you sufficiently acquainted with water front properties,—I would think you were from your description of your knowledge,—to tell us whether there is any place in the neighborhood of this Long Dock terminal where a like terminal in area could be reproduced? A There is not anything between Hoboken and Railroad Avenue, or Exchange Place, that could be made into a railroad terminal fronting on the Hudson River today; there is a tract south of Exchange Place, running down to what is called the Gap, part of the waterfront owned by the Pennsylvania and part by other concerns, and land back of the waterfront owned by Colgate & Company largely, and largely by private owners,—separate owners,—various manufacturing industries lying south of Montgomery Street down to the Gap toward the sugar house; it is perfectly comparable for railroad yards such as the Long Dock, or the Pennsylvania, or the Lackawanna, but it is divided up into many, many ownerships. I do not expect, in my time, to see it turned into a railroad yard; it may be.

Q Have you examined the subject in such a way that you have personal knowledge as to whether it would be possible to produce in one ownership a like area with the Long Dock terminal, at a cost which would be in any way comparable with the valuation that you put upon the Long Dock terminal? A Yes, sir; it has been gathered together for three to five dollars a square foot on equal area with the valuation that I had

placed on it. In the first place, there are buildings that are probably worth nearly twice the value of the land, which would have to be demolished, which would require a very great expenditure of money to do that.

Q Have you, in giving figures you have given us as to the valuation of this Long Dock terminal land, included any elements of franchise worth growing out of their actual use for railroad purposes? A No, sir; those figures are my ideas of an equal area of bare land, based on bare land figures from actual purchases in zones equi-distant from the river, and applied not only to the Long Dock terminals but equally so to all of the other railroad terminals in that area, the Pennsylvania and the Lackawanna.

Q Now, you spoke some time ago about the comparative zones, the north and south sections shown on this Exhibit P-1 introduced in this case and testied to by some of the former witnesses: Have you personal knowledge as to the values of land along the main stem of this road, in Blocks 183, 218, 253, 286, 323, 360, 385, 421 and 547? A As to that I would say that it is exceedingly difficult, calling for an opinion, to say what a plot of ground 25x100 is worth lying along that strip. In the first place, there are so many buildings on the lots, and the sales, since I have been in Jersey City, in that section, have been sales of buildings on the lots and the lots, and often for the purpose of destruction of the building and using it for land value alone. In one sale you will find a lot sold in which it carries a building, and the value of the whole thing is really and practically a land value; and alongside of it you will find a vacant lot sold for maybe, possibly half of what the lot and building next to it sold for, to the same person, and

both are used for identically the same purpose,—vacant lots. I have sold one lot in there two blocks from the railroad for $1,000 as Special Master. The land is probably worth from three to five thousand dollars, and the reason it was sold for $1,000 was because in that locality there was no use that any one could put a lot 25x100 to. If a man had ten vacant lots he would have realized his price undoubtedly. I sold, as Special Master, lately, a lot adjoining the Long Dock Railroad, I think in Block 253 (either 253 or 286); the lot was 21x75 and is known as Lot D in Block 286; it had on it a brick building three stories in height and about 38 or 40 feet deep. It had water closets and sheds in the back yard. It had against it nine Tenement House violations; and I got estimates of what it would cost to remove the Tenement House violations. The estimates that I got were, I am satisfied, fair at the time; I did not get them for the purpose of testifying here,—but it would cost $2,000 to remove the Tenement House violations. I sold the property as Special Master, putting in the terms of sale, "Subject to nine Tenement House violations," and my estimates on the cost of removing them, that is, $2,000. I found out after that through people at the sale, who had the same thing. I sent notices of the sale to the Tax Department of the Erie Railroad, thinking that they might be interested in buying it. The property sold for $3,200.

Q What was the size of it? A 21x75; and the building itself is very old; it would cost $2,000 to remove the Tenement House violations; so that you can see that there is little or no value in the building. $5,000 is what undoubtedly any decent sized strip of land would be worth in there,—worth $5,000 a lot.

Q That is two dollars a square foot? A Yes, sir. But the difficulty is in getting them together without destroying a lot of buildings; so that it is pretty hard, I think, for anyone to accurately say what land is worth a square foot in there; and land in that area there, along the Erie Railroad Company's main stem has in front of it the elevation of the railroad tracks, which are high enough for vehicles to go under at the cross streets, and sales of property that are used for living purposes is not comparable in any way with the value of the land, because it is going through a change of life, as it were.

Q Have you sufficient knowledge of sales and conditions in that neighborhood to have a personal judgment as to the fair value of property in the blocks to which I have referred on the main stem stem and second class property? A Why, I believe I have a very good idea of what stuff is worth in there.

Q What is your personal opinion? A My personal opinion on these things are the values that the State Board of Assesors put on those various plots. They were personally made by me with Mr. Hansel and Mr. Focht, and they were submitted to Mr. Williams, then representing the Erie Railroad, they representing my ideas of those land values in there. They are very small tracts and figure a very small proportion of the assessment.

Q Do I understand you to say affirmatively that you have knowledge of the conditions and of transactions in the adjoining neighborhoods, so that you have a personal judgment on them? A Yes, sir; I have a personal judgment on them.

Q And the figures which have been put on those tracts, second class tracts and of the main stem

accord with your judgment? A They accord very accurately with my personal judgment; I think they are very fair.

Q I understood you to say that you made those figures; do you mean by that that you communicated your personal judgment to your fellow members? A Well, the three of us sat daily—nearly every day—plotting together, day after day, and discussed all the plots separately and fixed them on a ground proportionate to each other and to the surrounding value of streets and travel.

Q And your personal judgment on the subject as reflected by those figures was communicated to your fellow members of the Board of Assessors on those particular tracts? A Only in this way: They were so small as not to justify of argument and controversy over it; I communicated those values on those tracts in a report which was made by Mr. Focht and Mr. Hansel and approved by me and under my direction, and I told them that it what I considered the value of those plots along that line of that railroad in those blocks. I do not think I ever told anyone of either of the two sales I have mentioned, because they both happened since.

Q They, at any rate, accord with your personal judgment? A Yes, sir; they did not differ from the valuations on the whole assessment.

Q The valuations made in the year 1914 were substantially, except for some slight changes in area, similar to those that had been made for the years immediately preceding, 1911, 1912 and 1913? A They are computed at exactly the same rate.

Q You have already told us that, in your judgment, there has been no substantial change of values? A No, sir.

Q Do you know whether, at any time, any person or official connected with the Long Dock Company, in its relations to the State Board of Assessors, has approved of these figures?

Mr. Bain. I object to that as incompetent, irrelevant and immaterial and not properly connected.

A Mr. Harrison Williams, from my earliest connection with the State Board of Assessors, used to appear before the State Board of Assessors with Mr. William H. Corbin, Mr. William H. Corbin representing himself as the attorney for the Erie Railroad Company and its various allied roads, including the Long Dock; and he always appeared at the hearings before the Board and in court, when it went to court, and he was known to me to be an attorney at law in the State of New Jersey of the finest reputation; he was always, I think, accompanied by Mr. Harrison Williams, and he always introduced Mr. Harrison Williams to the Board as the Real Estate and Tax Agent of the Long Dock Railroad Company. Mr. Harrison Williams frequently conducted examinations in the presence of Mr. Corbin and took the part of the attorney representing the Erie Railroad Company and its branches in its appeals before this Board. The returns required by the Laws of the State of New Jersey regarding railroad taxation—

Mr. Bain. Pardon my interruption, Mr. Hendrickson. Are you referring now to anything connected with the 1914 assessments that are now under review or some prior assessments.

Mr. Hardin. Prior assessment; the question is general.

A —required to be made to the State Board of Assessors, this Board, by the railroad companies, were signed by Mr. Harrison Williams, on behalf of the Erie Railroad, the Long Dock Company and the other railroads connected with the Erie Railroad, from my first connection with the State Board of Assessors up until 1912. Mr. Harrison Williams was also associated with Mr. Bain, who now represents the Erie Railroad in this matter, and Mr. Achenbach—

Mr. Bain. Just a moment. I object to that.

A —and was introduced to the Board by Mr. Harrison Williams and came before the Board in tax matters relating to the Erie Railroad with Mr. Harrison Williams, and Mr. Harrison Williams was recognized, from the time I first became a member of this Board until he severed his connection with the Erie Railroad Company, as the properly accredited representative of the Erie Railroad and its associated lines in tax matters with the State of New Jersey.

Mr. Bain. I object to that last part of Mr. Hendrickson's statement and ask that it be struck from the record, on the ground that such expression is a conclusion and not supported by any facts at the present time before the Board; and upon the further ground that the entire statement of Mr. Hendrickson's with relation to Mr. Williams is incompetent, irrelevant and immaterial and without proper foundation, and not properly connected.

A Mr. Williams accepted and approved of the valuations as assessed in this assessment, against some parcels of land, except for the slight differences due to changes in area which have occurred since 1911. He accepted and approved for that

year, 1911, all of these areas, including the north and south side of the Long Dock terminal, the small parcels in the rear of it, running out along the main stem to the cut, and the tract at the foot of Pavonia Avenue in front of the ferry plot. That came about in this way: The State of New Jersey, through Charles Hansel as Supervising Engineer—

Mr. Bain. At this point I desire to object to the statements last made by Mr. Hendrickson, upon the ground that they are incompetent, irrelevant and immaterial, there being no evidence that Mr. Harrison Williams had any authority to bind the Long Dock Company.

A —and with the assistance of the State Board of Assessors, its engineering department had been making a reappraisement and revaluation of railroad property; from time to time, as values were fixed tentatively by Mr. Hansel and the State Board of Assessors, they were submitted to the various railroads to the Long Dock Company and the Erie Railroad Company, through Mr. Williams, and through Mr. Williams to the various departments of the Erie and Long Dock Companies, so that the personal property and buildings were approved by the Master Carpenter or various agents and employees of the Erie Railroad, and gone over with Mr. Hansel and put into schedule form as they were approved by the employees and agents of the Erie Railroad, until they were fixed on the buildings, and those schedules are on the files of the State Board of Assessors today; and Mr. Hansel has in his possession copies of the same schedules, which are actually signed by Harrison Williams. The Board had communicated formally

its values of lands, buildings and everything else to all of the railroads, and numerous consultations and hearings were had with the counsel representing the railroads, their land and tax agents, their master carpenters and various employees connected with taxing matters, and the same was done with the Erie and Long Dock Company. Finally, we had gotten down to practically everything except the land values along the main stem and in the terminal yards in Jersey City—

Q Referring now to the Erie? A Referring now to the Erie and Long Dock Company; and all the other railroads had been settled with and the increased assessments had been agreed upon by the other railroad companies. Out in Passaic the land value as fixed by Mr. Hansel was very high, in the opinion of the Board, and was based on the square foot values of the lots fronting on the main street in Passaic through which the main stem of the Erie Railroad runs; Mr. Williams contended that that value was an accidental and incidental value, created by the railroad making that the principal street of Passaic,—the principal business street. The Board agreed with him on his contention to a man, and we decided to average the value of the railroad land through there, not on a 100 foot strip on each side of the street, but taking a considerable area in the rear of that 100 foot strip, so that we reduced the land out there to a value that we—

Mr. Bain. I object to any further statement upon lands outside of Jersey City, upon the ground that the same is incompetent, irrelevant and immaterial.

A —ourselves considered it fairly worth. In that way we adjusted, at various places, with Mr. Williams, sometimes it being done personally with

Mr. Focht, sometimes personally with Mr. Hansel, but the total changes and alterations made on all of the land were gone over, as I recollect it, together with myself present, Mr. Williams, Mr. Hansel and Mr. Focht. We were still quite some little distance apart—may be a matter of two or three million dollars. At my instructions Mr. Hansel had one or two further consultations with Mr. Williams about the additional land values; we had told him absolutely and positively that those values on the land in the terminal, and these buildings in the rear of thet erminal, would have to stand, and represented the real judgment of the Board, of both Mr. Record and myself, and the other members. Finally Mr. Hansel had one or two further consultations with Mr. Williams, and then I listened to Mr. Hansel and his ideas on the total amount of the increase which that reappraisement would make in the total assessment of the Erie Railroad, exclusive of the New Jersey & New York Railroad; I had come to the conclusion that $3,514,400 was just about what Mr. Williams, representing the Erie Railroad and Mr. Hansel and the State Board of Assessors was going to agree on as the total increase in the appraisement over the year before, so that the assessment for 1911 would be $3,514,400 more than the assessment for the year before. I wrote that down on this piece of paper which I now produce and ask to have marked for identification—

(The paper produced by Mr. Hendrickson was thereupon marked Exhibit S-1 for Identification of May 6, 1915.)

A —on it is written, in the handwriting of Mr. Charles Hansel, "Erie Memo, C. E. H." The State Board of Assessors was in session at the State House in Trenton in its office one morning,

on September 17, 1912, the Board was working over the details of various adjustments in assessments growing out of Mr. Hansel's appraisement, Mr. Hansel's appraisement having been received by the Board and changed in certain particulars, when the telephone rang, one of the boys in the office came in and told me that Mr. Harrison Williams wanted to speak to me; I went out of the room and went to the telephone, and Mr. Williams was on the other end, and he said that he was satisfied that he and the Board were so close together—

Mr. Bain. I object to any statement of Mr. Williams upon the ground that the same is incompetent, irrelevant and immaterial, and not binding upon the Long Dock Company.

A —on the figures in his assessments that if the Board would come down to Jersey City and meet him and get his final suggestion, the figures, that he believed we would agree. Everything else, with all the other railroads, had been cleaned up, and I went back to the Board room and told the Board what Mr. Williams had said, and asked the Board to adjourn and take the next train back to Jersey City; there were in the Board room at the time, in addition to the Board, Mr. Hardin, who was representing the Attorney-General's office on behalf of the State, Mr. Charles Hansel, the revaluation commissioners and, I think, probably Governor Fort, although I don't recollect it positively. We then went out and we took a train; we came to Mr. Record's office, which was the place selected by Mr. Williams to meet, so we went there; Mr. Williams was already there when we came in; we sat down and started with a few pleasantries that used to happen on those occasions and in those strenuous times, and I stood

over by the table, and after a few minutes of random talk I handed Mr. Williams this piece of paper (referring to Exhibit S-1 for Identification, May 6, 1915,) knowing very well that Mr. Hansel did not know what was on that paper, but it was the same figure that we had discussed down there at Trenton and which had been my suggestion of what I thought the change in the assessment ought to be, and I submitted that to Mr. Williams and told him that that was the increase from the year before which the Erie Railroad would have to take and accept, and that it was fairly comparative with what the Board had done with all the other railroads; he looked at it and asked to have the $400 taken off, and I remember saying "Really, we could not conscientiously take that off"; he did not want to offend my conscience and so he accepted that figure, $3,514,400 as the total increase for the Erie Railroad for that year, and we arrived at it by striking out of the then assessment the floating equipment which I think we removed in its entirety, and cut down the land value that I mentioned, out in Passaic, and some other slight trifling items along the line which he had in his mind. The values on those terminal tracts in Jersey City he agreed at that time should stand as they were with the difference between the physical valuations as they had been fixed and scheduled, in the way I have mentioned, some of them signed by Mr. Williams and myself, and some of them agreed to with each other, including the land values, should be charged to the franchise value of the whole total assessment and should be divided up among the various railroads making up the Erie system. That expression of the franchise items was made afterwards, Mr. Hansel says, by himself, and myself, alone, at Trenton, and my

recollection of it was that Mr. Williams suggested the way it was divided up among the different branches of the Erie system; it is possible that both Mr. Hansel and myself was right, because Mr. Williams may have come here to the office and divided them up with me, I may have submitted them to Mr. Hansel and then had them be there, and those franchise allotments, as they were then made, were approved of entirely by Mr. Williams, and he agreed and told us that he was authorized—

Mr. Bain. I object to any statement of Mr. Williams, upon the ground that the same is incompetent, immaterial and irrelevant and not binding upon the Long Dock Company.

A —by the executives, either the proper Vice-President or the Committee of the Erie Railroad, to agree on that figure; and in it were included the same valuations of the land as they are in the present assessment today, except for the slight variations due to changes in areas which I have mentioned before.

Mr. Bain. We object to the entire statement by Mr. Hendrickson with respect to Mr. Harrison Williams and his alleged position, representations, statements, suggestions and agreements, upon the ground that the same is a conclusion, that the alleged representations, statements, suggestions and agreements by Mr. Williams were not binding upon the Long Dock Company, that the time of such alleged statements, representations, suggestions and agreements does not apepar and has not been fixed, and that the entire statement is in other respects incompetent, immaterial and irrelevant; and I ask for the Board's ruling upon that.

Mr. Hardin. Before that question is ruled upon I would state that proof will later be supplied as to the exact time of the occurrences described by Mr. Hendrickson.

(The objection of counsel was overruled by the Board).

Q You have not yet told us what was done with that paper which you have marked as an exhibit for identification, this Exhibit S-1 for Identification of May 6, 1915? A That was handed back to me by Mr. Williams after he had agreed that that should be the increase, including the $400 which was all he asked to have it reduced, and Mr. Hansel asked me to give it to him so that he would have a memorandum on which to figure out the reductions which I have mentioned, floating stock and some others, and I gave Mr. Hansel this memorandum (S-1 for Identification of May 6, 1915) and he took it back with him to his office, wrote a letter to the State Board of Assessors which is on file in Trenton and which I will put in evidence tomorrow, wrote on the paper in his own handwriting here "Erie Memo, C. E. H." and put it in this envelope, marked Folio No. E-24, which was his file number for the records of his work with regard to the Long Dock revaluation, and filed it away as showing the increase of the 1911 total assessments, except the New Jersey and New York, for the Erie System, over the State Board of Assessors' assessment for 1910, and filed it away. A few days ago I told him my recollection with regard to our settlement with Mr. Williams on Erie assessment matters and asked him if he recollected them as substantially the same, and he produced this file, and in the file we found this envelope; I opened it, wrote on it "Opened April 6, 1915, at Trenton, in Board meeting, full Board

present, by C. E. H. Jr." looked at it, recognized my handwriting, showed it to the other members of the Board, put it back in the envelope and sealed it up again, gave it to Mr. Maguire, the Secretary of the Board, to be filed with the records of the Board, and I telegraphed Mr. Focht yesterday to bring it over here with him this morning, and I have opened it in the presence of the Board and counsel at this meeting. I ask to have the envelope marked for Identification.

(The envelope was thereupon marked Exhibit S-2 for Identification of May 6, 1915.)

Mr. Bain. We object to the statement last made by Mr. Hendrickson, for the reasons heretofore stated, and upon the further ground that the same is incompetent, irrelevant and immaterial; and we further object to the documents produced by Mr. Hendrickson being offered in evidence upon the ground that the same have not been properly proved and are not relevant.

AFTERNOON SESSION.

The hearing was resumed at two o'clock p. m.

CHARLES E. HENDRICKSON, JR., recalled.

By Mr. Hardin.

Q Mr. Hendrickson, I refer you to Mr. Maguire's testimony in this case, beginning at page 251 of the second book. Will you kindly look at the minutes of the Board read into the record at that place and tell me whether you recall passing that resolution? A I do.

Q Had the valuation of these properties by you personally been reached prior to the time that that resolution was passed? A Years before.

Q And had you a personal valuation of the terminal properties, not only of the Long Dock Company but of all the other railroad systems, prior to the passage of that resolution? A I had; Mr. Hansel had turned into the Board his appraisement of land, not only Long Dock Terminals, but over the entire State of New Jersey. When I and the other members of the Board studied over those values we all of us had the same opinion, namely, that Mr. Hansel's land values were less than the members of the Board were willing to assess the land at. Mr. Hansel had often voiced his ideas to the Board with regard to the assessment of railroads and railroad property; he had a theory that under a formula which he had, that it made no difference whatever what you assessed the physical property at, because his assessment on the railroad as a whole, as an entirety, was based on an earning proposition and therefore, he said, if you over-assess the physical property or under-assess physical property, it did not make any difference to the railroad, because when you credited them with their interest charges and annuities on it, so far as the railroad was concerned, it would work out substantially the same, and without any injury to the railroad. I felt, and the other members of the Board felt, that in adopting his theory, it seemed to us good and met with our approval, that the wise thing for us to do, and for the State to do, was to hang on to our physical tangible valuations and not to trust entirely to his theory of catching the total valuation of the property as a whole, and therefore we all decided that, so far as his valuations of physical property did

not accord with our, that we wanted our values and appraisements of the tangible physical property maintained at substantially its fair true value. We did not know what might be the results on litigation, but we did know that valuations on tangible property could be maintained, and therefore we stuck to them. We had probably several meetings —a good many meetings—discussing the tangible physical property, and the final result of it was that we decided to increase his physical valuation on the land, on the physical land, to an amount that was commensurate with the ideas of the Board. The resolution that you have shown me in those minutes met with my approval, for the reason that the valuations obtained from the use of it were good and not different from my own ideas of what the true value was. It also met with my approval, because it maintained, to my mind, a fair proportionate relation of values among the different railroads, as between themselves.

Q Referring, now, to the terminal properties, not only the Long Dock Company but to all the properties, did I understand it to be a fact that you had personal judgment as to the value of these properties based on your own knowledge and information as you have described it to us, of these terminal properties, which was somewhat in excess of the percentage rule applied by this resolution and Mr. Hansel's figures? A My values were in excess of the results obtained by the use of that rule.

Q And that you assented to the rule for that reason as a working rule of the engineering department? A I did. It made, to me, a simple machinery of doing the work without the Board actually handling each separate parcel. The Board had used a similar percentage operation

before that when the Supreme Court, or the Court of Errors, first set aside the assessment made for the years 1906, '07 and '08, in which I participated, and all the Board felt that the Supreme Court had made their mistake in,—or, rather, the Court of Errors had made a mistake in setting aside the Board's assessment, and the opinion of the Court itself, when we read it, satisfied us that counsel for the railroads had argued that we had made, as a part of our valuation, a franchise valuation in the land, and that the counsel representing the City had argued that the Board ought to do it, we therefore concluded that the Court had decided that since the railroads argued that we did do it, and the City argued that we ought to do it, therefore we ought to have done it, and we had not done any such thing, and we reduced the assessments, in accordance with the Court's opinion a very minute fraction, in order to come within the letter of the law laid down by the opinion of the Court of Errors and Appeals and then sent back this same assessment.

Q It appears from this resolution that the percentage therein referred to was to be applied to Mr. Hansel's estimates of value on second class land, based upon the value of neighboring lands,—you understood that their reports he had made to you were his estimates on that? A I understand, and I presume the other members understand, that he had arrived at his conclusions by considering the neighboring land; he has since testified that he did not arrive at it that way.

Q At any rate, whatever his theory was, the thing that was before the Board upon this occasion were the specific figures reported by him? A Was the specific figures reported by him, and that the entire Board was satisfied to follow all reasonable actual sale values of the land.

Q You had actual figures, you have told us: Did you discuss your actual figures with your colleagues in the Board? A I did; yes, sir. They were before the Board many times, they were type written and talked over, and everything else.

Q Were they known to the Board when this resolution was passed? A I assume that the Board had them.

Cross examination by Mr. Bain.

Q You mentioned a sale of the Vanderbeek property on Morgan Street,—what was the acreage in the property, as sold to the Manor Real Estate Company? A 1.66 acres, as I recollect it.

Q Did that include the land in the street in front of the property? A I think it did not, but I am not positive.

Q What was the acreage, including the land in the street in front of the property? A I could not say exactly what that added, but I think it would increase it about one-fifth, if I recollect, more or less.

Q Would you say that the acreage, including the land in the street, was 2.641 acres? A I would not answer that, because it is capable of being figured out accurately by pencil. I can give you the size of the streets and the size of the half blocks.

Q What was the price paid by the Manor Real Estate Company for that property, per square foot, including the value of the land in the street? A I never figured that out exactly, therefore I could not give it to you.

Q It was less than five dollars a square foot, wasn't it? A It was slightly over five dollars a square foot for the exact lots inside of the street area.

Q And, of course, much less than that amount for the land in the street? A It would be less, but I cannot testify to that exactly unless I figured it out for you.

Q You would not say that the price per square foot, under that sale, including the land in the street in front of the property, was about three dollars a square foot?

Mr. Hardin. I object to that unless the figures be laid before the witness.

A I should say that it would not figure down to that, and that was not what was actually sold; what was actually sold was the land, exclusive of the street, together with whatever right of reversion there might be in the street area in front of the lots in case the streets should be vacated; they never have been vacated.

Q That reversionary right is a valuable right? A It may be, and may not be.

Q It is included in the sale price of any property, is it not? A The sale price of property is a theoretical thing, in my opinion; it is founded on accessability; without a street the sale price of a lot might not be anything; a lot located out in the meadows, without any streets to get to it, would have very little value, because it would have no accessability; the same would be so of a lot on Newark Avenue, if you should remove the street and make it impossible to get into a man's retail store on that thoroughfare.

Q But, in your opinion, the purchaser of property pays something for the reversionary right in the street? A In my opinion, the purchase of a piece of property pays what, in his judgment, the property is worth in the condition it is at the time he buys it, and that he, alone, is the judge of what it is worth to him.

Q And that includes the reversionary right? A It, of course, includes the reversionary right in many instances to him. The reversionary right does not form any part of the price that he pays; the price that he pays is often because the reversionary right is not being exercised, but that there is a street through which he may have access to his property.

Q The deed of the Vanderbeek property also conveyed the interest of the grantors to land under water in front of the property to the Hudson River? A There was no land under water to the Hudson River in front of the Vanderbeek property.

Q I am asking you about the deed, whether it did not have certain water rights contained in it? A It may be that the deed contained such a clause, but unless it actually exists I could not advise you whether it had any value or not.

Q You had no actual knowledge that the Vanderbeeks did not convey water rights by that deed? A I know that the Vanderbeeks would have signed a deed conveying the land which they owned, and everything else that anybody could think of that they might own, and would gladly put it into the deed.

Q According to the deed, the Vanderbeeks did actually convey water rights? A I would refer you to the deed.

Q Did you examine the deed? A I did not; I never examined the deed.

Q You stated that the first property purchased by the Great Atlantic & Pacific Tea Company was at the price of $1.27 per square foot; did that price of $1.27 a square foot, as given by you, include the value of the land in the streets in front of the property? A That included everything that the

Great Atlantic & Pacific Tea Company thought the vendor owned and it included everything that the vendor thought he owned and had a right to convey to the Great Atlantic & Pacific Tea Company, which, in my opinion, also included whatever reversionary right there was and which might go back to the property should the street be abandoned.

Q And the same thing applied to the other two sales to the Great Atlantic & Pacific Tea Company? A I think it applies to all the sales to the Great Atlantic & Pacific Tea Company of lots fronting on streets.

Q You ascertained the price per square foot, as shown by the sales to the Great Atlantic & Pacific Tea Company, by dividing the consideration price paid by those vendees by the number of square feet in the lots, exclusive of the land in the streets? A Yes, sir. Where it was a lot 25x100, by dividing it by 2,500. Except for the fact that the street were there, my opinion is that the value would not have been in the lots.

Q Which piece of property purchased by the Great Atlantic & Pacific Tea Company referred to by you had a building upon it? A Well, it is too long ago to remember now, but I think most of the lots they purchased did not have buildings on them.

Q But at least one of the parcels purchased by the Great Atlantic & Pacific Tea Company did have buildings upon it? A There may have been one, but the ones that I figured out by the square foot did not have buildings on, and the purchase from the Salvation Army, the buildings had all been destroyed by fire, and there was nothing on the lot except iron and scrap that was non-com-

bustible which the Salvation Army had accumulated there for the purpose of sale.

Q You stated that the Great Atlantic & Pacific Tea Company had paid as high as $1.75 per square foot. That $1.75 per square foot that you referred to was on instance in which there were buildings upon the land? A No, they paid as high as that for lots on which there were no buildings.

Q In which lot and block was the price as high as $1.75 per square foot? A Well, I cannot recollect now, because it is four or five years ago, or more, since those purchases. They paid about that price for the property they bought from the Salvation Army.

Q Have you recently refreshed your recollection on the price paid by the Great Atlantic & Pacific Tea Company for the property? A I never thought of that from that day until this. At the time I verified it when they were sworn to by the witnesses for the various railroads that were produced here, I took the trouble to go to the Great Atlantic & Pacific Tea Company to verify them, to see if they were exactly as given by the railroad witnesses, and they were exactly accurate.

Q All that you verified was the consideration price, but not the square foot price? A The consideration that passed; I got the square foot price by dividing the area and consideration.

Q Did you do that recently? A No, I did that at the time—

Q At the time of the sale? A At the times when we had them before the Board for consideration.

Q How long ago was that? A Well, it has probably been on two or three different occasions in the last six or seven years.

Q How far back was the last occasion? A Well, I should think it was in 1912, three years ago, —no, I called up once probably a month or six weeks or two months ago to get the figures on the Salvation Army sale.

Q The Vanderbeek property that you have referred to was the only property in the block in which it was situated not owned by the Pennsylvania Railroad; isn't that so? A That is correct.

Q And by purchasing the Vanderbeek property the railroad company acquired title to the whole block? A Yes, sir.

Q You don't know what moved the railroad company to purchase the property? A Well, only as any man acquires that has a reasonable working brain: My idea was that the railroad company bought that land because they wanted it more than they did $400,000 put out on a mortgage for ten years; and I suppose one reason which prompted them was, in addition to being able to add the additional area, was that they could get nearer to a point where they could physically connect their yards, the passenger and the Harsimus Cove; I believe that that made the price which they were willing to pay for that land considerably higher than they would have been willing to pay for it except that; and that is the reason I justify myself in putting $2 a square foot on the zone in that area, rather than $5 which they paid for it.

Q Was there any land in the vicinity of the Vanderbeek property that sold as high as $3 a square foot? A By "vicinity" do you mean within 1,000 feet? I would say no. The $3 a square foot valuation which I put on the zone is the zone which lies in front of the Vanderbeek sale,

that is, towards the river; the Vanderbeek sale lies back of Hudson Street.

Q The Vanderbeek property is how far distant from Exchange Place in Jersey City? A 960 feet, or a little more.

Q How far north of Exchange Place is the property purchased by the Great Atlantic & Pacific Tea Company to which you have referred? A Which Atlantic & Pacific Tea Company plot do you mean?

Q Take the first sale refered to by you? A About 1,200 feet.

Q Both of those distances that you have given are north of Exchange Place? A North of Exchange Place, cut off from Exchange Place by the large embankment and yard of the passenger terminal of the Pennsylvania Railroad.

By Mr. Hardin.

Q Air line distances are you giving? A Yes, sir.

By Mr. Bain.

Q How far north of Exchange Place is the next parcel of the Great Atlantic & Pacific Company? A The same distance.

Q And the third parcel purchased by the Great Atlantic & Pacific Tea Company? A That is 60 feet nearer to Exchange Place; just across the street.

Q So that, as shown by those sales, as you go north from Exchange Place, the prices decrease? A No, sir; because these prices are higher, in my opinion than land immediately south of Montgomery Street, along York and Grand Streets.

Q I am speaking now of going north from Exchange Place; as you go north from Exchange

Place the value of property decreases? A No, sir. Pavonia Avenue, in the middle of the Long Dock yard, the price per square foot are in excess of two dollars per square foot.

Q Will you kindly give us an instance of where two dollars per square foot was paid for property along Pavonia Avenue? A The purchase by the Erie from the O'Neill Lumber Company and a number of other sales along Pavonia Avenue in the past seven or eight years.

Q Those sales are all in evidence in this case, aren't they? A I think they have been testified to in this case. You have put in testimony of two dollars a square foot all along Pavonia Avenue, which is considerably north of these Great Atlantic & Pacific Tea Company sales.

Q And that applies only to land along Pavonia Avenue; the price of two dollars per square foot. A The only land is along Pavonia Avenue in this zone equi-distant from the River. After you get north of the north side of the Long Dock Terminal the price, in my opinion, falls to eighty cents to one dollar per square foot, in the territory lying east of Henderson Street and bounded on the south by the Long Dock Company and on the north by the Lackawanna Terminal, but that ground is not comparable with this territory where the Great Atlantic & Pacific Tea Company is located, because it is a mile and half further away from either the Lackawanna ferry or the Erie ferry, and is shut off from the River and from any possible value that would come from river connection by reason of the fact that it is bounded on all sides by these enormous railroad terminals. That property up north of the Long Dock yard, between that and the Lackawanna is now becoming more and more valuable all the time; the in-

creased demand is showing itself in there by new plants that have been established there in the last four or five years.

Q Are you familiar with the history of the development of lower Jersey City? A Yes, sir.

Q That development was originally along Montgomery Street and Newark Avenue, wasn't it? A Well, Montgomery Street and Newark Avenue were in active business use before this particular territory where the Great Atlantic & Pacific Tea Company is located.

Q So far as lower Jersey City is concerned the development started along Montgomery Street and Newark Avenue, did it not? A Do you mean business development, or residence development?

Q Business development, which resulted in high prices of land? A When I came to Jersey City land on Montgomery Street and Newark Avenue was worth forty per cent or more than it is worth today, in my opinion. The land south of Montgomery Street, which, prior to that time, contained the better residential property, where Governor Abbett and other people resided before smoke and railroads made it pleasanter to get away from that locality; there was at one time, undoubtedly, a fine value for residential property in the lower part of Jersey City; over around in the rear of the Long Dock yards, the Long Dock Terminal, there was also a very fine residential locality. I have seen that territory, all lower Jersey City, since 1898, go through very great changes. I have no doubt that probably the total of change in value has been an increase; upon Montgomery Street there has been a decrease; in and around the Great Atlantic & Pacific Tea Company and north of the passenger terminal of the Pennsylvania there has been at least a doubling

in value during that time; and the old residential section south of Exchange Place has undoubtedly increased in value, and is increasing all the time; back of the Long Dock yards, and on both sides of the Penhorn Creek and the main stem of the Erie, there was, but a time, a depreciation in value, but I think that that is changed and increasing in value now, because it is growing into profitable business use, and I have seen built there, since I have been in Jersey City, many large manufacturing plants.

Q There has been no increase in prices or values of land back of the Long Dock Terminals, as shown by sales in the last two or three years? A The sales are few; there is not any way that the statement that you make can be satisfactorily proved to any one, for this reason: Forty or fifty years of use on the buildings that were on those lots, has, in many cases, been the life of those buildings, and in addition to that, the use to which these buildings were put is gone, and there really is not any value in the building itself. I do not think that anyone buys particularly in there property for the purpose of getting the building that is on the property, but they have to pay the price which, while theoretically it includes the land the building, is actually, as stated before, the price paid for the land; so that in my opinion, the average prices paid for the land in there during the past four or five years really shows a substantial increase.

Q Mr. Hendrickson, the property north and south of Pavonia Avenue and back of the Long Dock Terminals is largely covered by tenement houses, isn't it? A Well, I suppose that probably half of the lots had on them tenement houses; it may not be that many.

Q And those tenement houses are rented and bring in good rents? A They are not bringing in as good rents as they did bring six years ago and back of that.

Q What personal knowledge have you of that? A Well, I have handled tax appeals for people that owned tenement houses in that locality who have appealed to the County Board of Taxation for reductions of taxes on their buildings and lands located in that district; and from that I have gained knowledge of what substantial reductions in rent have been made there. There have been a number of,—two suits,—started in the City here against the Erie Railroad for difficulties occasioned by smoke, which have made those tenement houses very much less desirable than they were at one time. The business of the Erie Railroad has enormously increased in a few years, and the smoke there is very much more noticeable than it was evidently at one time.

Q Don't you know, as a member of the Bar, that the only suit brought against the Erie Railroad to recover damages occasioned by smoke was reversed by the Court of Errors and Appeals? A I know that one suit brought against the Erie Railroad was compromised in this office by paying the moving parties that had charge of it blackmail for abandoning the suit.

Q You don't want that statement to stand, do you? A I certainly do or I would never have said it, I know is as a fact; it was done in this office.

Q Your only personal knowledge of the value of tenement property in the section behind the Long Dock yards was obtained through representing one or two owners in tax appeals? A No; much more than one or two owners.

Q Well, how many, all told? A Well, I have had quite an active practice here covering a period of fifteen or sixteen years; I have sold, as Special Master, twenty parcels in there, and I have undoubtedly handled fifteen or twenty tax appeals, I should think.

Q All in that section? A All north of Pavonia Avenue; yes, sir.

Q But all in the section immediately in the rear of the Long Dock property? A Well, I guess most of them were in that particular locality back of the Erie yard, because there has not been such a depreciation in value in the parcels immediately adjoining Newark Avenue, and when you go up Newark Avenue, and when you go up Newark Avenue very far you are pretty nearly back to the Long Dock yards.

Q Do you know how many tenement houses, in the section of the City back of the Long Dock property, are well rented? A I do not believe I could tell you, whether there was ten per cent or twenty per cent of vacancies; most people, of course, reduce their rents and do not allow vacancies to happen; I think that is the case here.

Q Do you know, or have any personal knowledge, of the buildings mentioned in the sales to which testimony has been given in this case? A Well, I should think that would be quite subject to differences of opinion; the tenement houses that rent in there are very much alike; I have, during the past year, been counsel for some taxpayers' association that has been applying to the Legislature for an amendment to the Tenement House Law, and that required me to study, with an architect, and substantially every one of the eight or nine types of buildings that are represented in

there, they are very much the same. I should consider that I had a very good knowledge of what the apartments were like.

Q Mr. Hendrickson, there have been schedules put in evidence, and there has been testimony as to sales of property in the section of Jersey City which lies immediately in the rear of the Long Dock property; have you any personal knowledge of the value of the buildings which formed part of those sales? A I have no personal knowledge of the reproductive values of any of the buildings mentioned in those schedules; I do know that it is very difficult to sell buildings in that territory to investors who are desirous of acquiring tenement house property for the income they get from the tenement house property, and I do know that the people that own them hold them and the banks allow their mortgages to remain there, because they know pretty well that they cannot be sold probably for the face of the mortgages, and the owners and the banks in Jersey City are holding those things because they feel that the time is not distant when that property will be, by purchase, turned into industrial business like Butler Brothers, the Great Atlantic & Pacific Tea Company, and the various industrial concerns that have located east of Henderson Street in that territory and are filling in more and more all the time; the land west of Henderson Street and north of Newark Avenue is going into that use; and when those people buy they will buy exactly as Colgate has been buying here in front of this building; he has been buying land for the purpose of tearing down the buildings and erecting manufacturing industries and buildings; on the land after the present buildings have been destroyed; and that is the value of property there today. Therefore, I say, that tab-

ulations of value, based on taking the sale value of a piece of property in your two comparative areas and then taking some percentage, for what the building is worth, and deducting that from the total given value, and saying that the balance left over is the value or the land, is wrong and will not be borne out in the judgment of anyone who carefully studies and considers those areas.

Q It is borne out by the judgment of the assessors of Jersey City, isn't it? A The assessors' mind in Jersey City surpass understanding sometimes to me and I therefore could hardly characterize exactly what his judgment was.

Q The values as shown by the sales which have been offered in evidence running west of the Long Dock Company are in substantial accord with the assessment of that property? A Well, the same people prepared both of them and they ought to be nearly alike.

Q What is your authority for that statement? A Mr. Ryer and Mr. Gaddis have been in the employ of the City for the last four or five years, and in the employ of your company during the same time, doing the same work, and many of the people they have employed for both purposes worked for them; that is the only thing.

Q Where is your authority for that either Mr. Gaddis or Mr. Ryer ever have assessed for Jersey City, one foot of property in the sections marked North Section and South Section on the map Exhibit P-1? A Well, both of them had been in the employ of the City, during that time I had met them in tax hearings, on local property, and they have been paid a good deal of money by the City, and I have no doubt that they supplied the theory.

Q There is not any authority for that statement, that Mr. Ryer or Mr. Gaddis ever appraised one

foot of the ground in the North Section and South Section on the map Exhibit P-1? A You will have to ask them that question, because all I know is they have been in the employ of the City on tax matters and did actually make assessments.

Q You have made the statement that Mr. Gaddis and Mr. Ryer appraised the property in the North Section and South Section on the Map Exhibit P-1 for Jersey City? A No, I said that the same people had worked for both the City and your company, over the same thing, and by "the same thing" I mean the assessments of valuations on real estate in Jersey City?

Q You don't mean to say, then, that Mr. Gaddis on Mr. Ryer appraised for assessment for Jersey City one foot of ground in the section marked North Section and South Section on the map marked Exhibit P-1? A I don't know what particular parcels they appraised for Jersey City; I do know what parcels they appraised for your company; but I do know that Jersey City employed both of them, because, as I assume and believe to be true, the City considered that they learned a great deal from doing this very kind of work for the railroad companies. I say that in no other case, where a locality is going through a change such as I have described, can individual judgment be exact of what is bare land value, and that when I have seen so many parcels in lower Jersey City purchased, they have been purchased with the lot and building, for the purpose of destroying the building, and that then is evidence to me that the land value really represents the price paid by the purchaser when he wants to use it for another purpose.

Q A great deal of property in lower Jersey City having buildings upon it has been purchased

with the full intention of allowing the buildings to remain and the buildings have remained after the land was purchased? A I would not say that was a great percentage.

Q Don't you know that there is? A Because a great many people,—I have done it for myself, personally, and for clients of mine,—purchased property in lower Jersey City, because of what we believed it had in the line of speculative value.

Q Do you know in what proportion of cases where there have been recent sales that the buildings have been torn down? A I believe, if my recollection is correct, that all of the buildings on the lands purchased by the Long Dock Company, for the construction of the Penhorn Creek Railroad, and for the coach yard, where O'Neill's lumber yard used to be, all the buildings have been torn down and I could name quite a few other companies if I took the time to study it out, north of the Erie Railroad, where buildings have been torn down in the collection together of tracts of six, eight, ten and twenty lots together for industrial plants.

Q Don't you know, as a matter of fact, that many of the buildings upon property purchased by the Erie Land & Improvement Company, between Jersey Avenue, and Provost Street, are still standing at the present time, notwithstanding the fact that that property was purchased several years ago? A There are undoubtedly, a few buildings that are left standing there; they are not left standing there because the Erie wants them to stand there, but their necessities do not require them to take them down, and if they get a little income out of them it will help to pay the taxes of this particular parcel.

Q Between those two streets buildings upon the land purchased by the Erie Land & Improvement Company are all standing, aren't they? A That may be; I don't know; but the majority of the buildings that the Erie has bought in the last four or five years have been torn down.

Q Mr. Hendrickson, you cannot state in what proportion of cases where there have been recent sales,—and by recent sales I mean sales within the last two or three years,—that the buildings have been torn down after the land was sold? A I certainly cannot.

Q And no one else can, so far as you know? A I think the railroad must have an exact record of it.

Q So that there is no justification for your statement that in most instances the buildings have been torn down? A I said many instances for the Penhorn Creek and the coach yard.

Q So that you intended to limit your testimony as to the tearing down of buildings upon land recently purchased by the railroad companies? A It was not a matter of intention. I so stated it, and limited it to the Penhorn Creek and the coach yard.

Q And in the vast majority of other cases of recent sales, that is, sales not to the railroad company the buildings were not torn down? A I don't know how many "vast" includes; I don't know how many parcels the Erie Railroad has purchased in the last three years.

Q In all of the sales that you have been referred to, either by schedule or by testimony in this case, where there were buildings upon the land, some part of the purchase price represented the valuation of the buildings? A I think that it represents some part of the purchase price, and if I

were going to buy them today I would expect the building to return me sufficient to carry taxes; I doubt if it would carry taxes and interest; all I mean to say is that the values that they are paying in there today substantially represent the land values, but because there is some income coming out of some of the buildings, that is the reason they allow them to stand.

Q In what particular case does any recent sale of land and building represent the value of the land alone? A I should say that all the purchases lately made by Colgate on Grand Street, and in those three or four blocks south of York Street and east of Washington Street.

Q And that section is not the section that we have been discussing at all? A It is one of the sections that I mentioned; I should say that in every instance the price paid by Colgate within a very small percentage represented what they considered the land value; I should say that every parcel purchased by the Long Dock Company, or the Erie Railroad Company, where the building is still allowed to stand, has been purchased by the Erie Railroad at a price which represents to them a land value, and the fact that they are allowing the buildings to stand on some of it is exactly the same thing as the man who buys a vacant lot which he believes will increase in value or will be of some use to the same party; he erects on it a low one-story building such as is around the City Hall in Jersey City, which is commonly called a taxpayer, and the buildings on them are, in my opinion, today maintained there just as taxpayers.

Q Mr. Hendrickson, as a lawyer you know that your last answer is a pure conclusion, do you not? A I do not consider it so. If someone came in here and paid me for it I should not consider it

was a conclusion; I should consider it was my judgment.

Q You don't know that the Long Dock Company, or the Erie Land & Improvement Company, or any railroad that purchased land that you have referred to, paid for the property what they considered only the value of the land alone? A I feel that I know positively that the Erie Railroad and the land company to which you referred have not purchased any property in lower Jersey City in this area to which you refer for investment or speculative purposes, but for what they expect will be the future needs and requirements of their railroad business, and that conclusion is based on the fact that my experience on the State Board of Assessors has satisfied me that constantly the railroads are required to acquire and hold unproductive property for themselves to their future needs; there are many thousands of acres today in Jersey City held by the railroad companies and which are considered third class property, not used for railroad purposes, but are held because they believe that they have got to have it in the near future.

Q Mr. Hendrickson, do you consider yourself warranted in stating all those conclusions that you have stated? A I do, sir.

Q You know that statements of conclusions and not of fact or of law by witnesses are not admissible in evidence? A I have tried very carefully not to state anything except what I regard to be positive facts, and after seven and a half years looking at the same thing, I think I recognize it when I see it today.

Q You have referred to the sale in Block 186, I think by name of the Hudson Tunnel sale? A Which is now owned by the National Carbon Company.

Q And that, you say, was purchased by the Hudson Tunnel Companies for eighty cents a foot? A Yes, sir; that is my recollection.

Q That was many years ago? A Yes, sir; that must be ten or twelve years ago.

Q It was sold within the last year for the same price, wasn't it? A Mr. Ryer told me so and I believe his statement is true.

Q The fact of the sale is in evidence in this case? A I think I asked Mr. Ryer to put it in evidence and I think he did.

Q The land in all of the blocks along Henderson Street and along Greene Street starting at the Gap on the south and running to Hoboken on the north, differs in value as shown by sales? A I studied them very carefully for a number of years and I have seen no substantial difference in the value of any land between the Gap down below Sussex Street, separating Jersey City from Communipaw, and the Central and Lehigh Valley Railroad stations, and running north from there to the Scandinavian Line in Hoboken, except where you hit the special localities that have an accidental or incidental value, due to a special incident, such as the Pennsylvania Railroad and the trolley line and the ferry at the foot of Exchange Place, the Erie Railroad and ferry at the foot of Exchange Place, and the McAdoo Tunnels, trolley lines and Lackawanna Railroad over at Hoboken there by the Duke's House; in all three of those cases you will find values from seven to twelve or fifteen dollars a square foot, but those are values of location and they are due to the fact, in my opinion that the railroads and trolleys center there. That is the reason in assessing the Pennsylvania Railroad at the foot of Exchange Place, on the north side, having a depth of 40 or 60 feet, our Board put on

their property a value of four dollars a square foot, while we knew that across the street, immediately across the same street, it was assessed at $12 a square foot. We did that because the land under the Exchange Place buildings, in our opinion, has that accidental and incidental value which the other tract in the Pennsylvania yard, as part of the Pennsylvania terminal has not; we may be wrong about it, but that is the reason we made that difference of 300 per cent.

Q The value of land along the lower end of Pavonia Avenue bears no comparison to the land at the foot of Exchange Place, Jersey City, or Ferry Street, Hoboken? A No, sir; it is more like the land at the foot of Morgan Street on the Hudson River, in my opinion.

Q The land along Exchange Place, in Jersey City is worth much more than land on Morgan Street, in Jersey City? A Yes, sir; it is worth four times as much, at least, and the land at the foot of Pavonia Avenue, and the center of your yard along the waterfront there, is two times at least as valuable as the same land on the Hudson River at the foot of Morgan Street, because there is a trolley on Pavonia Avenue, and there is the McAdoo Tunnel, it gets an incidental value from those two things that land at the foot of Morgan Street has not got.

Q What is the comparative value of land along the lower end of Pavonia Avenue with land along the lower end of Exchange Place? A I should say that land at the foot of Exchange Place was three times more valuable than land at the foot of Pavonia Avenue.

Q And you say you put four dollars a square foot upon the land of the Pennsylvania Railroad along Exchange Place? A Yes, sir; it is forty

feet deep, it is not a full depth because it is artificially cut off. We put an increased value of one dollar a square foot on that frontage on Exchange Place over the same land in the same area back of it along the Pennsylvania station.

Q You just stated that land at the foot of Pavonia Avenue was worth one-third as much as land at the foot of Exchange Place; you have placed a figure of four dollars a foot upon land at the foot of Exchange Place; why did you not place a value of one-third of that four dollars on land at the foot of Pavonia Avenue? A I think that you try to misunderstand what I said.

Q No, I don't try to misunderstand you. I understand what you said. A I think you try to misunderstand what I said. At the foot of Pavonia Avenue there is no land in private use such as there is at the foot of Exchange Place; I tried to differentiate the accidental value that comes to property in private use on the south side of Exchange Place as differing from the railroad property on the north side of Exchange Place.

Q I understand that. A And I applied the same rule to the value of the land at the foot of Pavonia Avenue; if the land at the foot of Pavonia Avenue was occupied by the Commercial Trust Company and private industries, as it is at the foot of Exchange Place, I should expect to see that property well worth seven or eight dollars a square foot, at the foot of Pavonia Avenue, because of the accidental value that would come to the property in private use because of your great railroad emptying there, and the McAdoo tunnel and the ferries over the Hudson River; now there is no private use there and therefore I appraised that property at three dollars a square foot, the same as I did at the foot of Morgan Street.

Q And you have also appraised the property along the northerly side of Exchange Place at four dollars a square foot? A I have explained to you why we did that; it has a depth of forty feet and the front part of a lot; down in our department, the State Board of Assessors, we have been accustomed to giving that a higher value than we did to a whole 100 foot depth.

Q What part of the Pennsylvania yard has only a depth of 40 feet along Exchange Place? A I say an artificial strip, which runs along Exchange Place back to Greene Street.

Q Why create an artificial strip? A Well, the railroad did it, because they had their office building on it and as we assessed it at one dollar more a square foot at the wide part of the land they did not suffer very hard and we never kicked.

Q Why should there be any difference in land value, as land alone, between the southerly side of Exchange Place and the northerly side of Exchange Place? A I am afraid I will run off into realms that you would object to if I start to explain that. I will give you my ideas on that, if they are of interest to you.

Q Never mind conclusions. Is there any difference in actual value between the northerly side and the southerly side of Exchange Place? A Yes, sir.

Q If the northerly side of Exchange Place was in private ownership that side would be more valuable than the southerly side, wouldn't it? A Not necessarily; it is not so at Morgan Street and at Newark Avenue.

Q No, but wouldn't the tunnel entrance on the northerly side of Exchange Place make that more valuable for business purposes than the southerly side? A That is pure conjecture; it is not in pri-

vate ownership; if you take away the Pennsylvania Railroad and the ferries from the foot of Exchange Place, and take away the trolleys, why the south side of Exchange Place would be worth no more than the north side, in my opinion, but with things the way they are, I think there is a difference. I may be wrong, but that is my judgment.

Q What is the value of land on the southerly side of Exchange Place, as shown by sales? A Well, there have not been any sales that you really can figure out the value of land on the south side of Exchange Place. The Commercial Trust Company paid $150,000 for Taylor's Hotel and tore down Taylor's Hotel and built an office building on it.

Q You claim to be familiar with land values in the vicinity of Exchange Place: What is the value of land on the south side of Exchange Place? A Well, there is $150,000, the value of the ground on which the Commercial Trust Company building now stands,—I haven't the area of it,—but I fixed that value of $150,000 for it, since I have been in Jersey City with the intention of building on it a bank, half of an office building and a hotel, and that is the only sale that I personally know of in that block.

Q What is the area of that parcel purchased by the Commercial Trust Company? A It measures 90 feet on York Street, has a depth of 140 feet on the east side and has a depth from York Street of 82.33 feet, and has a depth from Exchange Place of 80 feet, and has a width on Exchange Place of 51 feet.

Q Mr. Hendrickson, roughly speaking, that is about $15 a square foot, isn't it? A I wouldn't say roughly. I am figuring it out and I will give

it to you exactly. (After calculating) It is approximately $15 a square foot.

Q Why is the land on the south side of Exchange Place worth $15 a square foot and the land on the north side worth four dollars? A As I have explained before, because it has an accidental value by reason of the particular location of that particular building.

Q You are speaking now of the south side? A Due to the use of the land on the north side of Exchange Place by the Pennsylvania Railroad. In other words the Pennsylvania Railroad reflects, by its use in bringing thousands and thousands of travellers to that point, of value into the ground across the street, which it has not itself but is incidental and accidental to the use of the property on the north side.

Q Yes; then in your opinion the four dollars per square foot which you say land on the northerly side of Exchange Place is worth, represents the real value of the land, and the value of $15 per square foot on the south side represents the accidental value; is that the thought you wish to convey? A Not $15. The difference between the north side and the value on the south side is what I consider the accidental value, due to the fact that the railroad dumps so many thousands of people in the course of a year in front of the doors of those five or six houses on the south side of the street.

Q Then the value of the property privately owned along Exchange Place has an accidental value, in your opinion? A If you mean privately owned as distinguished from property owned by the railroad.

Q By the railroad. A Yes, sir.

Q Does not the property privately owned along Pavonia Avenue, the foot of Pavonia Avenue, have

the same proportionate accidental value, because of the location of the Erie Railroad? A There is not anything of the kind there; and if it was there it would get some benefit, in my opinion, from the Erie Railroad bringing passengers there.

Q In your opinion does not the value of land owned by individuals along the lower end of Pavonia Avenue down there have an accidental value given to it because of the presence of the Erie Railroad? A I know of no parcel at the foot of Pavonia Avenue owned by private interests separately from the railroad.

Q And has not the property of the railroad along Pavonia Avenue a lower value than property privately owned along that street, for the same reasons that you have stated with respect to Exchange Place in Jersey City? A That question I cannot answer, for the reason that the way it is framed I must read into your language, your "reasons," conditions similar to those at the foot of Exchange Place, none of which exist on Pavonia Avenue in the land to which you refer.

Q And those conditions which do not exist are the dumping of a great number of people into Pavonia Avenue by the railroad company? A None of which people can get to any place on Pavonia Avenue where there is any private business interest conducted, so far as I know of.

Q Therefore land along the lower end of Pavonia Avenue has a very much lower value than the land along Exchange Place in Jersey City, disregarding accidental value? A No, sir; because when you have removed what I call the accidental value at the foot of Exchange Place, you get down to what I consider the general values as I have fixed and have applied them to your property along Pavonia Avenue.

Q Mr. Hendrickson, the value along Exchange Place is a value purely locational, isn't it? A Yes, sir; that is the reason it is so high.

Q And that locational value is the four dollars per square foot which you say the Pennsylvania Railroad property is worth? A It is not.

Q What is the locational value at the foot of Exchange Place? A The locational value at the foot of Exchange Place is shown by the purchase by the Commercial Trust Company of New Jersey of Taylor's Hotel, the biggest and leading hotel in Jersey City at the time it was purchased, and destroyed for the purpose of making a vacant lot on which to build a bank building.

Q Taylor's Hotel, before the property was purchased by the Commercial Trust Company, had been but slightly used for years, hadn't it? A No, sir; it was the principal bar at the ferry in Jersey City; it contained a banquetting hall which was used by the Bar Association and various banquetting associations, it had a number of lodging rooms or bed rooms, which were always in use, and the hotel had a large business.

Q What was the last banquet of which you have any personal knowledge that was held at Taylor's Hotel? A I have no personal knowledge of any Bar Association banquet ever being held in Taylor's Hotel, because I came to Jersey City in 1898, and the last banquet was held, I understand, in 1897, the year before I arrived.

Q The land owned by individuals along the southerly side of Exchange Place is worth anywhere from twelve to fifteen dollars a square foot, isn't it? A It would be of the same value, whether it was owned by individuals or corporations and had the same advantages that are there at present

in the line of facilities for bringing persons to and taking them away from that location.

Q As an actual fact, land along the southerly side of Exchange Place is worth twelve to fifteen dollars a square foot? A I consider it worth that much, yes, sir.

Q And land along Pavonia Avenue, a similar distance from the waterfront, is worth two dollars a square foot, isn't it? A No, sir; it is worth three dollars a square foot, in my opinion, from the bulkhead line back to the line of Hudson Street projected, regardless of any incidental value it may get from Pavonia Avenue. In my work on the State Board of Assessors I have never been able to see any accidental or incidental value that came to any land at the foot of Pavonia Avenue from the railroad operation, because all of the land was used by the railroad in that railroad operation at that point.

Q Mr. Hendrickson, Exchange Place is the main artery of Jersey City, isn't it? A No, sir; it is not.

Q What other street compares with it as a main artery? A Journal Square.

Q I am speaking of lower Jersey City. A In lower Jersey City, Exchange Place, up until the time the tunnel was opened, was, in my opinion, the principal thoroughfare and principal entrance and exit from lower Jersey City. Since the tunnel has been opened, with entrances into it at Henderson Street and Railroad Avenue and Grove Street and Railroad Avenue, my opinion is that Grove Street and Newark Avenue at that point enjoys all the advantages which lower Exchange Place and Montgomery Street has. In addition, the street through your yard, known as Pavonia Avenue, was, for many years, and is today, the leading principal

street having a ferry at the foot of it, which runs to three points on Manhattan Island.

Q Where are the three ferries? A One minute, now: The tunnel also, the McAdoo tunnel also has an opening on Pavonia Avenue, near Henderson Street, which is also bringing that locality into a good deal of the same prominence, due to the number of people arriving at that point through the tunnel.

Q Where are the three ferries? A I would like to correct my previous answer as to three ferries; there are two ferries, running to 23rd Street and Chambers Street, New York.

Q Mr. Hendrickson, what gave land on Montgomery Street and Exchange Place, between Warren Street and the Hudson River, its high value, is the fact that many office buildings are located along those two streets, and that that is the chief financial section of lower Jersey City? A No, sir; your conclusions as suggested in your question, in my opinion, are wrong. What gave it the value and what brought to that street the office buildings and business houses and such things as you have mentioned, was the fact that the channels of communication caused to pass through that street many more thousands of people than went to other locations in Jersey City.

Q And the first channel was a ferry to New York, wasn't it? A I so understand.

Q And that ferry to New York caused to be sent through Montgomery Street (at that time the river extended up to Montgomery Street), many hundreds of people? A The ferry to New York, in my opinion, started travel in that street.

Q What started development along Montgomery Street? A The surface transportation companies and the people that wished to engage in

that business naturally turned their channels of industrial to reach that ferry, which added to the number of people that the ferry brought to that point. The Pennsylvania Railroad passenger service arriving at the same place added still more to the number of people that passed through it, and the McAdoo tunnel furnishing rapid transit from that same place to places on Manhattan Island brought to it more people. After the station of the McAdoo tunnel was opened up to Grove Street, and up at Summit Avenue, its result was to deflect from that street many of the thousands of people that formerly went through it. It is to that deflection of traffic that I believe the depreciation in values along Montgomery Street and Exchange Place is due.

Q The same deflection of traffic from the Erie terminal as at Exchange Place has been caused by this very cause that you have mentioned? A No, sir; your conclusion, as suggested in your question, in my opinion, is wrong. There never was, within my memory, any opportunity for private industrial business enterprises to locate on Pavonia Avenue; if they ever existed there it was long prior to my present knowledge and recollection.

Q And it is those private enterprises that gave the high value to the land along Exchange Place and Montgomery Street in Jersey City? A No, sir; if your company wishes to dispose of its frontages on Pavonia Avenue and will put transportation facilities on Pavonia Avenue, I am sure that you will find that people will pay for that land as much as they will pay for it in other locations where the same number of people are passing the property every day.

Q Do you mean by that if a new Post Office and three or four bank buildings are built along Pavo-

nia Avenue that land would have the same value as Montgomery Street and Exchange Place? A It would not change the value of the land on Pavonia Avenue a penny's worth, because people would not go to a bank, or Post Office, or anything else, if located on Pavonia Avenue at present.

Q Why not? A If you put in trolley service and such things as will make that an easy place of access and exit and on a through line to New York, by improving your trolley facilities, people will go down through there, and the banks and the business houses will locate there. We only need one Post Office.

Q Then the reason why land along the lower end of Pavonia Avenue has not the same values as land along Montgomery Street and Exchange Place is because of its lack of development? A No, sir; it is not.

Q Isn't that what you just said a moment ago? A I did not, sir; the reason is because very very few people go by at the present time any land on Pavonia Avenue located east of Provost Street.

Q And because very few people go through that land, the land on Pavonia Avenue has a much lower value than land on Exchange Place and Montgomery Street? A In my opinion it has a value commensurate with the land about First and Bay Street, where Butler Brothers and the Great Atlantic & Pacific Tea Company, and all those manufacturing plants are located.

Q Land along the lower end of Pavonia Avenue has a very much lower value than the land along Exchange Place, a similar distance from the Hudson River? A Yes, sir; of those two, and we so assessed it.

Q What is the proportionate difference between the value of land at Pavonia Avenue and land at

Exchange Place? A I appraised land at the foot of Pavonia Avenue, between the bulkhead line and the east side of Hudson Street projected across there at a value of three dollars per square foot, and for the west side of Hudson Street back to the east side of Washington Street projected I placed a value of two dollars per square foot.

Q If Exchange Place is the main artery of lower Jersey City and has the most expensive land of lower Jersey City located upon it, and railroad land along Exchange Place is worth four dollars a square foot as you have stated, and if land at the foot of Pavonia Avenue is worth one-third as much as land at the foot of Exchange Place, why is not the railroad land at the foot of Pavonia Avenue worth one-third of four dollars, or one and one-third dollars a square foot? A I think that your premises in your problem in logic which you have suggested are unfounded in fact and therefore it is impossible for me to give a logical conclusion to it.

Q Mr. Hendrickson, the development of lower Jersey City, the main development, has been along the streets running easterly and westerly, instead of streets running northerly and southerly, has it not? A No, sir; on Grove Street, in Jersey City, and in Henderson Street, in Jersey City, you will find values that are just as high, comparatively, as anything you will find east and west, except the retail store values along a small portion of Newark Avenue and a small portion of Montgomery Street.

Q You get almost uniform values along Exchange Place and Montgomery Street, as far as Warren Street, do you not? A Yes, sir; and that is a very very small distance, it is less than one-fifteenth, I should say, of the length of Montgomery Street.

Q Then you get uniform values along Newark Avenue running west from Warren Street? A No, sir; from Warren Street to Railroad Avenue the values today are very low.

Q But they are uniform there from Warren Street to Railroad Avenue? A They are uniform from Warren Street to Railroad Avenue, they ought to be about the same, per square foot, the whole distance.

Q Back from Railroad Avenue—. A To Jersey Avenue.

Q —along Newark Avenue, you have uniform values? A No, sir; you will find differences of one, two and three hundred per cent in that distance.

Q Where? A At Grove Street you will find certainly very very much higher values than you will find at either Railroad Avenue or at Jersey Avenue, I think. I have a piece of property on the corner of Railroad Avenue and Newark Avenue that we paid $32,000 some time ago, and the Commercial Trust Company has a mortgage on it for $20,000. They do not dare to foreclose it, therefore we are still using it and occupying it and we hope some day that it will come into a change of use that will bring us back some of the money we paid for it; but today, for several years past and for several years to come, that property is not worth over $18,000. It is a four story brick apartment house with a saloon on the ground floor and living apartments upstairs.

Q But development in lower Jersey City has been chiefly east and west? A I should say so, for the reason that if you go up near the City Hall in Jersey City and go eastward to Warren Street, three blocks, you will find very low values, probably not much more than $1.25 and $1.50 a

square foot, as against three to five and up to seventeen and twenty dollars a square foot from Warren Street east to the river.

Q It is lines of traffic and transportation that create development? A That is my opinion. The number of people that go by any given place, in my opinion, pretty closely fixes what the value of it is for business.

Q The development of any city is usually along the lines of transportation, isn't it? A Yes, sir.

Q And the first line of transportation in Jersey City was a street car line running up to Montgomery Street over the Hill? A Yes, sir; but the business development of Jersey City did not run back of Warren Street, which is, I presume, a distance less than one-fifteenth the length of the street.

Q Let business development pass for the moment: The development of the section of Jersey City south of Pavonia Avenue was first along the line of Montgomery Street? A Why, I think not; I think the first line of development was along Newark Avenue; I think that the trolley line ran over Newark Avenue.

Q The first street car line? A The first street car line on Montgomery Street I do not think went over the Hill for a long time.

Q The first street car line in Jersey City ran up Montgomery Street to Newark Avenue, and then up Newark Avenue over the Hill? A I think so; that is a long time ago, and before my time.

Q And it was that street car line that started development in lower Jersey City? A I don't think so, I think the development in Jersey City had started, due to the fact that the ferry was at

the foot of Montgomery Street, and that the street car line came along to that place where they did business; I think they aided in the development but I do not think they started it.

Q For many years was not the development of Jersey City along Grand Street and Montgomery Street, and Pavonia Avenue running from the east to the west, and Newark Avenue? A I would say no to that; I did not live in Jersey City at the time it developed and know nothing about its history and its development except as I have heard it; but, as I stated before, south of Montgomery Street, the first development was a beautiful residential town or locality fronting on the Hudson River, with no steamship wharves or other things in front of it, and the streets then apparently ran down to the river. Now, on Pavonia Avenue the river, I understand, came in all the way up, practically to Henderson Street, more than half a mile from the present bulkhead line of the city; back of that place there developed around what I believe is now called Hamilton Square another attractive residential locality, which was known as Pavonia, which I believe was a separate municipality from the municipality that grew up down here south of Montgomery Street. The development on those places was all in horizontal lines back from the river and did not extend very far; as the river development built up along the riverfront of Jersey City the residential location south of Montgomery Street moved back around Van Vorst Square, which was a horizontal movement, and went back simply a few blocks. There was at that time on top of the hill a separate municipality known as Bergen, and south of that, on top of the hill, a separate municipality known as Greenville, and north of Bergen there was another municipality on top of the hill

known as Hudson City; and there may have been other municipalities in the present territory of Jersey City at that time. Methods of transportation were by ox cart and horse and there were vast areas of marsh ground lying between the two municipalities in Jersey City and those three on the Hill, and streets were built on what is now the line of Newark Avenue, and along the line of what is known as Montgomery Street, along the line of what is now known as Grand Street, which communicated with Hudson City, the Town of Bergen and the Town of Greenville. The development in each of these five localities was individual to themselves and grew up around a common center like another town grows up by slightly spreading out to those five towns, which had substantial developments of their own, which were connected by those three streets to which I have referred. There have since been built viaducts, which run from Jersey City up to the Hill sections which were formerly these three municipalities, and along those three communicating roads the travel going to the five municipalities which I have named and connecting them together; there were streets that ran perpendicular approximately to the river and they came together at Warren Street, about 1700 feet from the river, on Montgomery Street, and east of that there built up to a very small distance a high value in retail—what might be called retail business property. The development in the substantial values in the larger sense have all been horizontal with the river, as is shown by the values in the section where Butler Brothers and the Great Atlantic & Pacific Tea Company is located, the old Lorillard Company which occupied, I think, three city blocks, the Ault & Wiborg Ink Works, the Hudson & Manhattan power station, the Hudson Tunnels——

Q Mr. Hendrickson, you are mentioning a good many sales; Will you kindly tell us whether those sales are at approximately similar distances from the river front, and whether they were for similar prices per square foot; give us the facts and figures? A They had a very similar value and that was the reason I arrived at the two dollars per square foot.

Q Will you kindly state the facts and figures of those sales, with respect to the distance of the property from the river and the price per square foot? A The Hudson & Manhattan Tunnel Company purchased at $5,000 a lot, or two dollars a square foot, the lots which are now occupied by them for their power house; they are in that zone bounded on the west by Washington Street, on the east by Hudson Street; back of that, the one dollar zone that I have placed, the sales are 31 lots to the Great Atlantic & Pacific Tea Company, the sales to the Butler Brothers, the Hudson Companies' power house, located east of Washington Street, in Block 76—I will read the ones that Mr. Ryer furnished to me right into the record if you wish.

The hearing was thereupon continued to Friday, May 7th, 1915, at eleven o'clock in the forenoon.

Hearing on the above appeal resumed at the office of Charles E. Hendrickson, Jr., Esq., 75 Montgomery Street, Jersey City, New Jersey, this seventh day of May, 1915, at eleven o'clock in the forenoon.

CHARLES E. HENDRICKSON, JR. recalled for

Further cross examination by Mr. Bain.

Q In placing a value upon the parcel assessed as Block 17-A2 you gave a value of one dollar per square foot for the land under water? A Yes, sir.

Q State the sale of any land between the bulkhead line and the pierhead line of the Hudson River for one dollar a square foot? A I am not at this time personally in recollection of a sale of land under water, but since I have been a member of the State Board of Assessors I have heard all of the expert witnesses produced by the railroads before the Board swear to that value, of one dollar a square foot, not in those words, but in the language of so many hundred dollars a front foot, which, when analyzed by me, showed that where the depth was 800 feet from the bulkhead line to the pierhead line they placed the value at $800 a front foot; and where it was 1200 feet in depth from the pierhead line to the bulkhead line they swore to a value of $1200 a front foot; and where it was 1500 feet in depth they swore to a value of $1500 a front foot; and over in front of the Central Railroad terminal, at Communipaw, where the depth was about 400 feet from the pierhead line to the bulkhead line, they swore to a value of $400 a front foot; which analysis means to me, that in the judgment of all the experts produced at various times in the last seven years, all their figures come down to a basis of one dollar a square feet; and that is the reason I have based my judgment on the land under water in front of the bulkhead line in Jersey City at one dollar a square foot.

Q State any particular evidence, by any expert, with respect to the matter you have last mentioned? A The simplest and easiest way to do that is to put in evidence the printed testimony which has been taken before this Board and presented to the courts of this State in cases growing out of the reassessments of the State Board of Assessors for the years 1906, '07 and '08, in which Mr. Edlow Harrison testified on behalf of the railroads, and the later cases over the same property, in which Mr. Floyd Corbin has testified.

Q Do you agree with the values as stated by Mr. Edlow Harrison in the early cases, and by Mr. Floyd Corbin in the later cases, of waterfront lands as the real values on those lands? A So far as they confined themselves to evidences of actual sales; I do; where their testimony has run off into conclusions and deductions they have made themselves, mentally, from their own consideration of actual sales, I do not agree with them, because always, in their testimony, they have drawn artificial lines, giving high values to very small areas which artificially cut off from the total area the bulk of the property, and then, to the inside areas, they gave values which were their conclusions and deductions, at figures which are very much below the actual values as I believe them to be.

Q Did you base your value of one dollar per square foot upon land under water upon the testimony of Mr. Edlow Harrison and by Mr. Floyd Corbin? A And the other expert witnesses produced by the railroads, whose names at this time I do not recollect, but their testimony is all printed in various cases in which your company, and the Lackawanna, and the Central Railroad, and the Pennsylvania, have conducted before this Board in the past seven years.

Q Have you now any personal recollection of any of the testimony referred to by you, as given by the expert? A I do not have a verbatim recollection, but I do know that at the time I carefully read the testimony, compared the typewritten stenographic report of the testimony with the proof sheets prepared by the printer for the printing of the books for the Supreme Court and Court of Errors, and analyzed and tabulated their testimony with great personal care, and at that time it worked out to the figure that I have stated.

Q You are aware that there was no testimony by Mr. Edlow Harrison or Mr. Floyd Corbin, as to the value of land between the bulkhead line, and the pierhead line alone? A You are correct in that statement, and the reason I have previously explained, that they would not give their own personal judgment of the value of the land under water between the pierhead line and the bulkhead line, but insisted on adding to it a back area of 200 feet, and, in some cases, 700 feet, and, in another witness' testimony, various widths of upland back of the bulkhead line, and their testimony on their estimates of value, from the pierhead line to that artificial line back of the bulk head line was testimony as to their judgment of what the value would be, and they testified that in their judgment the waterfront values had no value back of the artificial strip they created back of the bulkhead line, while I personally knew, and as a member of the Board, that the waterfront value did extend all the way back to the depth of the railroad yards, and that those railroad yards were used by the railroads as great tracts or areas of terminal land fronting on a highway known as the Hudson River.

Q Upon what fact was your conclusion based, that the value of the waterfront land, as such, extended back of a line 700 feet from the bulkhead line? A Because my experience has taught me that the railroads as thoroughly understand as any business institution that I have known of, how to get a value of one hundred cents out of a dollar, and I have seen them since I have been in Jersey City and since I have been a member of the Board, increase their areas back of the bulkhead line, which they were using to tranship their loaded cars, merchandise in transit or passengers passing into those terminal yards on to the water.

Q Then your conclusion that the waterfront value extends back of a line 700 feet west of the bulkhead line is based upon the use to which the land is put by the railroad company? A I do not think that accurately stated the idea that I have in my mind; but when I see five great railroad corporations constantly using and acquiring additional back land and connecting it in the same use or operation with the bulkhead line and a water communication with the great railroad systems, I believe that I am justified in coming to the conclusion that they know how much land they want back of their bulkhead line in their several terminal yards, and Mr. Edlow Harrison, who was undoubtedly a great expert, in railroad terminal work, and was a great civil engineer, testified in the case known as Jersey City against the Long Dock Elevator Company, or Erie Elevator or whatever the name of your elevator company is on the south side of your terminal yard, that land connected in one ownership with the Hudson River——

Mr. Bain. I object to any statement by the witness of Mr. Harrison's testimony.

A —was worth from five to seven times what the same land would be worth along the Jersey City waterfront if disconnected from the waterfront by a street or in a different ownership.

Mr. Bain. I object to any statement of Mr. Harrison's testimony referred to in the last answer, upon the ground that the same is incompetent, immaterial and irrelevant, and ask that it be struck from the record.

A Mr. Harrison swore to that and it is in the printed testimony of that case, of Jersey City against the Erie Elevator Company.

Q Have you any personal knowledge of values as shown by sales indicating that the value, because of adjacency to tidewater, extends back of a line 700 feet west of the bulkhead line on the Jersey shore of the Hudson River? A The O'Neill Lumber Company, with which I am personally familiar and have done law business for, had a piece of property comprising, I think, seven lots, possibly more, they were back of a line 700 feet from the bulkhead on Pavonia Avenue, Jersey City, and were bounded on all sides, I think, north, west and east by properties owned by the Erie Railroad or the Long Dock Company, and were inside of the present boundary limits of the north side of the Long Dock terminal; this property was sold a few years ago by the O'Neill Lumber Company to the Long Dock, or the Erie Railroad Company, and incorporated into the yard of the Long Dock Company, at the price of approximately two dollars a square foot, the O'Neill Lumber Company finding that that land was more valuable to the railroad company than it was to them, and sold by them to the Long Dock Company because they were enabled to acquire a tract of ground at a considerably less price further back from the

river, at the neighborhood of about Jersey Avenue and 18th Street, a couple of blocks south of the main stem of the Lackawanna Railroad Company. That sale meant to me that that land had a value to the Long Dock Company, by reason of the fact that they could connect it with the Hudson River, which it did not have to the O'Neill Lumber Company for the purpose of conducting a mercantile lumber business on that land. There are several other purchases by the Long Dock Company back of a 700 foot line west of the bulkhead line, and in the neighborhood of Provost Street, east of Provost Street, which have been incorporated with the south side of the Long Dock terminal yard, and they have been incorporated with the waterfront property reaching to the bulkhead of the Hudson River in front of the Long Dock terminal. Part of the property between Provost Street and Henderson Street, south of the main stem of the Long Dock, I believe, has likewise been acquired within the past seven years and incorporated in that terminal yard. In the Pennsylvania passenger terminal yard, which is at least six, and probably seven or eight hundred feet back of the bulkhead line, since I have been in Jersey City, in the year about 1900, the Pennsylvania acquired, together with half of the street area, and incorporated into their passenger terminal yard. There were three or four lots which they acquired and added to their passenger terminal yard, and it seemed, without the consent of the city; they also took forcible possession of and occupied half of what was known as Pearl Street; I was then a clerk in the office of Otto Crouse, and he represented owners on the opposite side of Pearl Street who had protested against the Pennsylvania taking over this half of Pearl Street, and I got personal knowledge of the

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facts by examining titles and looking the matter up and making a report to him of the fact that the railroad company had no consent from the City to take possession of the half of the street, and we therefore assumed that the railroad claimed that when it bought those three lots their title went to the center of the street and therefore they had a right to take what was there.

Mr. Bain. I object to that part of the answer to the last question which purports to disclose the reasons for which the O'Neill property was sold to and purchased by the Long Dock Company.

A My explanation as to the reasons for the sale of the O'Neill Lumber Company tract to the Long Dock Company was from personal conversations with Mr. Fred Farrell who was, at that time, in full charge of the O'Neill Lumber Company for Mrs. O'Neill, the widow of former Mayor Charles O'Neill, and the lady, who at that time owned the property, employed Mr. Farrell, her son-in-law, to manage it for her.

Mr. Bain. I repeat my objection.

Q The O'Neill property fronted on Pavonia Avenue, did it not? A I think so; yes, sir.

Q And that frontage gave it a value,—gave that land value? A Mr. Bain, the frontage on Pavonia Avenue, in my opinion, gave the O'Neill property no additional increment of value, outside of the value that it had from its location for lumber yard purposes, along your railroad, where the charges of handling and unloading lumber from cars which they could get over your lines was very very much less than the necessary charge at present for handling lumber twice and carting it from railroad terminals to their present location. I

have been, since 1900, closely connected with the lumber business in Jersey City, have operated as receiver on two different occasions very large lumber yards in Hudson County, and I know that that charge is a material item of expense in the maintenance and operation of the lumber business. And when the O'Neill Lumber Company moved to their present site, they did it because they considered the profit in the land was greater than the increased cost of operation of their business, and your company wanted the land more than they did.

Mr. Bain. I object to the last answer and move that it be struck out, on the ground that it is not responsive, and also that it contains a conclusion not warranted by any evidence.

Q Land fronting on Pavonia Avenue, in the vicinity of the O'Neill tract mentioned by you, is worth five thousand dollars a lot, is it not? A Yes, sir; I think it is worth two dollars a square foot.

Q And that value of five thousand dollars a lot is given largely because of the frontage on Pavonia Avenue? A No, sir; it is because all land east of Henderson Street is today close to the great railroad yards and have short hauls to the railroad freight terminals, and has become one of the most desirable sections in the old Metropolitan district surrounding the great Port of New York. All railroads come together in these great terminal yards east of Henderson Street, and just as the Great Atlantic and Pacific Tea Company lately paid two dollars a square foot to the City of Jersey City for two lots without any buildings on them, east of Henderson Street, so unquestionably all this land east of Henderson Street has a similar value, and its desirability of location for shipping facilities causes the value in

that land. Pavonia Avenue, as I told you yesterday, has practically no moving population upon it; your railroad company brings no one to that point that travels up and down Pavonia Avenue, and the incidental value that comes to properties because of a particular street, in my opinion, is due to the fact that that particular street has a large pedestrian travel on it, and property fronting on it may expect to do business with the people who pass up and down in front of it; but Pavonia Avenue has not got that travel at the point where the O'Neill Lumber Company was located; that value there is in the hands of the present owners: there are only a very very few lots left and they have got very old decrepit buildings on them, and the value there is a speculative value, and the owners are holding it because they know that, in time, the Long Dock Company will purchase it, exactly the same as they bought the O'Neill tract.

Mr. Bain. I object to the last answer on the ground that it is not responsive to the question, that it is argumentative, contains conclusions, and in other respects is incompetent, immaterial and irrelevant, and I ask that the answer be struck from the record.

Q The O'Neill property referred to by you, at the time that property was purchased by the railroad company, was the only remaining property not owned by the railroad company between Provost Street to the north and the line of the Hudson River on the east? A I believe that is a correct statement.

Q And the high price may have been paid for the O'Neill property by the railroad company for the same reason that a high price was paid for the Vanderbeek property by the Pennsylvania Railroad?

Mr. Hardin. That question is objected to, on the ground that it does not appear that a high price was paid for the Vanderbeek property for any particular reason, and therefore the question involves the assumption of a reason that is not in the evidence.

A Your question is speculative, in that it has inserted in it the word "may." Personally, my judgment is that that was not the reason.

Q You have mentioned some sales between Henderson Street and Provost Street, back of the Long Dock yard. A South of Pavonia Avenue.

Q South of Pavonia Avenue. And if I understood you correctly you stated that the purchase price paid for that property included the value because of adjacency to tidewater; is that so? A I did not suggest that in my answer to your former question. I believe there was a short street in there by the name of Barnum Street, and my only knowledge of that transaction was gained from reading printed in the local papers the copied offer made by the Long Dock Company to the City for the closing of Barnum Street, in which they set forth that they were the owners of the land on both sides of Barnum Street, and it is those lots that were bought to which I referred. The price paid for them I know nothing about. If I did know the price at that time, I have forgotten it now.

Q Did I understand you to say that the land back of the Long Dock yard had a value because of its proximity to the Hudson River? A I do not think that I made any statement that suggested that, if I correctly understand your question. I stated yesterday that the comparative tract from which Mr. Ryer and Mr. Gaddis testified, lying back of the Long Dock terminals, and

beginning at a point about half a mile from the bulkhead line along the Hudson River, or 2100 feet back of the bulkhead line, and running from there back to the Hill, and back to Division Street, a distance of about a mile or more further, was, in my opinion, too far away from the Hudson River to form a comparative basis of value for the land in the Long Dock terminal. Have I answered your question as you want?

Q Then you admit that there is a point west of the bulkhead line of the Hudson River beyond which there is no value because of adjacency to tide-water? A I do not.

Q How, then, do you reconcile your statement that the land in the north section and south section on the map, Exhibit P-3, does not bear a comparison to the back land of the Long Dock yard? A The land back of Provost Street, at the rear of the Long Dock terminal, is cut off into city blocks, 20 by 800 each, by streets; the blocks are 400 feet in depth, in a line perpendicular to the river line, and 200 feet wide in a line horizontal to the river, and all of this land is separated from the river both by three great railroad systems which occupy the entire waterfront, except one single small dock at the foot of Morgan Street, from Hoboken south to Exchange Place, and all of this back land is shut off from the river by an additional street for each block you go back from the Long Dock terminal, so that it is shut off from communication with the river both by the railroad yards and nine cross streets, before you get back to the rear of Mr. Ryer's comparative tracts, and I do not consider, as I stated yesterday, that land in that area has any increment of value which it could get from the Hudson River, except as any other section of Jersey City which is part of a municipality lying on the Hudson River.

Q In other words, because the land is separated from the waterfront by streets, it has no value because of adjacency to tidewater,—speaking now of the land contained in the north section and south section on the map Exhibit P-3? A All of the land in the north and south sections in the Long Dock terminals, shown on the map P-3, is connected with the Hudson River in a single ownership, not shut off from the river by any streets, and all covered with railroad tracks leading from the back end of it to the front end of it, and onto the piers out into the river; therefore I cannot quite understand the meaning in your question suggested.

Q (Last question read.) A The nearest point to tidewater in these north and south sections is half a mile back from the river, as the crow flies, and, as I stated before, is, in addition to the streets, shut off from the river by three of these great railroad systems' terminals, and I believe that it does have an increment of value such as all other property may have in Jersey City because it is in a municipality fronting on the Hudson River, which is a great port of the country and of the world. I do not think that any of it has a special value that anyone could measure in money in its present condition, cut off from the river by streets and by the railroad yards.

Q Then the land which you have mentioned as having been sold to the Great Atlantic & Pacific Tea Company, being also cut off from the river by streets, has no value because of its adjacency to tidewater? A I think I have stated clearly to you before, that the value in the tracts owned by the Great Atlantic & Pacific Tea Company, and by Butler Brothers, Ault & Wiborg, the Lorillard Company, Hartford Suspension Company, derives its value from its location close to these great railroad terminals, where they have comparatively short hauls

to or from the railroads, are able to get switching facilities from the railroads right into and adjoining their plants, and the present connecting railroad which the City of Jersey City is about to build, under the Act of the Legislature passed last winter, the line of which will run along Henderson Street, in the rear of your yard, and in the rear of the Lackawanna and the Pennsylvania yards, connecting all of that land back of Henderson Street with the railroad terminal yards, will add a very material increment in the value to all of that land back of Henderson Street, or back of Provost Street, I should say.

Q Then the value of the land acquired by the Great Atlantic and Pacific Tea Company, to which you have referred, obtains its value, not because of its proximity to the river, but because of its proximity to the railroad yards? A I think there is value in both, because the Great Atlantic and Pacific Tea Company ships a great many wagon loads of their various products over the ferries to New York and to the railroad terminals in New York City, and undoubtedly the shortness of the haul from their plant to the ferries adjacent to them on the river adds an increment of value to their property; and closeness to the railroads, and the railroad switches right into their plant, makes it further more desirable. I think both causes contribute to the value of two dollars a square foot which they paid for the lots they last purchased.

Q What is the percentage of the products of the Great Atlantic & Pacific Tea Company going to New York by ferry as compared with what comes and goes by rail? A Well, I think that most of their incoming products come by rail; the Great Atlantic & Pacific Tea Company buys in large quantities all kinds of canned, preserved food products, sugar, tea, crackers, biscuits, figs, dates and similar products

sold in their little retail stores dotted over the country; in their plant here in Jersey City they repack that in their own particular small packages; they ship by wagon and by automobile truck to their stores in Jersey City, in Newark and in the Oranges, and to their stores down in Red Bank and in the smaller towns along the coast, Asbury Park, they ship by the Pennsylvania Railroad freight from the Second Street freight terminal in Jersey City; they have stores in New York and they cart a good many wagon loads a day over there, and they have stores that they reach by freight from the New York Central lines and its connections; a great deal of that stuff they cart over the ferries in wagons to the freight terminals, and ship in New York. I should suppose that the outgoing stuff was less than one-third of the incoming freight to the Great Atlantic & Pacific Tea Company plant. I am unable to have any exact knowledge on that, but I think they have something like nine cars a day over there at that plant, and everything practically comes in by freight, and I know what an enormous number of wagons and automobile trucks they have; and it is from that that I figure their shipments out must be very much less by rail than the incoming shipments.

Q In placing the value upon Block 17A-2, you considered that block as though Hudson Street was extended and open across the block? A No, sir; I did not.

Q You say you did not? A I said that I did not. It is not across there and therefore I would not change it into something that does not exist. What I stated was, that my judgment was that the proper way to get comparative figures on which one could reasonably base a proper judgment of the value of terminal plots, such as those, was to study the property that bore a fair comparison to it; I went into

the City of Hoboken and I compared values, square foot values, and lot values at various distances from the Hudson River; I did the same thing in that plot of ground in the rear of the Lackawanna north of the Long Dock yard; I did the same along Pavonia Avenue, where there is very very little information and data to be gleaned; I did the same on land along Morgan Street between the area from Railroad Avenue to the Harsimus—Pennsylvania yard, which runs all the way back to Henderson Street; and I did the same on all property south of York street; on down to the Gap, equi-distant from the Hudson River; I cut out Montgomery Street, for the reason that it is one of the main thoroughfares in the city and has a value which is in the nature of a retail district value, which, in my judgment, tells me it is different from a wholesale or commercial manufacturing business value, and therefore I cut out Montgomery Street; then I found that east of Hudson Street—

Q I will examine later into your methods about applying your value upon the entire block. A I demand the right to complete my answer to the question.

Q Your answer is not strictly responsive to the question. A I think it is strictly responsive. Then I found that east of Hudson Street there was a value of three dollars a square foot, which was certainly within the average limit of sales, cutting out the high values due to accidental or incidental special locations; back of that I found that ground was worth two dollars a square foot, back to Washington Street; back of that I found that, without question, land was worth one dollar or more a square foot, from Washington Street back to Henderson Street; then I took and calculated out areas in the Long Dock yard, which I gave to you yesterday, in the course of my testimony, the number of square feet

in distances equi-distant from the river, where I had found these values in adjoining property, and to those areas I applied these figures. My experience had also taught me that there was a value known as plottage, or continuity of tract, or whatever name may be applied to it, but which corresponds to any large area where there is an unquestioned demand for areas larger than city lots or city blocks, and I added that increment in the value I placed, at one dollar a square foot, as plottage or continuity of value, for such area as was equal in your yards to an equivalent area in the streets in the surrounding property.

Q Mr. Floyd Corbin placed a value in this case upon the parcel described as block 17A-2, or rather upon that portion of it which extends from the pierhead line to a point or line 700 feet west of the line for solid filling, of $1,800 per front foot: Will you kindly state the operation by which you converted that valuation into one dollar per square foot for the land under water between the bulkhead line and the pierhead line? A Mr. Corbin's testimony is a very difficult thing to reconcile, and when he testified before this Board in this particular matter, I called his attention, in a question on page 30, to the confusion that he left in my mind, because he placed an artificial depth to the back land back of the waterfront on these particular tracts, and the question on page 30 is as follows: "A piece of waterfront that has got 300 feet of depth has got a value only because it is 300 feet long, and another has a value because it is only 1,400 feet long, and that value, in my opinion, is because it is big enough for the use to which it is put and the value there is in the property when it is used properly," and Mr. Corbin answered that by saying, "Mr. Hendrickson, these propositions have to be

considered all by themselves, because these waterfront properties are not all of a uniform width and depths like city lots". I, of course, have my mind made up that this particular plot of yours under discussion, if given a depth of 700 feet, as Mr. Corbin artificially gave it, would be almost valueless for the purpose of your company as a waterfront property, because it would be too small for their use; $1,800 is the value that Mr. Corbin gives to this property a front foot.

Mr. Hardin. What is the depth of it?

A And the depth of it from the pierhead line is 1,575 feet. Now, the bulkhead line on these Long Dock terminals is not the actual bulkhead line as used by the Long Dock Company in its operation of these terminal yards, but the water runs back of the bulkhead line, in the north tract, a distance of upwards of 300 feet back of the bulkhead line; in other words, their piers are indented into the shore back of the bulkhead line and do not run out to the pierhead line along the river. His value of $1,800 on 1,575 feet is a value which is in excess of one dollar a square foot, it is true, but it includes part of the upland. As I tried to make him understand at that time, I could not agree with his process of reasoning, and therefore I think that the only value that you can give to his testimony is that a tract of land 1,575 feet deep, with a pierhead line out in the Hudson River, is, in his judgment, worth $1,800. He does not profess to know anything about the land values, but he attaches, in his testimony and in his process of reasoning, a depth of 1,575 feet, which he thinks is necessary in that particular location to give a value to a pierhead line projecting out in the Hudson River. Now, there is not any such thing at that place as a waterfront depth of 1,575 feet; there is an actual depth of land under water from the pierhead

to the bulkhead line of 879 feet, and to the new pierhead line of 122.66 feet additional, so that the only thing that you can draw from Mr. Corbin's testimony is that land under water is worth over one dollar a square foot at this particular place. It has to be remembered, of course, that on a good deal of this waterfront land in front of the bulkhead line in Jersey City, there are actual mercantile businesses being conducted on the land under water and in front of the bulkhead line, such, for instance, as the coal pier in front of the Harsimus yard, the Adams Express Company pier at the foot of Exchange Place, a warehouse out in the river on a pier in the south side of the Erie Terminal yard, all businesses that can be conducted profitably on land worth one dollar a square foot and more.

Mr. Bain. I object to the entire answer and ask that it be struck out, on the ground that it it is not responsive.

A Mr. Corbin, as I called his attention in my question to him on cross examination, had testified up in the West Shore cases, about waterfront values, where the depth was 300 feet, and here he testified to a waterfront depth of 1,575 feet. If you will analyze his figures on both of them I think you won't find very much difference, if you take them down to a square foot basis.

Mr. Bain. I object to any statement of the testimony by Mr. Corbin in any suit or case other than the present, on the ground that it is incompetent, immaterial and irrelevant.

Q There is no process by which you can convert Mr. Floyd Corbin's valuation of $1,800 per front foot for some portion of Block 17A-2 into one dollar per square foot for the land under water in front of that block between the bulkhead line and the pier-

head line? A There is no process by which your mind would arrive at that because you are counsel for the railroad, but you can take his figures exactly as he has given them here in this case and his explanation in the last answer, and his figures work out by that; his idea is the land under water—

Mr. Bain. I object to any statement of Mr. Corbin's idea on the ground that that is a conclusion.

Q Will you answer my question? A I have answered it.

Q There is no process by which you can convert Mr. Floyd Corbin's valuation of $1,800 per front foot upon a portion of Block 17A-2 into a value of one dollar per square foot for the land under water between the bulkhead and the pierhead line in front of that block? A I have answered that question completely and leave it to the Board to say which one of us is correct.

Q Will you kindly answer that question by saying yes or no; it is a direct question and can be answered by either one of those words? A That question cannot be answered by yes or no; I have answered it completely and fully.

Q Will you state the process by which you converted any value as stated by experts, per front foot, upon any portion of Block 17A-2 into one dollar per square foot, upon the land under water in front of that block, between the bulkhead line and the pierhead line? A I have previously stated, that in front of the Lackawanna yard, where the depth of water from the pierhead to the bulkhead line is something like twelve or thirteen hundred feet, and in front of the Erie yard where it is 875 to 900 feet, and in front of the Pennsylvania-Harsimus yard, where it is about 700 feet, and in front of the Pennsylvania passenger terminal where it is about 600

feet, in front of the Hamburg-American and North German Lloyd, where it is about 1,500 feet from the pierhead line to the bulkhead line, and before the Central Railroad yard where it is about 400 feet from the pierhead to the bulkhead line, that the experts have testified before this Board for the past seven years at values, front foot values, which, when compared with the depth between the bulkhead and the pierhead line figured out at one dollar per square foot; and that is the reason I adopted that as a uniform price for myself in making up my figures along the Jersey City water front, from Communipaw to Hoboken.

Q In each of the instances stated by you of testimony stated by experts, their testimony of value included land under water in connection with a certain part of the back land? A Mr. Harrison and Mr. McCann, as I recollect, gave 200 feet of what they called upland, because it was inside of the bulkhead line as fixed by statute and by the State of New Jersey in fixing the bulkhead line. As a matter of actual fact, in the Lackawanna yard, in part of the Erie yard, both companies operate the ground as land under water that water inside of the bulkhead line to a depth of more than 200 feet. If you will go over to the Lackawanna yard today you will find a four-masted schooner back so that its bowsprit almost sticks into Henderson Street, and that is more than half a mile from the bulkhead line.

Q What is the distance from the pierhead line to the extreme rear line of the Hamburg-American property in Hoboken? A I think it is about 1,300 feet.

Q The Hamburg-American Line in Hoboken has a very well developed steamship terminal, at which are received the largest steamships in the world; isn't that so? A It is a good steamship docking

plant, at which is landed the Deutschland and several other large boats. The Mauretania and the Lusitania and a great many other boats as large, belonging to other steamship lines, dock on the opposite side of the river, and there are lots of other ocean going steamships as large as those which dock at the North German Lloyd and Hamburg-American docks.

Q The steamship Vaterland now lies at the dock of the Hamburg-American Line at Hoboken, does it not? A I believe she does.

Q That is the longest steamship in the world, isn't it? A I don't know; it may be.

Q At any rate, the Vaterland represents extreme development as far as size is concerned? A She represents a very very large steamship, and one of the best boats built, I believe.

Q And the Hamburg-American Line makes use of its piers at Hoboken as a steamship terminal? A It does; it has other steamship docks.

Q They make use of that terminal, with a depth of only about 1,250 or 1,300 feet from the pierhead to the extreme westerly boundary line of their property? A That statement is correct. You stated a little while ago that they were clamoring for a greater depth; what I think they want is a greater area.

Q Then waterfront property having a depth of 1,300 feet from the pierhead line to the extreme westerly line of the property on the Jersey side of the Hudson River has been and is today used most advantageously for steamship purposes? A I think that no one can draw that conclusion; it is used for steamship purposes at that particular place. The Bush Terminal in South Brooklyn could handle equally well the steamships of the Hamburg-American Line or the North

German Lloyd, and, in the judgment of many people, could handle it much more advantageously, by reason of the fact that they have connected with their docks, which are much longer than the Hamburg-American and the North German Lloyd docks, a great number of warehouses, in which shippers may store merchandise when taken from the boats, without hauling it to any other place. The matter of development for any terminal, whether for steamship terminals or for railroad terminals, is necessarily dependent on area; and the railroads and steamship companies and their engineers, they employed skilled engineers to lay out the available area that they have so that it may be used to the best advantage for the purposes of the operating company. The New York Central and West Shore Railroad, at Weehawken, have a narrow strip of back land running a long distance up the river, into two different municipalities, with a shallow depth of waterfront between the pierhead line and the bulkhead line, and a very small upland back in the rear of it, but by reason of its length along the river the railroad company seems to use it to very good advantage and profitably. The Lehigh Valley, which owns a narrow strip of land fronting on the river on the south side of the Gap in Jersey City, but with a great depth, of more probably than 2,000 feet, have had their property laid out by engineers in such a way that they use it for a terminal yard to very great advantage; they also have laid out and operated another terminal known as the Black Tom Terminal, which is south of the Central Railroad and projects out into the Hudson River on the Greenville shore, and of very peculiar shape, long and narrow, probably 4,500 feet long, and narrow, at one time without any area particularly of back land on the shore, but laid out and used as a rail-

road terminal. Since I have been in Jersey City the Lehigh Valley has annexed to this particular terminal a great many hundred acres of upland back of it, which is laid out today in one of the most modern and best railroad freight terminals in Jersey City, with a modern hump for drilling cars by gravity. The Pennsylvania terminal, since I have been in Jersey City, has built the enormous terminal down at Greenville, most all of which was built out over land under water and filled in, partly with solid filling and partly docked, and on which are railroad lines, docks for ships, transfer floats for transferring freight cars, containing two modern humps for drilling cars by gravity, with all the modern appliances for modern railroad terminal use, so that area is the thing unquestionably absolutely necessary to the value of a railroad terminal, of a dock terminal or a shipping company.

Q You know that the reason why the Pennsylvania Railroad made such a terminal of such length in its Greenville yard was to get out to the channel of New York Bay, and not to increase the area of the yard? A The question as asked, to my mind, is exceedingly misleading. I do not believe that the Pennsylvania Railroad officials have ever communicated to anybody out of their own private board and officialdom their reasons for building the Greenville terminal. I have personally been a great many times over the Greenville Terminal, have stood on the humps and watched them drill cars to be shipped to all parts of the United States, New England, east, in that yard I think there are more cars handled by a less number of engines than any railroad that I have ever been in; the last time I was down there, four, five or six years ago, I think, it required but four locomotives to operate the largest terminal yard in Jersey City.

Q How far is the channel in New York Bay from the shore line of the Greenville yards of the Pennsylvania Railroad? A I should think it must be over two miles.

Q And there is no depth of water from the channel into the shore line in front of that yard, is there? A It is practically a large mud flat; I agree with your statement, and wish to call your attention to the fact that the small depth of water made that an especially available place to build a terminal yard, because it lessened the amount of fill necessary to put in there. The Pennsylvania Railroad at that time, by reason of its other work, at other places, had a large amount of fill and that shallow depth enabled them to use that fill to fill in a larger area than they would have used if the water depth was greater; and they have had a channel dug by themselves, which comes in from the channel in the Bay into their dock.

Q About two-thirds of the ground acquired by the Pennsylvania Railroad for its Greenville yard is still not used, and is nothing but a mud flat? A I do not think that statement is correct.

Q When were you last down to the Pennsylvania yard? A I think about two-thirds of that land which they acquired is actually in use today, and they have built out down to the southern boundary and on the northern boundary I know there is quite a little left where they can fill as their necessities require.

Q Have you any authority for the statement that more than two-thirds of the Pennsylvania yard at Greenville has been filled? A My examination of colored maps showing the second and third class property; I do not include in my apportionment of two-thirds, one-third of the area is land under water in front of the actual bulkhead as constructed by

them. If you mean the area included from their actual bulkhead line out to the bulkhead line as fixed by the Harbor Board, there may be additional area which I have not considered.

Q The reason why the Pennsylvania had that extreme length to the Greenville yard was because of the drop of the grade in the tracks which approach that yard, is it not? A No, sir; I would say that that could not be, because there is not any particular amount of drop of grade; had there been it would have been unnecessary for them to build the two humps which they did build for the purpose of giving their cars sufficient momentum to drill themselves by gravity.

Q Mr. Hendrickson, humps have nothing to do with the getting of cars into the yard for any grade, but they are merely to aid in sending the cars to various points in the yard? A Mr. Bain, two humps are at the mouth or entrance to the yard. The cars come in in long freight trains, approximately 60 cars, which cross the bridge across Newark Bay and they come through the line between Greenville and Bayonne, and as they come into the yard, with the engine on the back end of them and not on the front of it, they are pushed up on the hump, the operator stands there and reads the tag on the car, and as he does he cuts it off from the rest of the train and signals to the switchman, and he sets the switch and the car goes where it belongs.

Q The Pennsylvania Railroad Company, instead of attempting to get any large freight terminal in Jersey City, went down to Greenville, didn't it? A Yes, sir.

Q Because the land was cheap there? A Yes, sir.

Q So that, as far as the Pennsylvania Railroad is concerned, it certainly had no demand or require-

ment for any large terminal in Jersey City? A That conclusion is erroneous for this reason: The Pennsylvania Railroad has not parted with either of its terminals in Jersey City, and both of them are used today to their fullest capacity, and are used for the highest and most profitable classes of freight, known as fast freight, which they are obliged to deliver at a given time, and by having this Greenville yard, and by having it on cheaper ground, they have saved in increasing their facilities and have left their two yards here in Jersey City immediately opposite New York City for the fast freight and the most profitable freight of their freight business.

Q Have you any statistics showing the amount of fast freight that comes into the Pennsylvania yard at the foot of Exchange Place? A I think it is known to me. I was attorney at one time for either the Cunard or White Star Steamship Line,—I forget which—they had made a contract with an independent coal company in Pennsylvania for coal for the steamers lying immediately opposite Harsimus Cove freight yard of the Pennsylvania Railroad, and they had their cars shipped to them addressed to the Harsimus Cove yard in Jersey City, where they expected their lighters would come and get the coal. The coal was delivered to Perth Amboy and they received postal cards notifying them that unless they took them they would be charged demurrage; I made personal inquiry myself and found that the railroad considered that they had so much freight coming into that Harsimus yard that it was impossible to handle this additional freight, and that the best facility they could then afford for the steamship business was South Amboy delivery. I started to bring suit to try to compel the railroad company to deliver our coal in order with other

freight that was delivered to them at the same time. The steamship company decided that as they had a ship there every week and had to start their boats every week, regularly on time, that they could not take the chance, and therefore we abandoned the suit and have bought their coal from the Pennsylvania Railroad Company which delivered right to Harsimus Cove pier. I also had another case, the Nordorf Manufacturing Company, a candy concern in Jersey City, located at Sussex or Essex Street, which is now burned down; I believe they bought independent coal from an independent coal company and directed it to be shipped to them to the Jersey City yard, and around the present tracks down past Colgate's and around to their plant where they had always got their coal before. They could not get their coal delivered to them there and they gave up their contract and bought their coal from the Pennsylvania Railroad Company, and then they got their shipments regularly all the time. Those are the only instances that I personally know of. I know, as anyone else knows who lives around there, that there are thousands of cars standing all the time on the Pennsylvania tracks west of the Hackensack River, awaiting instantaneous delivery through the Harsimus yard to steamship lines and docks and steamers across the river. They have no storage facilities on the other side of the river, and it is necessary for them to get that prompt quick shipment, and the same way with the freight that they handle, that perishable freight. I don't know of my own knowledge of the other freight that goes through that yard, outside of coal, but I do have that information which I have given you.

Mr. Bain. I object to that entire answer and ask that it be struck out of the record, on the ground that it contains conclusions, is not the

best evidence, and in other respects is incompetent, immaterial and irrelevant.

Q I asked you for statistics relative to the amount of fast freight that is handled through the Pennsylvania Railroad and at the foot of Exchange Place, and you have not said a single word that bears upon that question. At the time the Long Dock Company first located in Jersey City the high water line in its present yard was about 500 feet east of Provost Street, wasn't it? A I couldn't tell you the exact distance; I thought it was back closer to Provost Street than that.

Q I am speaking now of the northerly side of the yard. A Yes, sir.

Q And on the southerly side of the yard it was quite close to Provost Street? A I thought that the whole of it went back practically to Provost Street; I was not here at the time and never saw it. I do know that the solid ground fill of the Long Dock terminals, as they exist today, is practically solid fill and have been filled in, and the same is true of the Central Railroad terminal at Communipaw, which has been fiilled out a mile or more from the old shore line.

Q So that a vast portion of the depth of the Long Dock Company's yard was not acquired by purchase, but by filling, incident to the various extensions of the bulkhead line out into the Hudson River? A I so state and understand.

Q And the fact that the bulkhead line has been extended out into the river is the real reason for the extreme depth of the Long Dock yard? A It certainly has increased the area every time they moved the bulkhead line out into the river, and that is what the railroad company needed and the thing is there now and it is quite valuable.

Q It was not a matter of purchasing land at high prices for the purpose of extending the area of the Long Dock yard? A Not at the time they first acquired it, but it has been so since the purchases they have made and since they actually increased the area of the yard.

Q When the Long Dock Company's yard was first located there it extended from Pavonia Avenue on the south to 12th Street on the north, did it not? A I don't know.

Q Do you know how much distance north and south was included in the old original yard of the Long Dock Company? A I don't know, sir; I never saw a map that I recollect of the original boundaries of the Long Dock terminal; I know what the boundaries of the Long Dock terminal are today.

Q In placing a valuation upon Block 17A-2, after putting a value of one dollar per square foot on the land under water between the bulkhead line and the pierhead line, you next took a zone running from the bulkhead line on the east to the easterly line of Hudson Street, if extended, on the west; is that so? A An approximate distance of 200 feet from the bulkhead line.

Q Will you kindly measure that distance on the map and get it accurate? A (After referring to map) About 350 feet.

Q Isn't it nearer 430 feet? A It averages about 350 feet.

Q And upon the land within that zone you placed a value of three dollars a square foot? A Yes, sir.

At this point a recess was taken until two o'clock.

(After recess the witness resumed the stand and Mr. Bain continued his cross examination.)

Q Will you kindly state any sales of land in lower Jersey City, between the bulkhead line and the easterly line of Hudson Street, at three dollars per square foot? A I have all the sales on which I based my judgment, the square foot values, marked on a map, and I will ask you to allow me to answer that question later, when I will produce the map and testify from that as a memorandum.

Q What would be the distance between the westerly line of Hudson Street and the easterly line of Washington Street, if extended across the parcel described as Block 17, Lot A2? A I figured two blocks, each of them 400 feet deep and a 60 foot strip between the two plots.

Q So that you considered that zone as having a width of about 800 feet, exclusive of the street areas? A Yes, sir.

Q You are not prepared to state at this time any sales of land between Hudson Street and Washington Street, but will do so later? A Yes.

Q What would be the distance between the westerly line of Washington Street, if extended, across Block 17A-2 and Provost Street? A I figured the same way, two blocks 400 feet deep, with 60 foot street areas in between.

Q Making a zone of about 800 feet in width, exclusive of the street? A Yes, sir.

Q And upon that zone you placed a value of one dollar per square foot? A Yes, sir.

Q And you are not prepared at this time to state any sales of land in Lower Jersey City between Washington Street and Provost Street at one dollar per square foot, but will do so later on? A Yes, sir; I will state sales later when I can have the map and refer to it. I will call your attention to the fact that these streets as laid out in your terminal yards are slightly east of the actual lines pro-

jected in line with the same street line as the streets where they actually exist to the south of Railroad Avenue.

Q That is because you ran the streets parallel with the bulkhead line instead of continuing the street lines as laid out? A I took these lines from an old city map; the old city layout map never was actually accurately worked out and the streets never were actually laid out, but it gave me a comparative, equivalent series of areas or zones to work by; these streets were laid out on an assessment map but were laid out on the ground.

Q And in placing the value upon the parcel described as Block 17A-2, you did so as though Hudson Street and Washington Street were actually open across that plot; is that so? A Not exactly that way, but comparatively so. There was clearly, to my mind, evidence of a higher value between Hudson Street and a narrow strip along the river, and the waterfront itself to the bulkhead line; then back of that I found that the values were one-third less, in my mind; and then the third zone, back of them, I took one dollar because I found that the values still further fell as you got back of Washington Street.

Q But in placing the values upon Block 17A-2, you considered that block as though it had the first zone extending from the pierhead line to the bulkhead line; the next zone as though it had a block extending from the bulkhead line to Hudson Street, as if that street was open; and the next block extending from Hudson Street to Washington Street, as if those streets were open; the next block extending from Washington Street, as if that street were open, to Provost Street? A No, sir; I did not. I never have been able to hear any testimony, and no testimony has ever been produced before the

State Board of Assessors since I have been on it, by anybody who testified, that he considered himself able to appraise the value of those particular railroad terminals in their entirety; different witnesses cut up the tracts in different ways; Mr. Ryer and Mr. Gaddis and Mr. Brown testified that they could not value these railroad terminals as entireties, because they did not know anything about the value of waterfront property; the waterfront witnesses produced by the railroads also limited their ability to testify as to the waterfront, and only a partial depth very accurately, less than the depth of the actual waterfront tracts as they existed; and I therefore was never able to get from any of those witnesses their judgment on the plots as a whole, so that I was driven to work out what seemed to me to be a reasonable basis of arriving at the values myself and I believed that if they were not in railroad use they would have values similar to other property in the neighborhood, equi-distant from the river, as such property in private use, and as I could not say what the value was in railroad use, but believe that it was equal to, if not more than the value in private use, I took these square foot values as I believe them to be in private property, and applied the square foot values to equivalent areas equi-distant from the waterfront, and then added, as I expressed before, one dollar per square foot of an equivalent area for street, as giving me the best estimate I could get of the plottage or continuity value of the entire tract.

Mr. Hardin. May I interrupt here to ask whether your answer suggests that you assumed street areas twice?

A I did not consider or include street areas twice, and never applied to the street areas, or to any areas equivalent to street areas in any of these

railroad terminals, a square foot value equal to the square foot value that I put on the areas which were practically block or lot values; I only added the additional amount, as given to me, as a measure of the plottage value which the large plot, in a demand that was evidently there, would give to a plot of that size.

Q You did, however, in placing a value upon Block 17A-2 consider it as if the block was divided into four separate parcels, each one owned privately? A No, sir; I did not. I have explained, to the best of my ability, what I did.

Q In comparing your first zone, running from the bulkhead line to Hudson Street, you compared the land in that zone with land to the south having street frontage? A Yes, sir.

Q And you compared the land in your zone lying between Hudson Street and Washington Street with land to the south of the Long Dock terminal, between those streets, having a street frontage? A I did.

Q And you compared the land in your most westerly zone, running from Washington Street to Provost Street, with land to the south, between those streets, having street frontage? A I did.

Q And you gave the land in Block 17A-2 in those zones the same value as the land to the south having street frontage? A I did, although I personally believe that probably it is worth more, but I have no way of satisfying myself that it would be more and therefore I did not make it any more.

Q There was some value added to the lands to the south of the Long Dock Company that you used for comparison, because of their street frontage? A I don't think so; I think that the value that they had was due to the fact that they were city lots, or combinations of city lots, fronting on streets.

Q Mr. Hendrickson, as a fact, street frontage adds to the value of the property? A I tried to explain that to you at great length yesterday—

Q Please answer yes or no to that? A I decline to answer yes or no to that; I stated my ideas at length, yesterday.

Q Do you now say that property having a street frontage has no value because of that frontage? A I do not; I say that certain lots, in certain parts of Jersey City, if the street was barricaded at both ends so that you could not get into that lot or away from it, that that lot would not have the same value as a lot with the barricades removed.

Q A block of land bounded by four streets has greater value than a plot of similar size without any streets in the same locality, hasn't it? A No, sir; that is not true; because there are lots in localities where a plot of 32 lots would not be desirable or usable and would bring more, unquestionably, if cut up into smaller plots; it depends entirely on the demand and the locality, whether one lot or five lots, or five hundred lots are the normal demand for plots to get the most value out of them.

Q Have you any positive knowledge of any demand for land in the lower section of Jersey City comprising four city blocks? A Yes, sir; I believe the railroad terminals are evidence of a demand for more than four city blocks in one plot.

Mr. Bain. That is a conclusion and I ask that it be struck out.

Q Have you any positive knowledge of any present demand by any person, firm or corporation, of a plot of land in Jersey City, in the vicinity of the Long Dock terminals of four city blocks? A Your company, in building its Penhorn Railroad, acquired that much within the time that I have been in Jersey City, and used it for one purpose.

Q That was acquired for the main stem? A It was acquired for use.

Q For main stem, 100 feet in width? A It was acquired for use, and is in use today, I walked by it this morning.

Q Don't you know that the Penhorn Creek acquired the land only for a main stem, 100 feet in width, in Jersey City? A Well, isn't a main stem use.

Q Will you kindly state the territory acquired by the Penhorn Creek Railroad that equals four city blocks? A In answering that question I call attention to part of Block 287, part of Block 324, part of Block 361, and part of the two blocks in the rear, and part of Block 547, equivalent to about six and a half city blocks; and with that should be included, I should suppose, parts of seven other city blocks which were turned by your company, about the same time, into what is known as the coach yard back of Monmouth Street.

Q And all of that property lies to the west of Grove Street, doesn't it? A It does.

Q And not one foot of it lies east of Grove Street? A Yes, sir.

Q That is, no part of it lies east of Grove Street? A No part of it lies east of Grove Street.

Q And that property that you have last mentioned was acquired four or five years ago for main stem? A I believe so, because it is in use today to make a six track road into the terminal.

Q And that land was all acquired four or five years ago? A Yes, sir; about that time; I don't remember the exact dates.

Q So that the purchase of that land does not indicate any present positive demand for a parcel the size of the Long Dock terminal lands east of Provost Street? A I do not happen to know of

anyone who is looking for a four block tract at present, but I would not be surprised to see a four block tract purchased by the same ownership at any time.

Q But there is no present demand for any such plot within your knowledge? A I know of no one in the market who is seeking to buy it, but there may be.

Q I think you said that the land purchased by the Penhorn Creek Railroad covered six city blocks; you mean portions of six blocks? A I stated in my answer portions of six city blocks, and portions of seven other city blocks used for the coach yard.

Q How long ago was the Monmouth Street coach yard purchased? A I don't know the date.

Q Many years ago? A It has been there since I have been on the Board, but I think not completed.

Q Well, it was completed within eight or ten years ago, anyway? A I should suppose it was around that.

Q And the Monmouth Street coach yard is low lying meadow ground? A I walked around by it this morning and it is in very excellent shape, covered with tracks and ties.

Q But when it was purchased it was cheap meadow land lying at the foot of the Hill? A Yes, sir; I think that all the lower part of Jersey City, most of it, was cheap meadow land at one time.

Q But at the time the Monmouth Street coach yard was purchased it was cheap meadow land? A I believe it was, but it is highly improved today.

Q In placing a value upon Block 17A-2, as though several streets were open across it, and comparing the land within the blocks which would be formed by those streets, if open, with land lying to the south between the same streets, you made no deduction because of the fact that there is no street frontage

in Block 17A-2? A No, sir; for the reason as I stated before, I am satisfied that there is a demand for railroad terminals of the size that exist there and therefore the value must be higher, in my opinion, than a city development such as is south of York Street.

Q But you have just said you know of no such development? A Well, the fact that the entire waterfront of Jersey City, from Exchange Place north of Hoboken, a distance of over a mile and a half, is solidly filled up with railroad terminals that are and have been, ever since I can remember, in continuous and busy use, satisfies me that there is a demand for railroad terminals on the Hudson River waterfront in lower Jersey City in the neighborhood of where your yards are located.

Q But that proves no present market demand by any person, firm or corporation, for any lands of the same size and character as the Long Dock terminal lands? A To me it does; it may not to you.

Q Next, in placing a value upon Block 17A-2 you gave a value of one dollar per square foot to land within the lines of Hudson and Washington Streets, if opened across that land? A No, sir; that is not what I did.

Q I certainly understood you to say that you had given a value of one dollar per square foot to the land within the lines of those streets. A If so, I think you must try to misunderstand me. I stated several times exactly what I did.

Q What was the additional value of one dollar per square foot that you gave, after having placed a value upon your various zones? A It is plottage or continuity value, or whatever term different people may apply to that increment of value that goes with large tracts where there is a de-

mand for tracts of large size such as the ones in question, and the one dollar a square foot is the best measure that I have been able to believe in and find for it.

Q Where did you get your areas to which you applied the one dollar a square foot? A By mathematical computation.

Q What was your computation based on? A A street sixty feet wide between blocks 200x800.

Q Then you did take the areas within Hudson Street and Washington Street, if extended, as a basis for adding something to the value of Block 17 A-2 as made by you? A I took an area equivalent to the actual area in the streets in locations in Jersey City held in private ownership, as distinguished from railroad use.

Q Do I understand that you place the values upon the parcel described as Block 16B-6 in the same manner as you did Block 17A-2? A Yes, sir; that is correct.

Q Did I understand you to say that you included the value of certain land under water in the value of Block 16B-6? A No, sir; I think there is no land under water in front of Block 16B-6; my recollection is that there are two parcels which we assessed separately.

Q But in your figures you certainly stated a value of one dollar per square foot for some land under water in that block? A If I did that is an error that will check out by a mere process of addition, and will not change the valuation that I put on the land.

Q So that any value of one dollar per square foot, on land under water, that you have included in Block 16 B-6, was erroneous? A I could not answer that question without reading my testimony. I will read it. Any land back of the bulk-

head line I figured at three dollars a square foot back to the same line as in Block 17 A-2; and at the two dollar rate back of that; and at the one dollar rate back of that.

Q So that the land under water in Block 16 B-6 back of the bulkhead line you placed a value of three dollars per square foot on that? A At the same rate as on the upland.

Q Any valuation of one dollar per square foot that you placed upon land under water, in making the valuation of Block 16 B-6, was a mistake? A If I did so; I don't believe that I put any valuation on land under water where it did not exist. It is easy to correct it if it is so.

Q And do the values that you placed upon Block 17 A-2 and the other parcel, include land between the old and the new pier line? A No, sir; it includes the reflected value in the upland by reason of the land under water in front of it, in accordance with the decision of the court.

Q Whatever value was added by the extension of the pier line in front of Block 17 A-2 is contained in your figures? A Not in my figures, but in the assessment, and is in the assessment for the reason that I inquired from you, or the representatives of your company, whether you claimed to own that additional area between the old pier head line and the present pier head line, and was informed positively that you did; therefore we included it as we did in the assessments of all of the other railroad companies that claimed that they owned it. We did not ourselves satisfy ourselves whether the title was in the railroads or in the State; the State, I understand, claims that they own it; the railroads insist that they own it; and we therefore assessed it.

Q Speaking now of the figures which have been mentioned by you as constituting your appraise-

ment of Block 17 A-2, those figures included any reflected value that might be given to the upland in Block 17 A-2 because of the additional lands acquired by reason of the extended pier line? A No.

Q When was the pier line of the Hudson River extended in front of the Long Dock terminal? A March 1, 1913.

Q The D. L. & W. Railroad terminal in Hoboken is along Ferry Street, isn't it? A Yes, sir.

Q And Ferry Street is the main terminal street of Hoboken? A It is a main street of Hoboken; there are four streets in Hoboken, Fourteenth Street with a ferry at the end of it, which is a main thoroughfare street and along which there are high values; Washington Street, running parallel with the river, is probably, in my judgment, the main thoroughfare in Hoboken, containing, along it, more valuable property than any other section of Hoboken on any one street; and Ferry Street and Newark Street, which come together at the ferry terminal in Hoboken, and along which the trolley line reaches the ferry, and which bound the Lackawanna Railroad terminal on the north side, are similar streets; the highest values in Hoboken are found at the junction of Newark Street and Ferry Street, opposite the Lackawanna Ferry, and adjoining the steamship lines.

Q And the values at the point last stated by you as the highest values, are because of the location of the land at that place? A I think that is axiomatic; I believe that is the reason.

Q And the Pennsylvania Railroad terminal in Jersey City around Exchange Place gives a value to Exchange Place? A Yes, sir.

Q Exchange Place is the main terminal street in Jersey City? A I answered that yesterday; that is one of the main terminals.

Q And valuations on Exchange Place are extremely high because of the location on that street? A They are extremely high, because of the Pennsylvania Railroad, and the ferry, and the McAdoo tubes.

Q And also because of the character of the buildings and the business done? A I do not think that the character of the buildings and the business done affect it so much as the fact that it is a place where people naturally congregate, and that is the cause of people building valuable buildings and establishing valuable business at that point.

Q Now that valuable buildings have been built and valuable business has been brought to that point, the value is given to land along Exchange Place by those valuable buildings and that valuable business? A By the valuable business, but not so much by the valuable buildings; the buildings are there because valuable business can be done there.

Q There is no such development along Pavonia Avenue and no such business on Pavonia Avenue as conducted on Ferry Street in Hoboken and Exchange Place, Jersey City? A Yes, sir; the Erie Railroad maintains on Pavonia a milk shed and express station, similar very much to the Lackawanna station along the south side of Ferry Street.

Q Do the milk station and express station of the Erie Railroad compare in character with the bank of the Commercial Trust Company and the bank situated at the corner of Newark and Ferry Street, in Hoboken? A I could not tell you whether the Erie Railroad makes more money out of its milk and express stations than the Commercial Trust Company makes out of its bank and office building.

Q Speaking of development with respect to land values; is the development created by the milk shed and the express station at the foot of Pavonia Avenue the same as that at the foot of Exchange Place, in Jersey City, and Ferry Street, in Hoboken? A The buildings do not look at all alike; I cannot say which makes the most money out of their use of their land.

Q Mr. Hendrickson, there is a great difference in the development on Exchange Place, in Jersey City and Ferry Street, in Hoboken, as compared with Pavonia Avenue, in Jersey City? A They do not look at all alike. On Pavonia Avenue, from Provost Street, east to the Hudson River, on both sides of the street, are railroad terminal yards extending the entire distance; on one side of the street the Erie Railroad has built train sheds, turn tables, I believe, an engine house, and one or two machine shops, and tracks for the storage of cars; on the other side, as I recollect it, there is quite a long shed used for milk, fruit and perishable stuff of that kind, and express service.

Q There is no such business done along the lower end of the Pavonia Avenue as is done by the Commercial Trust Company and the First National Bank in Exchange Place, Jersey City, and by the Second National Bank, on Newark Street, in Hoboken? A The Erie Railroad, as far as I know, owns no banks in operation on Pavonia Avenue; between Provost Street and the ferry they own all the land and they use it, whether they make more money out of the land than those banks do I don't know.

Q But there are no banks or trust companies along Pavonia Avenue? A There is no bank, as I said, between Provost Street and the ferry; there is nothing there except the Erie Railroad's yards.

Q And that character of business done at the lower end of Pavonia Avenue is entirely different from the character of business done on Exchange Place, Jersey City, and on Hudson Place, Hoboken? A It is. On Hudson Place, in Hoboken, which is a street only one and a half blocks long, running from the ferry back to Hudson Street, on the south side of it there is a trolley terminal, a two-story trolley terminal, of the Public Service Corporation; on the north side of it is the well known Duke's House, and the Trust Company of New Jersey; on Hudson Street, in the block north of it, is the First National Bank of Hoboken, a theater, a number of hotels, and saloons and bar rooms. At the foot of Pavonia Avenue, for the same distance back from the river, of one block and a half, there is nothing except part of the passenger station and part of the express or freight station on the south side of the street; and on Exchange Place, which is about a block long, on the north side there is the train shed of the Pennsylvania Railroad station, their office building, on the ground floor of which is a stationery store, cigar store, baggage room, Dodd & Child's express and the elevator entrance to the offices upstairs; on the south side of Exchange Place is the Commercial Trust Company, the First National Bank, with three or four saloons separating them. The values on Hudson Place, Hoboken, and Exchange Place, Jersey City, for these private uses, as distinguished from railroad uses, are due to the very great number of people that are brought there by the methods of communication; at the end of Pavonia Avenue is simply a street through a railroad yard. I have no knowledge of how much money is made by the railroad company out of its Pavonia Avenue

frontage equipment, nor by the banks and private business houses on Exchange Place, Jersey City and Hudson Place, Hoboken.

Q Land along Pavonia Avenue has no such value because of any number of people who go down that street, the same as Exchange Place, Jersey City and Hudson Place, Hoboken, has? A No, sir; I figured that land on Pavonia Avenue is worth from three to five dollars a square foot, but in making my figures I appraised it at three dollars a square foot; at Exchange Place, Jersey City it is worth from ten to fifteen dollars a square foot; and on Hudson Place, Hoboken, I imagine it is worth from twelve to eighteen or twenty dollars a square foot.

Q Mr. Charles Hansel made a revaluation of all railroad property in New Jersey and reported it to your Board? A He did.

Q How long was Mr. Hansel at work on that revaluation? A From the time he first started to work, when he had two associates, up to the time that he turned in his first report to the State Board of Assessors, it covered two years, part of the first year of which he did not work more than four or five months, as I recollect it, because the appropriation made by the Legislature was not sufficient to continue the work a longer time.

Q Do you know whether Mr. Hansel had ascertained the values of land surrounding the Long Dock Terminal in Jersey City? A I would refer you to Mr. Hansel's testimony in this case given under the examination of either yourself or Mr. Hobart.

Q Did Mr. Hansel report to your Board the valuation of the Long Dock terminal property in Jersey City, based on the value of surrounding lands? A There is a misunderstanding as be-

tween myself and Mr. Hansel on that. I, at the time, believed that he had given us an estimate of his value, based on surrounding values; I heard him testify that he did not do anything of the kind, but valued your terminals as he has set forth in his examination.

Q Believing that Mr. Hansel had ascertained the value of surrounding lands to be the value upon the Long Dock property, according to the value of surrounding lands, your Board passed a resolution directing Mr. Hansel to add twenty per cent. to those valuations? A The resolution that the Board passed is a matter of record and is in testimony in this case; there are four members of the Board; at the time, or shortly after he turned in his report and estimate of the values, after they had been examined by myself and other members of the Board, by Mr. Focht, the Engineer of the Board, we were all dissatisfied with his valuation of land, and considered it less than the true value of the land, and so we proposed to call him to Trenton, and we had a meeting of the Board with him, and at that time we discussed at considerable length our ideas; I was dissatisfied, other members were dissatisfied, and we passed a resolution, the one to which you referred, which was entirely satisfactory to me, because it brought the values on these lands close enough to my ideas to make them satisfactory to me.

Q At the time that resolution was passed, what facts were before you to indicate that Mr. Hansel had not ascertained the value of surrounding lands,—that is, lands surrounding the Long Dock property? A I am unable to recollect anything, except the great big fact that the values as he had them were less than other members of the Board and myself considered the values to be; that was

the reason that we brought his down there and had them changed.

Q Did any of the members of the Board, as far as you know, make values upon the Long Dock Company's terminal property, in the way in which you have done, to your knowledge? A When you limit it by the way I have done you kind of limit my answer. I do not know how Mr. Record got at his ideas, he and I never approximately came anywhere near each other on what these were worth; he thinks they are worth a great deal more than I do; and he may be right. The figure that we fixed is a figure that we all, the four of us, could agree on; that is all I can tell you; I don't know how Mr. Record arrived at his ideas and his values.

Q When did you first communicate to the other members of the Board the figures showing the valuations that you say you placed upon the Long Dock Company's property? A You mean the present members of the Board?

Q Yes. A Really, I couldn't give you that. They listened to me with a good deal of patience a good many times, on railroad valuations in these particular terminal tracts in Jersey City, and when Mr. Gentieu came on the Board I furnished him with copies of testimony and he took it home, read it over, and I suppose in the next three months after he was on the Board, I talked to him twice a month, probably on valuations of land, in the places where we had difficulties and disagreements; and Dr. Barber sat through the taking of lots of testimony on these waterfront properties; I talked with him many, many times; I could not tell you the dates, nor when.

Q Can you state the time and place when you first communicated your valuations, as stated by

you in your testimony yesterday and today, of the Long Dock terminal property in Jersey City, to any of the members of your Board? A No, I cannot give the exact place or date.

Q Can you state the date when you last communicated those valuations of yours to the members of your Board? A Mr. Gentieu was here yesterday, and I testified all day yesterday in his presence, and today Dr. Barber has listened to me on both of these days.

Q When and where did you communicate your valuations, as stated by you in your testimony of yesterday and today, of the Long Dock Company's property in Jersey City, to the members of the Board as constituted in 1911? A In August and September, 1912,—I should say that from March, 1912, until September, 1912, on a number of occasions, probably not less than a dozen, both Mr. Record and myself expressed our ideas of value, and I personally talked of my particular theory of zone values, and how I got at it, to the Board, in meetings with Mr. Hansel present, with Mr. Hardin present, and Governor Fort, and Mr. Focht. These land values on these terminals in Jersey City were a great bone of contention and were considered many, many times at Trenton, in Mr. Hansel's office at New York, in this room in my office, and in Mr. Record's office.

Q That was during the taking of testimony on the review of the assessments upon these terminal lands for the year 1911? A That was during the time when we settled these with all the different railroads, including your company.

Q That was during the time of the review of the assessments for the year 1911 by your Board? A We were reviewing and taking testimony all of that year, and agreed with the Lackawanna, with

the Pennsylvania, and believed we had agreed with Mr. Williams, representing your company, on the values of these terminals during that period.

By Mr. Record.

Q Didn't you take up the question of fixing these values in the summer and fall of 1911? A Yes, sir; we did.

Q And didn't the Board at that time go over all of this line of reasoning that you have presented here, and considered these values with reference to such facts as were then available to us? A Yes, sir; I remember one occasion particularly when we all met at Mr. Hansel's office in Elizabeth, New Jersey, during that period of time.

Q Is it not a fact that prior to our fixing the valuations of the Long Dock Company in 1911, before the review was started, that the members of the Board had repeated conferences as to the value of the land in question in that assessment? A Yes, sir; that was the main question of contention and we were at that all of the time.

By Mr. Bain.

Q Did you, at any time previous to March, 1912, state to the members of your Board the exact figures that you have stated in your testimony today, as representing your idea of the value of the Long Dock terminal property in Jersey City? A I did.

Q When and where was it? A I cannot give you the exact date or the exact place; but in the office of the State Board of Assessors I gave those values to the Board as then made up, within a year or six months after I first went on the Board, to Mr. David Baird and Theodore Strong, and every other member of the Board that has come on since that time.

Q Did I understand you to say that you gave the exact figures that you stated in your testimony yesterday and today to the Board as constituted when you first went upon it? A Yes, sir; within three months or so.

Q Then these figures were not arrived at by you after your seven and a half years of experience on the Board, but were made by you when you first entered the Board? A Yes, sir; they were made up by my working out of the testimony which was taken in 1906, '07 and '08 cases.

Q Mr. Hendrickson, you first went on the Board in 1908, didn't you? A In March, 1908. And then we made a reassessment for three years, under the direction of the Legislature. I should think that was concluded probably around July or August first, it is seven years ago or more, and as soon as that was done we began taking testimony, which is bound together here in these books, and that testimony as it was typewritten was prepared for the printer, turned over to the printer, and proof sheets were made, and I began tabulating the data that I could get at the time; I should suppose that we were done with that in September, or thereabouts, and we held a review, and it was as the result of the data that I could get in reading the proofs, reading the typewritten testimony and comparing it with the proofs, and tabulating it, during that rehearing, that I arrived at an idea of value which I got today; I could never get the Board at that time to accept anywhere near those values.

Q The cases which you have last referred to are the cases involving the assessments made by your Board upon the Long Dock property for the years 1906 and 1907? A Yes, sir.

Q And it was by reading the testimony in that case that you arrived at the valuations which you have stated in your testimony today? A I do not think I can be limited by the limits in that question.

Q At any rate, you had arrived at the very figures which you have stated yesterday and today as representing your valuations by reading that testimony? A By looking at these writs of certiorari in the 1906 and 1907 cases, which seems to have been allowed November 30, 1908; prior to that time my mind was made up as to these three dollars, two dollars and one dollar values in these zones.

Q That is, your mind was made up upon the conclusion of that case in 1908, as to those valuations? A Yes, sir; and I have had those values in my pocket book ever since.

Q Since that case there has been litigation over a reassessment of the same property for the years 1906, 1907, 1908 and 1909 before your Board, upon the assessments for 1910 and complaints before your Board and litigation over the assessments for the years 1911, 1912, 1913, and we have taken a great deal of testimony on the complaint against the assessments for the year 1914,—in all of those cases there has been a great mass of testimony taken. Your ideas of values, as made in 1908 upon the testimony in the 1906 and 1907 cases, has not been changed in the least by all the testimony that you have years in the 1906, 1907 and subsequent cases? A No, sir; I have been confirmed in my ideas.

Q Were the assessments for 1906 and 1907, the original assessments, based upon your ideas of value? A By that you mean the tentative assessments that were presented?

Q I mean the assessments as declared in 1906 and 1907. A No, sir; they were not.

Q You agreed with the assessments of 1906 and 1907, as representing the values of the lands in question at that time? A I voted for them, because they were the best that I could get; I was one man out of four.

Q The reassessment for the year 1906-7 was ordered by the Supreme Court, and the Board of which you are a member made a reassessment of the property for that year? A We did.

Q And you voted for that reassessment? A I did.

Q And that reassessment represented the Board's value, including your own, of the lands in question, for the years 1906, 1907, 1908 and 1909? A It did.

Q You have testified that there has been no increase in value (or I think you have) of property in the vicinity of the Long Dock for the last eight or nine years? A I don't think I testified to that. I think I testified that, in my opinion, the values of these railroad terminal properties have not materially changed in the seven and a half years that I have been on the Board.

Q They have not materially changed? A I know that private property in and around the Great Atlantic & Pacific Tea Company, Butler Brothers, and Ault & Wiborg, in that section east of Henderson Street and south of the Harsimus yard, has materially increased in value, and I know that the section east of Henderson Street and north of the Erie yard, to the Lackawanna, has been steadily increasing in value, and is much more firmly held and occupied today, and I believe that the property in the immediate rear of the south side of your yard, and back to Henderson

Street, is more stable in value today, and is occupied by large powerful business interests.

Q What was the value and the assessment for the years 1906, 1907, 1908 and 1909, or rather, first for the years 1906 and 1907, as first placed by your Board upon the parcel described as Block 17 A-2? A Please distinguish the meaning in your question as between value and assessment.

Q Strike out the word "value." What was the assessment made by your Board before reassessing upon the parcel described as Block 17 A-2? A The assessment on Block 17 A-2 for 1908 is $2,914,740,—the assessment for the land at the foot of Pavonia Avenue for 1908 is $136,500.

Q The assessment made by your Board upon Block 17 A-2 for the years 1906 and 1907 as first made was over a million dollars less than your present assessment? A I will refer you to the record of the assessment, which will give you the exact figures; I haven't it in front of me.

Q You have spoken of a sale by you of a lot known as Lot D in Block 286, I think, for $3,200; is that right? A That is my recollection.

Q Did the Erie Railroad Company bid on that lot? A They did not, so far as I know; but I believe they did.

Q Do you know Mr. Hahn, of the office of the Land and Tax Department of the Erie Railroad? A I suppose I do, but I don't recollect him.

Q Didn't Hahn appear there and bid? A Yes, sir; he appeared there and bid; he bid up to $3,000 and this fellow overbid him, I don't remember his name.

Q You have made some statement about the sale of a lot in the section marked North Section or South Section on the map Exhibit P-1, for $5,000? A $1,000.

Q It was $1,000? A Yes, $1,000.

Q You have no personal knowledge of any sale in that section for $5,000 a lot? A I don't remember of any at this time.

Q You accept as correct the schedules offered in evidence in this case, and the testimony by the experts, as to actual sales of property? A I believe the statements in the schedule of Mr. Ryer and Mr. Gaddis, as to the actual consideration price paid in money for the buildings and lands combined, as set forth in the schedules, to be correct. I disagree so far as the apportionment they make, as between the relative value of the building and the land.

Q What information have you aside from that given by the experts, as to the separate value of the lands and buildings shown in the schedules and contained in the testimony? A As I explained yesterday, very very many of the buildings are obsolete and are nothing more today that what one might term taxpayers on the lots.

Q Will you kindly state the particular parcels to which you now refer? A I will not. I walked over that entire tract this morning for two hours and ten minutes, and saw nothing that would change the ideas that I expressed yesterday.

Q You cannot at this time state any facts? A There are thousands of buildings in those two comparative areas.

Q But you have no information whatever indicating that the separate values of the land buildings, given by the experts, are not correct?

Mr. Hardin. I would like to make an objection here as to the assumption that there has been any expert valuation of the buildings, the testimony has no such effect at all, it being largely taken from the tax records, and

there was no pretense, as I understand it, of any expert testimony on the buildings as given by Mr. Gaddis and Mr. Ryer.

A There are a number of single family houses, blocks of them, which, by reason of the present tenement house law of this state could not be altered into tenement houses without making an expenditure of money far beyond the prospects of getting a return on the increased investment, which absolutely throws that property out of the sale market. I believe such property as that, which is not bringing results today on a basis of $3,000 a house and lot, is obsolete, so far as the building is concerned, when you know that all in that locality there are immense manufacturing establishments, on ground that certainly is worth $1.50 a square foot. Adjoining your property is the Safety Car Heating & Lighting Company, the Jersey City Lamp Works, Lembeck & Betz Brewery, Wells Fargo Express, two enormous stables. The development and use of that property has changed so greatly that today I can have no confidence in an expression of value of land and building because it is not borne out after you do it.

Q You say you can have no confidence in any expression of value between land and building; but you also have no facts or information upon which you can base a separate judgment or a separate conclusion, as to the separate value of the land and buildings? A As I told you yesterday, I think I have; I may be wrong, but I saw people buying in lower Jersey City, I have seen clients of mine, in the Great Atlantic & Pacific Tea Company, buy land in Jersey City, on which there was a building, and destroyed the building to make a vacant lot to build on suitable for their

use; I have seen Colgate & Company take down I should think nearly three city blocks of old brick dwelling houses and buildings, and erect on them new buildings; and I have seen them buy 30 or 40 more parcels which they have not touched yet.

Q Leaving the building standing? A Leaving the building there until they get all the rest of the buildings and lots in the block; then they will take the whole thing down and build another great building.

Q Have you any knowledge of the vast number of pieces of property in lower Jersey City upon which buildings are standing that have been sold and the buildings allowed to remain? A I believe your company owns quite a few.

Q Where the buildings remain? A Yes, sir; you said so yesterday yourself.

Q And there are a great number of pieces of property in lower Jersey City that have been recently sold upon which there are buildings, where the buildings have not been torn down after the sale? A On the south side of Tenth Street there are quite a good many buildings along there, which are unoccupied, the windows are smashed in, and I believe they were bought by your company because you wanted to protect yourself against suits for some nuisance. Now, I cannot know that except as an ordinary man with ordinary sense—

Mr. Bain. I object to the last answer and ask that it be struck out on the ground that it is a conclusion.

A —you are in a better position to furnish the evidence of that than I am, but they are there and you have no present use for them.

Q Don't you know, as a matter of fact, that over eighty per cent. of the sales of property in lower Jersey City, in recent sales, where there have been buildings upon the land, the buildings have been allowed to remain? A Well, even if that were true, Mr. Bain, the number of sales are so very, very small in number that it would not amount to much. I certainly am not a close enough student to answer that question in percentages, but I do know that the number of sales as to the total number of properties, is a very small percentage.

Q You are not a close enough student to study the proportionate number of instances in which buildings have been allowed to stand, in cases of recent sales, and yet you purport to be sufficient of a student to say that in practically all cases of sales in lower Jersey City, the sales represented only the land value, and not the value of the buildings. If I am wrong in my understanding of your statement, correct me. A I think you are substantially correct in your question.

Q Aside from the Colgate Company, which bought some property to increase its plant along Hudson Street, south of Exchange Place, and the Great Atlantic & Pacific Tea Company that purchased some property to put up a building, and subsequently to increase its plant along First Street, and aside from the Penhorn Creek Railroad Company, which purchased some land for a main stem, what other instances can you state where the building has been torn down and no other buildings put up? A The Hudson & Manhattan Tunnel Company tore down somewhere between sixty and ninety buildings.

Q On what block? A Block 76, north of Railroad Avenue and east of Henderson Street, and turned that into an entirely different use.

Q That block is within 50 or 100 feet of Newark Avenue? A Yes,—well, it is about 100 feet from Newark Avenue.

Q How long ago was that? A Seven or eight years ago.

Q And that property is now used as a coach yard by the Hudson & Manhattan Railroad Company? A And repair shop, and for all purposes that they can put it to.

Q Which part of that land was condemned? A I think most of it was condemned there; I was one of the condemnation commissioners, and I think half of it was condemned before me, but I think, however, after the condemnation was over they went and made separate and private arrangements, irrespective of the condemnation.

Q But the price paid, in every instance, for land in that block, included not only the value of the land in that block but the value of the buildings? A Yes, sir; that is we tried to give the people what the land and buildings were worth, in our own opinion, and they promptly tore the buildings down in less than a year.

Q State any specific instance where the sale price represented only the value of the land and not the buildings, basing your statement upon fact? A I think all of the money paid by the Hudson & Manhattan Tunnel Company for this block that we have last been talking about was paid entirely for the land.

Q You are speaking now of the block along Railroad Avenue? A Yes, sir.

Q Didn't you say a moment ago that you were one of the condemnation commissioners, and made substantial allowances for the buildings? A I did; and we did that, but they didn't buy the

buildings; they didn't want the buildings and they tore them down.

Q If the value of the buildings was included in the purchase price, why didn't they pay for the value of the buildings? A They didn't pay for the value of the buildings; they paid for the land after the buildings were off.

Q But the buildings were included by the commissioners in the condemnation? A Yes, sir; because that was the value of the building, in my judgment to the people that owned it before the condemnation, but after the condemnation that value represented only the value of the land, because they destroyed all the buildings in order to get at the land.

Q You gave them what you thought that property was worth, the value of the land, plus the value of the buildings? A Yes, sir.

By Mr. Record.

Q In your judgment, if one man had gathered together all of that property, and removed all of the buildings, would the Hudson & Manhattan Company have been willing to pay for the land with the buildings off of it, what they did pay for it?

Mr. Bain. I object to that question on the ground that it calls for a conclusion.

A I cannot answer that question. I believe that if there had been such a plot in the neighborhood of that block, equivalent to it in size and area with the Hudson & Manhattan plot, they would have paid unquestionably the amount that they actually paid for that lot, provided the man that owned it had sense enough to keep his land for a similar price; that is what has been done

today in various parts of Jersey City; people are holding property that is not returning them any income, because it is going to be used by big plants like Butler Brothers, Lorillards and a great number of concerns that occupy whole blocks for their buildings and factories, I walked by the National Carbon Works this morning, and there is a magnificent building just lately built there in the last few years.

By Mr. Hardin.

Q Did they tear any buildings down to build it? A There were buildings on the block where the carbon works now is, but they were mostly, as I recollect it,—it is a long while ago,—one story sheds or shacks, in which I think at one time there was a pipe yard, or bluestone yard, or something like that in there, wagon sheds, a local express stable, or something of that kind; they were poor miserable buildings; that is my recollection of it.

By Mr. Bain.

Q If there had been no buildings upon the block condemned by the Hudson & Manhattan Railroad Company along Railroad Avenue, and that company wanted to buy that block, but was compelled to condemn it, the same amount that was allowed by the condemnation commissioners would not have been allowed, because there were no buildings on them? A I can hardly express an opinion about something that did not exist; that is the reason I could not answer Mr. Record's question, for exactly the same reason; the fact of the matter is that there was something there.

Q Weren't there a few vacant lots along Railroad Avenue? A There may have been two or three small vacant lots, but not a sufficient number

of vacant lots to give them the facilities they demanded; they had to have a whole block and they have always wanted to have more than a whole block; they have been dickering with the City ever since they bought it for that part of Railroad Avenue lying to the south of it, between the stone walls of the embankment and their block.

Q Upon what fact do you base your conclusion that the Hudson & Manhattan Railroad Company always wanted more than one block? A Because the president of the company told me so, and asked me to help him and use my influence with the City, and I did talk to the City officials and Corporation Counsel, because it is a six foot strip that, in my opinion, is of no value to the City, and would be of some value to the Tunnel Company, just the same as I feel that it would be of advantage to Jersey City to turn the Morris Canal into profit earning property; I believe that that six foot strip, turned over to the Tunnel Company would turn that six foot strip into profit earning property and be an advantage to the City.

Q That six foot strip is the strip of land adjoining the Tunnel Company property? A On the line between it and the stone wall,—it is 19 feet.

Q That is the only additional land that the Hudson & Manhattan Railroad Company wanted, so far as that block was concerned? A They took all the land that was in that block.

Q Yes, and they did not want any other land in addition to that block, except that portion of Railroad Avenue? A Yes, sir; they acquired a large portion of another block east of Washington Street, a couple of blocks away, and tore down a number of buildings, removed the business off of it, and erected on it a power house, connected the power house with the Hudson River by a large

tunnel that a man can walk through, so as to suck in cold water from the Hudson River so as to use it to condense the steam from their power house plant, so that they could use the water over and over again and make their steam as cheaply as possible.

Q What effect has the condemnation of the Railroad Avenue block and the Hudson & Manhattan power house block upon the value of the Long Dock Company's property? A They did not condemn the block in which they built the power house; that was all purchased by Cornelius Cronan, as their agent; they paid two dollars a square foot for it; it is in that zone that I say is worth two dollars a square foot, and the fact that they built this water tunnel from that power house down to the Hudson River so as to get in the cold salt water to condense their steam in, that they used a steam to pump it back into their boiler as fresh water to make more steam, shows simply one of the elements that make value for property close to the Hudson River.

Q You have been speaking about Block 76; what bearing upon the value of the Long Dock property has the condemnation of the block on Railroad Avenue by the Hudson & Manhattan Railroad Company? A You mean Block 138, which is at the corner of Henderson Street and Railroad Avenue; Block 76 is where the power house is located.

Q Yes. A Why, it is just so many square feet more of lower Jersey City that has gone into valuable use, and, in my opinion, increases the value of land east of Henderson Street to the Hudson River, stabilizing it.

Q But the condemnation of Block 138 has absolutely no bearing upon the value of the Long

Dock terminal property? A Yes, sir; I think it substantiates the value of one dollar a square foot that I put on land west of Washington Street; they paid over three dollars a foot for that lot.

Q Will you kindly state any condemnation or sale of Block 138 of three dollars a square foot? A No, sir, but if you would like to have that we will have the records produced of the condemnation.

Q You cannot state any, can you? A That is what the whole block approximately averaged.

Q But you cannot state any particular piece condemned, or any particular piece purchased in that block, where the price paid was three dollars a square foot for the land? A It was within a few cents of that average price on the entire block of land with buildings included.

Q But you cannot mention any particular piece or any particular price? A No, sir; that was seven or eight years ago, and I don't remember any.

Q All of Block 76 that has been mentioned by you, and upon which the power house of the Hudson & Manhattan Railroad Company now stands, was purchased for one dollar a square foot? A No, sir; I think not; I do not recollect any that was purchased for one dollar a square foot, but if it was purchased for one dollar a square foot I am very certain it must have been a very long time ago.

Q State any particular portion of Block 76 that was condemned or purchased where the consideration was two dollars a square foot? A The part that now is occupied by the Hudson & Manhattan power house.

Q The Hudson & Manhattan power house occupied substantially the whole block? A About half of the block.

Q State any part of Block 76 now covered by the power house for which two dollars a square foot was paid, either by condemnation or purchase? A I have answered that question before and repeat my answer to the previous question.

Q Can you recall any particular condemnation or sale now? A I have said the purchase by the Hudson & Manhattan Tunnel Company of the lots on which their power house is now located; that is the answer to it; that is in Cornelius Cronan's testimony; he made the sale; I got the data here. In 1905, for the Hudson & Manhattan power house, four lots were sold at $2,500 a lot; 15 lots were sold at $3,500; three lots at $5,000 a lot; that was ten years ago, 1905; and south of that, two lots sold for $10,000 or $500 a lot of 1904.

Q From what were the three lots bought at $5,000 a lot? A I do not recollect at this time; I haven't the name of the vendor.

Q Have you got the name of the vendee? A The Hudson & Manhattan Railroad Company recorded this purchase at this price to use under their oath, or the oath of their agent.

Q Lots 25 to 45, alternately, in Block 76, were sold for $5,500 were they not? A I don't know; I cannot answer that question because I haven't got the lots in front of me.

Q You don't know about the sale of those lots in that block? A I don't know them by any number at all; if they were sworn to by Mr. Ryer in these cases why his data is probably accurate.

Q You don't know whether those lots are 100 feet in depth or 120 feet in depth? A No, sir; all I know is that the block is 200 by 400 and that

the tunnel company got what they wanted and turned it into use at two dollars a square foot, and we assessed it at that and they always agreed with that assessment.

Q You have not figured the average prices per square foot paid by the Hudson & Manhattan Railroad Company for Block 76, have you? A I have not at this time; no, sir.

Q That block is 220 feet and not 200 feet wide as you have stated? A It is so shown on the City Assessment Map; the may may not be accurate.

Adjourned to Tuesday, May 11th, 1915, at ten o'clock in the forenoon, at the State House, Trenton, New Jersey.

Continuation of the taking of testimony on the above appeal at the office of the State Board of Assessors, Trenton, New Jersey, this eleventh day of May, 1915, at ten-thirty o'clock in the forenoon; in the presence of counsel for the respective parties.

CHARLES E. HENDRICKSON, JR., recalled.

Further cross examination by Mr. Bain.

Q You have stated that there were some sales of land in lower Jersey City between the bulkhead line of the Hudson River and the easterly line of Hudson Street, at three dollars per square foot, but at the time you last testified could not state sales; are you now in a position to state those sales? A I am; but your question rather misstated my answer. I said there were sales on which I based my opinion that three dollars a square foot was a reasonable value in that zone bounded on the east by the bulkhead line of Jersey City and on the west by the line of Hudson Street,

projected across the various yards. There are six sales only in this entire district of upwards of two miles. The fewness of those sales convinced me that the land in this territory was closely and firmly held. In Block No. 2 on the southerly side of Essex Street, on the easterly side of Hudson Street, there was a sale, in 1889, of four lots, for a consideration of $19,000, making a consideration of $4.750 a lot, which is somewhat less than two dollars a square foot. In 1889 there were four lots sold in Block No. 4, bounded on the south by Morris Street, on the west by Hudson Street, for $15,000, or a consideration of $3,750 a lot. In Block No. 7, in 1902, the First National Bank of Jersey City purchased two lots in the rear of their building, said lots being bounded on the west by Hudson Street and on the south by York Street, for $15,000 a lot; one lot had on it an old building which was torn down by the bank, and that lot has remained vacant ever since; the other lot had an old three or four story brick building on it, which is standing there yet, but has practically been unused since it was purchased by the First National Bank. In that same block, in 1899, the Commercial Trust Company purchased, for $150,000, or an average of $21,000 a lot, the lots on which they since erected their banking building. This plot is irregular in shape; its dimensions are already in the record; it had built on it the old Taylor's Hotel, which was torn down for the purpose of preparing the ground to building the new building. In 1890 Vanderbeek & Sons purchased, and used for the purposes of a lumber yard, and in Blocks 11 and 42, bounded on the east, practically, by the bulkhead line, and running back two blocks to Greene Street, and bounded on the north by Morgan Street, comprising 29 City lots, at a price of $4,690

a lot; and 13 years later, in 1903, they removed their lumber yard to a plot in the rear of Greene Street, leased to them by the Pennsylvania Railroad, and sold these same 29 lots to the Pennsylvania Railroad at $11,700 a lot. There are no other sales from this last plot going northward, until we get to Hoboken. In 1900 two lots were sold fronting on Hudson Place, in this same zone, bounded on the west by River Street, in Hoboken, for $7,235 per lot; that was in 1890. In the same year, one other lot was purchased for the sum of $6,600 per lot; and in the same year two other lots, at the rate of $5,800 a lot. All of these three sales are adjoining to each other. A little further to the north there was another sale, in 1899, of four lots, sold at $7,500 each. The number of lots comprised in these several sales is a very very small percentage of the number of lots east of Hudson Street to the bulkhead line, and none of them, except the Vanderbeek tract, are really plots of the size for which the demand has grown up in the lower part of Jersey City along the waterfront line; the plot sold to the Commercial Trust Company being the next largest, being a tract large enough for their building, but apparently not large enough for their needs, for the reason that they subsequently purchased other adjoining lots, two or three in number, fronting on Exchange Place and adjoining the purchase in 1899, on which was erected their present building. The prices of the sales of those lots are unknown to me. The First National Bank, about the same time, purchased the two remaining plots in Exchange Place, west of their banking building on the corner. The prices of those sales have never been known to me, nor have they ever been testified to before the Board. These few sales in this area have been furnished by the testi-

mony which this Board has taken at various times, and have been always accepted as the true consideration prices paid for those sales. In the district west of Hudson Street, to Greene Street, there are a number of other sales, all of small parcels, and made for the purpose of gathering together large tracts of land. The purchases in Blocks 38, 37, 36 and 39, lying south of York Street, and west of Hudson Street, have been made by Colgate & Company, and very largely for the purpose of extending and increasing the land used by them in their manufacturing plant. The corner of Hudson Street, bounded on the east by Hudson Street, and on the south by York Street, was at one time a saloon, with a very old decrepid frame building on it. The consideration paid for that, in 1902; comprising two lots 50.12 feet front and 101 feet deep, was $25,000. Immediately in the rear of that building Colgate & Company also purchased a plot, known as No. 2 in Block 38, 25 feet front and 100 feet deep, for the sum of $9,000. In 1903 they purchased two other plots in the same block, back nearer to Greene Street, at $5,500 per lot. These lots were covered with old buildings, practically past all usefulness at the time of the purchase. In 1904 they purchased two lots on the south side of Sussex Street, between Hudson and Greene Streets, at a consideration price of $4,750 or $2,375 per lot. In 1906, in the same block but in the rear of these last two lots, and fronting on Grand Street, they purchased three other plots, at a consideration price of $17,500, or at the rate of $5,800 a lot. These lots also contained old brick buildings, residences at one time, but practically valueless and useless in this particular locality. In the block next south, between Morris and Sussex Streets, Block 35, in 1904, we had the sale of a lot for

$2,710. Adjoining that, in 1893, another lot sold for a consideration of $5,000, and two lots further east, in 1905, were sold at a consideration of $7,000. And in the rear of these, fronting on Morris Street, in 1900, the sale of another lot 25 x 100, at a consideration price of $4,000. All of these parcels undoubtedly had old residential buildings upon them. In the block next south of that, No. 34, we have a plot on Greene Street, 20 feet in width by 100 feet in depth, sold in 1905 for $2,000. On the other end of this lot, fronting on Hudson Street and Essex Street, two lots sold for $7,700, or at the rate of $3,850 a lot, in 1906. This is the block owned largely today by the Manhattan Electrical Supply Company. During the past few years, probably four or five years ago, the Manhattan Electrical Supply Company built a new brick building and warehouse of very modern construction, and have purchased and acquired about half of this entire block. Some of the buildings purchased were torn down for the erection of the new building, and some of it they are still holding for extensions. I was the attorney for the Manhattan Electrical Supply Company and passed on the titles to the land fronting on Greene Street and on Morris Street. These are various kinds of old two story buildings, some frame and some brick, the corner occupied by a saloon, and one of the other buildings by a small store. I should like to add the prices paid for these parcels purchased at the time by the Manhattan Electrical Supply Company, the data of which I have not here at this time. In the next block south of Essex Street, No. 33, in 1898, three lots sold at a consideration of $2,500 and in 1908, ten years later, in front of that, ten lots at the rate of $4,000 a lot, the actual consideration being $44,200. These sales are, all of them, as will be noted, a number of years old, and show the constantly increasing

prices at which this ground is changing hands. In the section west of Greene Street and east of Washington Street, in Block 66, we have the sale of a lot, in 1890, at $6,121. In 1891 two lots for $8,250, or $4,125 a lot. In the block north of that, No. 67, fronting on Sussex Street, nearer to Greene Street, we have a lot sold in 1894 at $5,300 a lot, and east of that another lot sold in 1902 at $6,000 a lot. On the north side of Sussex Street, in Block 68, in 1891, a lot sold for $7,100, 25x100. East of that, in 1894, another lot sold for $4,700, measuring 25x100. In Block 70, where is now located the Post Office Building, fronting on Washington Street, the sales back of the time of the purchase of the Post Office are as follows: In 1904, two lots for $6,000, or a price of $3,000 a lot. Immediately east of that, in 1902, another lot, 25x100, sold for a price of $5,000 a lot. In 1902, the corner of York and Greene Street, an irregularly sized plot a little larger than a single lot 25x100, sold for $9,250, or an average price for the tract of $6,000. In 1903, fronting on Greene Street, in this same block three lots for $27,000, or a consideration of $9,000 a lot. On Montgomery Street, the sale of a lot for $12,000 a lot, on which was an old one and a half story frame building, occupied for a newspaper store and boot-black parlor, for $12,000. Further up the street, on the Montgomery Street side, in 1909, two old brick buildings and the lots on which they stood, not having a full depth, two lots for $18,000 each. These were subsequently acquired for the Post Office building. In Block 138, where the McAdoo Tunnel Company's yard is now located, I testified to previously. In Block 139, formerly the Salvation Army Industrial Home, purchased by the Great Atlantic & Pacific Tea Company,—that I testified to at the last hearing. I also have a record

of a sale of two lots in Block No. 73, bounded on the east by Greene Street, and on the north by Steuben Street, in 1896, at $6,000 a lot. And in the same block, in 1895, two other lots at $5,000 a lot. And in the same block, in 1906, three lots at $3,800 a lot. In the block next north of that, No. 74, I have the record of the sale in 1887 of ten lots for $54,000, or approximately $5,000 per lot. In the block next north of that, in 1905, in Block 75, seven lots at a consideration of $3,860 a lot. The block next north of that, No. 76, the sales to the Hudson & Manhattan Railroad, four lots at $2,500 a lot, 15 lots at $3,500 a lot and three lots at $5,000 a lot. In the blocks west of these last three blocks, bounded on the east by Warren Street and on the west by Provost Street, in 1892, 10 lots for $22,850, or $2,285 per lot. Two blocks north of that in 1901, the entire two blocks for $90,000, or an average price of $2,250 a lot. These lots are immediately east of the purchases about which I have testified, of the Great Atlantic & Pacific Tea Company, the last purchase being made by the Great Atlantic & Pacific Tea Company at $2 per square foot or $5,000 a lot, in Block 172. In this particular area are located the very large businesses and establishments of Butler Brothers, on Block 107, occupied at present, the entire block, but up until recently four lots in this block were occupied by the Riegel Sack Company, with their big brick factory which was sold by them to Butler Brothers and they moved over into the Lafayette Section of the City. In Block 108 and 109 are located the Lorillard Company's buildings, each of which cover entire blocks of 32 lots. In Block 106 there was formerly the Tartar Chemical Company, lately destroyed by fire, and vacant for the last five or six years; in Block 172 and 171 are the large

factory plants and warehouses of the Great Atlantic & Pacific Tea Company and the Hartford Suspension Company. The number of these purchases in this last location east of Henderson Street and west of Greene Street, bounded on the north by the Harsimus yard of the Pennsylvania and on the south by the Pensylvania Railroad main stem, comprise a very small proportion of the number of lots lying in the area, which shows to my mind how firmly this land is held at present and during the past fifteen years. Passing north, and east of Henderson Street and north of Sixth Street, in the immediate rear of the Long Dock Company yard, there are a number of other sales. In 1904, the corner of Seventh and Henderson Streets sold for $1,500. In 1901 the lot in the rear of that for $1,000 and in the rear of that and fronting on Henderson Street another sale in 1907 for $5,000. On Eighth Street, in the same block, 179, two lots sold in 1909 at $1,500 a lot. This is five lots out of 32 lots in this block. In Block 180, immediately north, bounded on the north by Pavonia Avenue, on the west by Henderson Street, there is a sale of a lot fronting on Pavonia Avenue in 1906 for $3,500 and two lots fronting on Eighth Street at $1,800 a lot, in 1908, and two lots on Provost Street, in 1909, at $1,500 a lot, and the corner of Pavonia Avenue and Provost Street, two lots sold, in 1906, at $3,500 a lot. In Block 181, north of that, in 1902, one lot on the corner of Provost and Ninth Streets, sold for $1,800 and in the rear of that, fronting on Ninth Street, two lots sold in 1903 for $2,125 a lot. On the opposite of the street, in Block 182, two lots sold in 1910 for $5,250 a lot. Two other lots, fronting on Henderson Street, in 1903, sold for $2,125 a lot. Each of these plots were property occupied by old buildings. In the territory next north of

the Erie main stem, there is a sale to the Hudson & Manhattan Tunnel Company, and by the Hudson & Manhattan Tunnel Company to the National Carbon Company of the entire block known as No. 186. This is the only actual purchase in this territory, which to me gives a real line on the value of the land, because it is the only purchase of a large plot that I know of of sufficient size to accommodate the businesses that have been located in this lower section of Jersey City adjoining the railroad yard within my memory. The price paid, as testified to before for that average eighty cents per square foot, and it was that sale which influenced me in using the valuation of eighty cents a square foot in arriving at the value of the rear end of the Lackawanna yard, in the rear of which this block is located. In this territory there is a block known as 154, bounded on the west by Provost Street and adjoining the Erie and Lackawanna yards, entirely cut off, so far as streets are concerned, except through Provost Street, by railroad tracks. This block originally belonged to Mr. Robert M. Jarvis, on which he started to erect a cold storage warehouse, expecting to do business in that warehouse with the railroad. He owned the land there himself, personally or together with other members of the family, and only acquired for that purpose; no actual sale was made, so that it is impossible to give any evidence as to the value which they placed on that land, but they built on such buildings as have been built, on blocks about which I have previously testified, where the land was purchased at prices running from eighty cents up to two dollars a square foot, in this area west of Henderson Street. Passing still further north, and practically in the Lackawanna yard, in Block 188, adjoining the Lackawanna yard, with railroad sidings and

switches into it, is now erected the large warehouse and cold storage plant of the Eastern State Refrigerating Company. Half of this block, if not more of it, is actually covered with their new modern and expensive buildings. Just how this land was acquired, whether by purchase or not, I have never been able to find out. I mention it to show the demand and the use for all the land in this territory for these large business enterprises and industries. In Hoboken, back of Hudson Street, the sales are likewise very small in number, compared with the total number of lots in an area south of Second Street, and running back to the rear end of the various railroad yards, running back to Adams Street. Back at the rear line of the Long Dock yard, at Adams or Grand Street, we have a number of sales on Grand Street; one lot sold, in 1906, for $1,555. In 1906, two lots, in the same block, fronting on Adams Street, at $1,308 a lot. In the block to the east of Grand Street, and south of First Street, we have one lot sold at $2,650 a lot, in 1906. The assessments in the City of Hoboken have been averaged on a uniform price in this territory. In this particular block the assessment two or three years ago was $2,200 upon this lot which was purchased in 1906 for $2,650. In this same block at the Corner of Clinton Street and Hoboken Avenue, in 1906, there was a sale at $3,466 a lot. On the opposite side of Hoboken Avenue, and about opposite Provost Street, extended in the rear of the Erie yard, we have a sale of a lot, in 1906, for $1,321 and in the same year, two other lots at $3,392, and in the same year, a sale of another lot at $4,701. The local assessment in this block is $2,400 per lot and the prices of the sales have ranged from $1,300 to $2,100 and $4,700, all back in the year 1906. Passing to the east, in the block

bounded on the west by Willow Avenue, and on the east by Park Avenue, and on the south by Ferry Street, and on the north by Newark Street, we have two lots fronting on Park Avenue, sold at $2,414 each, and the adjoining two lots on the north, at $4,828 a lot, the first sale being in 1907, and the second in 1906. In the same year a lot fronting on Willow Avenue sold for $1,417, and in 1908, two years later, another lot, 100 feet south of that, for $2,960 a lot. In the block north of this, bounded on the west by Willow Avenue, and on the south by First Street and on the north by Second Street, we have two lots sold at $1,850 a lot in 1906, and one in 1907, fronting on Park Avenue for $2,340. In the block east of this last block, bounded on the north by Second Street, and on the west by Park Avenue, in 1907, three lots at $2,932 a lot, and one fronting on Garden Street, in 1907, at $6,300 a lot. In the block south of that, bounded on the west by Park Avenue, and on the east by Garden Street, in 1906, a lot sold at $4,000 and north of that, fronting on Garden Street, two lots sold, in 1906, at $2,060 each. In the block bounded on the west by Garden Street and on the east by Bloomfield Street, which is about opposite Washington Street in Jersey City, we have a lot at the corner of Newark Street and Bloomfield Street, sold in 1907 for $3,130. And in the block north of that, another lot sold in 1906 at $5,900. In the two blocks immediately east of this, bounded on the west by Bloomfield Street, on the east by Washington Street, and on the south by the Lackawanna Railroad or Ferry Street, and on the north by Second Street, we have a lot on Washington Street, which is the principal business street of Hoboken, and through which the trolley runs, fronting on Washington Street, one lot in 1906, for

$5,729 a lot; in 1907, two lots for $14,434 a lot. In the block bounded on the west by Washington Street, east by Hudson Street, we have a record of six sales, in 1905 and 1908, of $3,715 each. Now, those are the sales that we have a record of, and which have influenced me. Those lots are, all of them, covered with various kinds of old buildings, some used for apartment houses with stores underneath, some with small businesses of various kinds on them, but all of them small plots or tracts of ground, and it is in a section of Hoboken where there is and has been going on, during the past ten years, a very great change of the use to which the ground is put. The Hudson Observer building, a large newspaper plant in there. And there have been built other various large factory buildings, covering anywhere from two to ten or twelve lots, and that section of Hoboken is going through much of the same change that is taking place in lower Jersey City, east of Henderson Street, and the prices paid for land in that locality, covered with the old buildings that are on it, are, in my opinion, very largely values paid for the land, because the buildings themselves are being destroyed after the ground is purchased.

Q What is the source of your information as to the sales to which you have testied? A Mr. Focht, the engineer of this Board, prepared this map, under and by my direction, and with my assistance, and we have put on here these records of sales, all of which have been testified to in the various railroad hearings heard before this Board since I have been a member of the Board, and these sales have been accurately and carefully checked up and verified by me for the purpose of giving myself the data on which to base my judgments of value. They have been supplied largely by the witnesses

furnished by the railroad companies except in those instances where I have mentioned that I have had personal knowledge and information because of purchases by clients of my own.

Q With what did you check up the information that you received? A The sworn testimony, taking stenographically, and compared by me with the printer's proofs for the various printed books that have been submitted to the court of the various railroad appeals during the last seven and a half years.

Mr. Hardin. Might I interrupt here to inquire whether, in the original Long Dock cases over the taxes of 1906 and 1907 there were not tabulations made by Messrs. Ryer and Gaddis, with all of these sales on them, sworn to by them?

A They are in that book, and Mr. Ryer came personally, to the office and we went over them together and verified them beyond any possibility of error. I think, in all of Mr. Ryer's testimony, in the cases to which you refer, there was but one single error found as to the consideration price as taken down stenograhpically by the stenographer, and we never knew whether that was a stenographic error or whether it was a slip of the tongue at the time Mr. Ryer was testifying, but we corrected that in the proof, and sent it to the printer corrected.

Q Mr. Hendrickson, there never has been a tabulation prepared by either Mr. Gaddis or Mr. Ryer showing the sales south of Exchange Place, or showing sales in Hoboken in the Long Dock Company tax appeals, or any railroad tax cases that have been before your Board? A By "tabulation" what do you mean?

Q I mean tabulations to which you just referred in your answer to Mr. Hardin's question? A In answer to Mr. Bain's question, Mr. Ryer prepared a great many tables, and I particularly remember going over with him the sales east of Henderson Street and north of the Pennsylvania Railroad and the Harsimus Cove, and in the tract east of Henderson Street around these Long Dock Terminals; whether they were all sworn to by him or by Mr. Gaddis, I could not say accurately from memory, because we compared and corrected both his testimony and Mr. Gaddis's testimony, and I believe Mr. Brown's testimony, all though I cannot be positive that he and I went over all of Brown's sales. Brown was another witness who worked with Mr. Ryer and Mr. Gaddis—

Mr. Hardin. What testimony do you refer to?

A The 1908 appeals; that is the one you asked me about, wasn't it?

Mr. Hardin. Yes, and the assessments of 1906 and 1907.

A 1906, '07 and '08. We also compared the testimony of sales south of Montgomery Street and east of Washington Street; I could not be positive as to all of these particular sales about which I have testified here in that tract south. In that tract in Hoboken the testimony was furnished there by railroad witnesses, by Arthur Seitz and C. A. Tissot, both of them real estate men from Hoboken. I don't know whether Mr. Ryer compared their testimony with me or not. Mr. Ryer says he did not, so I believe that he did not compare those sales.

Q Of how many of these alleged sales that you have referred to have you any personal knowledge,

aside from the Vanderbeek sale, the Great Atlantic & Pacific Tea Company's sales, and the Manhattan Electrical Supply Company sale? A The block known as 138 the McAdoo Tunnel Company, east of Henderson Street, west of Warren Street and north of the Pennsylvania Railroad main stem.

Q That block lies within one hundred feet of Newark Avenue, in Jersey City? A It does; it also lies in the same zone with the rear ends of all of the railroad yards.

Q And almost a mile from the Long Dock Terminal yard. A Yes, sir; and equi-distant from the Hudson River, and represents to us today property similar to all other property east of Henderson Street. I also have personal knowledge of the actual considerations paid for the purchase of the old Second National Bank Building, then owned by the Union Trust Company and sold to the government as part of the Post Office site. I was a director of the bank at that time and took part in the sale, helped in the preparation of the appeal from the condemnation commissioners' award, which was won by the bank before the Federal Court at Trenton; but the sales and purchases for the Post Office site were all at very high prices and it is the corner of Washington and Montgomery Streets, and in my opinion has a value in excess and different from the value of land in the railroad terminals, and that is the reason I have not given any testimony as to that; but I think that that is the list of the sales of which I have personal knowledge. That includes the thirty-two lots or more owned by the Great Atlantic & Pacific Tea Company scattered over three different city blocks in this section.

Q Yes, I have excluded those in my question. A By personal knowledge as used by Mr. Bain in his question, I understand him to mean personal knowledge acquired by me from participation in the purchases made by clients. I have personal knowledge of those. I feel that I have the right to put great confidence in the other sales, because of the testimony given before the Board by witnesses whose testimony has never been contradicted or impeached by the other side, in the controversies that I have listened to.

Q There have been many other sales of land in lower Jersey City, evidence of which has been given before your Board, and to which you have not referred? A I would be very glad to add all of the testimony given before the Board as to actual sales, and would be glad to sit down to pick them out of the past cases and add any that I have overlooked in the territory east of Henderson Street, in lower Jersey City or Hoboken. There are a great many other sales in this territory about which I have not been able to learn the actual consideration paid, and have no doubt, and have always believed, that the reason that we cannot get the actual considerations of purchases for some of the large plants that have been purchased down there, was because they feel the necessity of keeping the consideration prices secret. There has been an advance in prices all the time in the territory east of Henderson Street, and they probably a just right to keep their information to themselves for the purpose of protecting themselves against increases in taxes.

Q To what purchasers of property have you applied for information where that information has been refused? A To Butler Brothers, when they purchased the Riegel Sack Company.

Q How long ago was that? A I should think it was five or six years ago.

Q To whom did you apply for the information? A The superintendent of the Butler plant in Jersey City, who at the time was a member of the Down Town Club with me, and was a personal friend, and he would not tell me what the consideration was. To Mr. James W. Ames, who was also a personal friend of mine, and who sold his property and who has been in Block 106, and who sold his property to Ault & Wiborg, the largest ink manufacturers in the United States. He would not give me the prices at which they sold their property. It may be known; if it is I don't know about it. I went over and asked the O'Neill Lumber Company, Mr. Fred Farrell, what they paid for the lots to which they moved their plant, over near the main stem of the Lackawanna Railroad; I inquired from Mr. Farrell what they paid for the land upon which they put up their plant; I went over there at the time of one of these tax cases relating to land in the rear of the Lackawanna, either an Erie appeal or a Lackawanna appeal, regarding lands in the back of lower Jersey City, near the Hill section, where the O'Neill's located their plant, and he would not give me the price that they paid for their lots.

Q But Farrell gave you the price the Erie had paid the O'Neill Lumber Company? A Yes, sir.

Q Did you state to any of the gentlemen to whom you made the application for information with respect to the purchase price of the property, the reason for which you were making the application? A Why, I could not answer that positively, because I do not recollect, but I should be very much surprised if I did not state the reason, because I cannot conceive of myself asking for

that information without telling them the reason for which I wanted to use it, and would not go in any different way.

Q The land contained in the sales referred to by you had buildings upon them, or a large portion of them? A I have so stated.

Q The consideration price included the value of the land and the buildings? A I have so stated.

Q And the consideration price which you have stated is the total consideration price? A I have so stated.

Q You have made no attempt to have the buildings upon the land shown by these sales appraised? A No; because those sales almost always represent what the purchaser is paying for the purpose of getting together several lots, even up to an entire block, together, for the purpose of using them for their large industries.

Q Does that statement apply to every one of the sales referred to by you? A It does not; it is practically true of everything that is going on east of Henderson Street; in Jersey City. I have lived there a good many years now and have seen this section of Jersey City go through this great change. Here and there there are purchases in that tract which are not in here probably which was probably purely speculative, because somebody thinks it is a cheap bargain, because it is a single lot, looking forward to the time when they can use it for the incorporation into a large tract of land which will bring the value of the land in that locality.

Q The purchase price paid for the property mentioned by you was speculative, you say? A I did not say so.

Q What did you say as to speculative value? A If you will read the answer you can see. (The last answer was thereupon read to examining counsel by the stenographer). I can give you an instance in that block which is now owned very largely by the Manhattan Electrical Supply Company, for whom I was counsel. An Irishman acquired three or four of those old properties adjoining our plant and when we bought them we paid practically twice as much as we did for the rest of the lots that we bought and gathered together in that tract and he had bought them up within two or three years, and he guessed right, that we had to have them.

Q When the Manhattan Electrical Supply Company purchased the lots to which you have last referred, they did not purchase them for speculative purposes, did they? A No, sir; that is one of the largest money earning concerns in lower Jersey City; they have a splendid business, they have, in addition to their purchases of that block, purchased in the Lafayette section, an extensive tract for increasing the size of their plant; they could acquire other land over there for probably ten cents on the dollar for what they could down in this section of lower Jersey City, for putting up their plan there. The president of the company, and the secretary of the company, each of whom are practically half owners in it, both of them, told me that that ground was worth to them there a great deal and they thought it was a very valuable thing to their business to have their great warehouses and storehouses there, in order to make their deliveries easily and quickly to New York, with small cartage charges.

Q In other words, the land acquired by the Manhattan Electrical Supply Company had a

higher value to that company because of the use to which they wanted to put it? A No, sir; it had a high value because it was located in this exceedingly valuable section, close to the Hudson River itself. The National Carbon Company undoubtedly put up their new plant down in this exceedingly valuable section for the same reason, because they have acres—there are any number of acres that they could acquire where their old plant is located, and they are still running their old plant at full capacity, and probably will always do their business, and their business will undoubtedly increase more and more every year.

Q Colgate & Company did not purchase land referred to by you for speculative purposes? A No, sir; their business is constantly growing; their location there evidently must be a desirable one to them, because they are paying more and more for their land all the time; they will have a plant there covering six blocks some day.

Q The land purchased by the Manhattan Electrical Supply Company and Colgate & Company was for the purpose of adding to the old existing plants? A No, sir; the Manhattan Electrical Supply Company plant was purchased—their purchases were made after they had started to purchase over in the Lafayette section and they considered for sometime the question of abandoning their plant there in the lower part of Jersey City and going out to the other place where the land was cheaper, where they could build a bigger plant, and I am sure it was a matter of five months consideration before they decided on the plan which they adopted, paying more for the land and tearing down parts of the old plant and old buildings there and building the big plant which is there today.

Q When did the Manhattan Electrical Supply Company first locate in lower Jersey City, disregarding the Lafayette section? A I have not the slightest idea, but I should imagine it was fifteen years ago.

Q Long previous to the purchases made by them mentioned by you? A Yes, sir.

Q So that the purchase by the Manhattan Electrical Supply Company was for the purpose of adding to the land that they already had in lower Jersey City? A I think the suggestion contained in your question is not a logical one at all, because I told you they are business people, their success proves them to be very good in their business judgment and for five months at least they were considering about putting their immense great big plant on cheap ground and they considered the expensive ground more advantageous to do business.

Q But the purposes of the Manhattan Electrical Supply Company referred to by you did actually increase the land owned by them in lower Jersey City, outside of Lafayette? A Yes, sir; because they could not possibly do their business on the small area of ground they had, and therefore bought land outside.

Q Colgate & Company also purchased to add to a very old established plant? A Yes, sir; but the old established plant probably did not represent four cents on a dollar of the present investment in their plant.

Q What is your authority for that statement? A Simply that of a reasonable being that pays some attention to what he sees, and has a pretty good and accurate knowledge and idea of the value of the structures and buildings.

Q You don't know whether Colgate & Company is making a greater profit now since they increased

their plant in lower Jersey City than they did before? A No, I would not have any knowledge of that, but any reasonable man would say that a company that was so rapidly increasing the size of its plant was enormously increasing the volume of its business.

Q The sales testified to by you between Hudson Street and the Hudson River are in blocks 2, 4, 7, and 8, and the Vanderbeek purchases in blocks 11 and 42; is that not so? A Yes, and in Hoboken. I would like to call your attention Mr. Bain, to the fact that there are no sales in that territory; everybody that has got that valuable land has held on to it and they are using it,—notice Brown's Dry Dock, the Cushing Business, which a few years ago when I went through it was a big industry, a big machine shop; Brown & Miller or what ever the present successor of it is,—Alexander Miller & Brother, I think.

Q The sales in blocks 2, 4, and 7 are entirely south of Exchange Place and Montgomery Street? A It is, and it is on the Hudson River, where the Long Dock Terminals are located in lower Jersey City.

Q And blocks 2, 4, and 7 are about a mile from the Long Dock Terminal. A Yes, sir; and Hoboken is about a mile north of them; and it is also very valuable land along the Hudson River.

Q The majority of the property except that along Montgomery Street and Exchange Place, lying south of Montgomery Street and between Montgomery Street and Essex Street, is tenement house property is it not? A No, sir; parts of it are; there are the poorest tenements that there are in Jersey City; but there is the land used by the American Sugar Refining Company and J. H. Gautier & Company, which occupy half of block 65,

the Asphalt Works, the Manhattan Electrical Supply Company, occupying nearly two-thirds of block 34, Colgate & Company, which occupys, I should imagine more than half of four blocks, and east of Hudson Street I believe there are no tenement houses, but there are the warehouses of the Pennsylvania Railroad, the Commercial Trust Company and First National Bank, two very miserable lodging houses or supposed hotels, which were occupied as such until two years ago and since then have been vacant; all of the property east of Hudson Street, comprising six blocks contain, I believe, no apartment houses or tenement houses, and out of the whole area there are possibly, out of the eighteen blocks, six in which there are tenement houses.

Q The six blocks to which you have referred as containing tenement houses formed by far the larger percentage of the area in the section? A They do not, sir; and the tenement house property, we all know, and you, who have your offices opposite, know, that the tenement house use there is simply the last possible use that can be made of these wretched old buildings that are fast disappearing.

Q Do you know anything about the rents that the tenement houses along Morris Street, between Washington Street and Hudson Street, bring? A I know the Pollocks and non-English speaking poplutaion which largely occupies that section are people that live, with large families, in two rooms, and very small rooms, and pay comparatively low rents, so far as the total is concerned, but rather high rents, considering the area of the space which they occupy. I know them very well, because I have to go through there two or three times every week.

Q Do you know anything about the rents that are actually received for the tenement house property? A No, sir; but I know very well that all tenement house property is in its last stages, and, like that, is occupied by that class of people paying a very high value per square foot.

Q And that high rental value gives a high value to the property? A It does not.

Q Why not? A Because of the possibility of life of the buildings is very limited; they are occupied by that use for the purpose of getting what they can out of them for the last few years they are going to stand there; the Tenement House Law of the State is very rapidly cleaning out that section.

Q Will you kindly state the six blocks out of the 18 referred to by you that contain tenement houses? A In Blocks 69 and 68 and 66, probably half of those blocks has a tenement house population, by which I mean more than three families living in one house; in Block 70 I do not believe there are any left; in Block 38, there are some left, but in Block 38 there are one or two ten cent per night bed hotels. In Block 37 there are no tenement houses, I don't think; in Block 37 there may be three or four out of the 32 lots; in Block 35 there may be half of the 32 lots occupied as tenement houses; in Block 34, where the Manhattan Electrical Supply Company is, there may be ten or twelve in that block out of the 32 lots; in Block 35 there is one of the best businesses today in Jersey City, the Max Glass business, which is a very large business; there seems to be on this block 3 factories in that block, a Greek Church,—I am familiar with the Greek Church, but not with the factories.

Q Have you ever bought or sold any land in the section south of Montgomery Street, between

Washington Street and the Hudson River, except that of the Manhattan Electrical Supply Company? A No, sir.

Q On Montgomery Street, bounding the territory in which you have mentioned sales on the north between Washington Street and the Hudson River, is the building of the New Jersey Title Guarantee & Trust Company, the Union Trust Company, the Jersey City Post Office, and on Exchange Place, a continuation of Montgomery Street, is the First National Bank and the Commercial Trust Company; is that not so? A Your statement is correct, except that the Title Company and the Union Trust Company are west of Washington Street.

Q But on the block immediately west? A Yes, sir.

Q And that territory, with respect to its location, that is, lying between Montgomery Street on the north and Essex Street on the south, Washington Street on the west and the Hudson River on the east, has a value of its own because of its proximity to the business and financial section of Jersey City? A No, sir; I think that anyone will tell you and agree that there is no similarity between the reasons for the value of that property south of York Street and the reasons for the value of the Title Company and the Union Trust Company, the First National Bank and the Commercial Trust Company, on any of the ground fronting on Montgomery Street. Of course lots on Montgomery Street are just 100 feet deep and lots of that size are of problematical value for plots of the size that are used by such companies as you referred to and probably the fairest estimate of value would be to base it on the entire depth of each of the blocks, 200 feet back from Montgomery Street, and

the Commercial Trust Company runs all the way back, the First National Bank runs all the way back, the Post Office runs all the way from Montgomery to York Street, and the Title Company, I think its building runs back a full 100 feet, and in the rear of it, I believe, they have one lot which they control and own, which is held for light, to the rear of that building. The Union Trust Company, I think, is 75 feet in depth on Montgomery Street; the rest of the buildings on those three blocks are very old decrepid and largely abandoned, except the Jersey City Printing Company, which is a very, very large institution, which owns all the way back from Montgomery Street to York Street; they publish the telephone directory and other very large printing jobs of that kind; I think their plant covers seven or eight lots.

Q You pass up and down Montgomery Street, from the Pennsylvania ferry to Washington Street, every day? A I do.

Q State what buildings along Montgomery Street, from Washington Street, to the ferry, have been abandoned? A Two buildings belonging to the Commercial Trust Company adjoining their building on the west; those buildings were vacated by the company a year and a half or two years ago, and have remained vacant ever since and have been boarded up. They have been talking for some time, and had plans prepared for building an addition to their banking and office on these two lots. No. 3 Exchange Place, which is a saloon, is owned by the First National Bank; No. 5 Exchange Place is a restaurant also owned by the First National Bank, and they may own the next building on the east of that; whether that is vacant at present or not I do not know. Crossing Hudson Street and walking west on Montgomery Street, past the Ful-

ler Building, which is an office building, next you come to what was once the Terminus Hotel; the first floor of that has been unused now for a year at least; I don't know whether the upstairs part is still used or not; the next is a lodging house; further on up to the next corner are small low buildings at one time dwellings and used for various purposes, a jewelry store in one of them, a very very small store, a haberdashery store, a very very small store; then you come to Greene Street, there you come to a large brick building four stories in height which has had a checkered career; its owners apparently used it for improper purposes and its license was taken away; there it stands unused for a period of time until it gets another license; I believe at present it has a license and it is theoretically a hotel, in that it has bedrooms upstairs and a bar downstairs. You pass to the next corner, across Greene Street, and you come to the property of the Jersey City Printing Company; the corner is a vacant lot at the present time; adjoining that is the building of the Jersey City Printing Company, and then comes a little low brick building that has been made over for the home of the Colonial Life Insurance Company; inside it is in very good shape, and the outside has a new front upon it and looks very well. Then you come to the old iron buildings that are in very good shape, one is under lease to Childs Restaurant Company for 15 or 16 years more; it is not used by them but is occupied by a restaurant; upstairs is the recruiting office of the United States Army, I think, a tailor shop; and next to that is the Ingwersen Building, an iron and brick building, that is occupied, in the lower floor, by a printing shop and by the successor of the late lamented Fred Wolbert; the upper part is occupied by our stenographer and his associates

under the name of the Associated Law Reporters; they occupy the first floor; upstairs I don't know what there is. Then comes the Post Office Building. Then after you pass Washington Street you come to the new office building of the Union Trust Company, a banking and office building; next is a lot occupied by a building occupied by Hansen, the stationer, an old established business; I believe that is owned by the New Jersey Title Guarantee & Trust Company and leased by them to Mr. Hansen; then comes 86 Montgomery Street, the New Jersey Title Guarantee & Trust Company; I think they have a frontage of 50 feet in their plot; then comes rather old and poor buildings, relics of forty years ago; then you come to another saloon on the corner of Warren Street; after you pass Warren Street the real business develops a great value that Mr. Bain refers to, but I do not think this has any particular influence on the value of land in this district south of York Street, because they are really a small part of the business in that locality.

Q My question was directed toward finding out how many buildings had been abandoned on Montgomery Street and Exchange Place east of Washington Street, and you named just two out of the three blocks; do you realize that? A No, sir; I named more than two.

Q You named two buildings that have been abandoned? A The hotel and restaurant here by the Fuller building.

Q Are you speaking of the Terminus Hotel? A Yes, sir.

Q Isn't that restaurant still being conducted on the ground floor? A I am not positive it is not today; but I am nearly positive that for the past year, for more than eight or nine months, it has

not had any occupants in it; I may be mistaken about that.

Q Aside from the two buildings next to and adjoining the Commercial Trust Company, the whole of the three blocks from Washington Street to the river, along Montgomery Street, are occupied and in active use? A I would not call it active use; it is a very inferior poor, temporary use.

Q Without going over the whole street piece by piece, how many abandoned buildings are there on York Street, from Washington Street east to the Hudson River? A I could not answer that; I don't know that there is any; I think they are all used.

Q How many abandoned buildings are there on Grand Street, between Washington Street on the west and the Hudson River? A I don't think there are any; you are getting into what I consider is very valuable territory now.

Q How many abandoned buildings are there on Sussex Street between Washington Street on the west and the Hudson River? A I guess all of that is paying its taxes in the same way as on Morris and Essex Streets.

Q Then there is no authority for your statement that a great many buildings in that territory south of Montgomery Street and bounded on the west by Washington Street, and on the east by the Hudson River, have been abandoned? A I did not make any such statement nor anything that can be interpreted to be such a statement.

Q In answer to the first question you stated sales covering the entire lower section of Jersey City, east of Warren Street and practically all of Hoboken? A I do not think that I did; I located a strip of two blocks in Hoboken,—not all of Hoboken.

Q You mentioned sales along Washington Street, and along Garden Street. By the way,—how far north are the sales on Garden Street,—how far north of Ferry Street? A I did not give above Second Street, in Hoboken, nor west of Adams Street; sales in Hoboken up to Fourth Street and east of Washington Street, are at comparative values with the value that I think should be placed on these zones; I have not the data of those sales; there are a very very few; very limited; the property is very closely held; it is adjoining the steamship piers; and when the war is over and before it began that property derived a fine business from them. Going north, Fourth Street, Hoboken, is cut off from the river by Castle Point, and that runs on up until you get about Twelfth Street, and the property back of Castle Hill bears no relation whatever to waterfront property because it is not, and it is cut off and there is no way of connecting it with the river except by going a roundabout way by streets. When you get in the vicinity of 12th, 13th and 14th Streets, in Hoboken, why, you get into the other part, the D., L. & W. Ferry the Scandinavian American Steamship Company, and you then get into another railroad development around the Weehawken terminal of the New York, Lake Erie & Western Railroad, where there are vast areas occupied by railroad terminals, which runs on from there all the way up the Hudson River to West New York, a distance of three or four miles.

Q What was the first sale mentioned by you in Block 73? A I will have to ask you to refer to the testimony and read it.

Q You said there were two lots in Block 73 first, if my recollection is right, in 1896, for $6,000 per lot; is that a fact? Cannot you refer to your

map and tell us? A I would prefer to refer to the testimony; you can go back and read it and get is exactly.

Recess until two o'clock p. m.

The hearing was resumed at two o'clock.

CHARLES E. HENDRICKSON, JR., recalled.

By Mr. Bain.

Q You have testified as to certain sales, with only a few of which you claimed to be personally familiar, and with the majority of which your information has been obtained from others. Have you any knowledge of the size of each one of the plots of land contained in those sales? A I stated in my testimony that they were lots 25x100, giving the number of lots, whether there were one, two, three, four, five, six and up to 29 lots. There are slight possibilities of differences in depth which might appear in possibly a few instances, such as the Vanderbeek sale, in which the depth was slightly over 100 feet, but the lots in lower Jersey City in this section are all standard sized lots, with only possibly here and there a single exception.

Q Have you any accurate knowledge that in all of those cases of sales where you have not stated, the size of the lots have been 25x100? A At great length I could give each one separately; I could give you the depth of all those lots and the width of those lots, and will do so if you feel that there is any substantial difference in the width and length; they are practically all of them 25x100.

Q On what do you base your last assertion? A On my personal knowledge of the territory and of the city map.

Q Have you ever examined each one of the sales to width you have testified, with a view to ascertaining the size of the plot conveyed? A I have not, because I did not consider it necessary. I know this section of the City very very well. In the sale to the Hudson & Manhattan of that Block 138 there are, in that block, varying depths to the plots at either end of the block, namely, on Warren Street and on Henderson Street, but the bulk of the lots have a depth of 100 feet; and as to the valuation that I put on that block, it is the average for the whole block, based on the actual sales of the plots of the size there, with the buildings that were on them, at the time I was a condemnation commissioner. As I stated, the lots were mostly all bought after the condemnation, and slightly more was paid for them than we allowed, in order to get a title in fee instead of a condemnation title. There are some small discrepancies in size in the plots immediately in the rear of the Long Dock yard, the plots there being a little short in depth, on some of them.

Q State any fact of which you have personal knowledge, showing that the Hudson & Manhattan Railroad Company paid more than the amount allowed by the commissioners in condemnation for any part of Block 138, than was awarded by the Commissioners? A Senator Edwards, who was counsel for the tunnel company, and conducted the condemnation for them and paid me my compensation as commissioner, told me——

Mr. Bain. I object to any statement of Mr. Edwards' on the ground that it is hearsay.

A ——that they had bought the fee, and that the prices they paid were slightly more than we had awarded.

Q You know that the firm of Collins & Corbin, and not William D. Edwards, conducted those condemnation proceedings, don't you? A I believe that the firm of Collins & Corbin were of counsel, too. I do know that my compensation was paid to me by William D. Edwards, and that he took a very very active part in the proceedings before the commission.

Q Don't you know that Collins & Corbin were attorneys, in all those condemnation proceedings, and Mr. Edwards was counsel? A I have no doubt that what you say is correct, that Collins & Corbin were the attorneys of record. I am only telling you that Mr. William D. Edwards took a very active part in the proceedings, and I am quite sure that it was he who notified me that I had been appointed one of the condemnation commissioners, —there were six.

Q You have made some statement in regard to Mr. Harrison Williams, who was formerly employed by the Long Dock Company; Mr. Williams has not appeared in any manner or form, in any proceedings before your Board, involving the assessments made by your Board for the year 1914, or upon the complaint against those assessments, has he? A He has not. He is no longer, I understand, in the employ of the Erie Railroad Company.

Q And he did not appear in any way in any matter involving the assessments made by your Board for the year 1913? A For the year 1913, he did not; but he did appear in an appeal case representing the Erie Railroad, in which values identical with the values under consideration were settled upon by the Board, and Mr. Harrison Williams agreed to the values on the land exactly as they are today, except for the small strip in front

of the yards, which has since been added to the yard by the fact that the War Department changed the pierhead line in the Hudson River, which added a small area to each yard of the land under water.

Mr. Bain. I object to that part of the answer which makes any reference to any alleged statements or agreements of Mr. Williams, upon the ground that the same is not responsive, and is in other respects incompetent, immaterial and irrelevant.

Q Mr. Williams did not appear in any way in any matter involving the assessments by your Board on the Long Dock property for the year 1912? A He did not; but he did for the year 1911, which were under consideration on appeal before this Board, and in that suit he appeared as representing the Long Dock and the Erie Railroad, on September 17th, 1912, and told me and other members of the Board, and counsel, that the company had authorized and approved those valuations, which are the same as the valuations today except for the increased valuation added to the area in front of the yard by the extension of the pierhead line.

Mr. Bain. I object to that portion of the last answer which contains any reference to any alleged statement or agreement by Mr. Williams, on the ground that the same is not responsive, and is in other respects incompetent, immaterial and irrelevant.

Q When did you last have any communication with Mr. Harrison Williams? A In September, 1912, on the 17th day of that month, is the last time that I recollect seeing him personally in regard to tax matters; it is possible that he may have been here a week or two later, at the time we divided up the

franchise assessments, which had been agreed upon for that year, and were afterwards all located and distributed among the various lines making up the Erie System; I cannot be sure whether he was here or not, but I have a strong recollection that he was.

Q When you last saw Mr. Williams did he not tell you that he would have to submit any proposed assessment by the State Board of Assessors to the officials of the Long Dock Company? A He did not; he absolutely, and positively, and affirmatively agreed that the increase for 1911 on the entire Erie System, outside of the New York & New Jersey Railroad, which had previously been agreed upon and settled and the taxes paid, should be an increase in the assessment of $3,514,400 over the year prior, and that the land values in Jersey City should remain exactly as they were then and are today, except for this little strip in front of the pierhead line; and we arrived at that figure by cutting out float-equipment and making the reductions in Passaic and some other places, which reduced the total assessment against the Erie System to $26,685,925, which was an increase of $3,514,400 over the year before. The tentative assessment which the Board had accepted and which had been submitted, through Mr. Williams, to the Erie, amounted to $32,701,933. There was an error made by the Board, which the Board itself recognized, in arriving at this valuation of $34,353,492 due to the fact that when the Board itself increased the assessment on land it did not give to the Erie Railroad the proper deduction under Mr. Hansel's formula from the franchise, as it had been calculated by Mr. Hansel, using his land values as the basis for calculating the franchise in that formula; in other words, we added a large amount to the amount and did not deduct a corresponding amount

from the franchise. We corrected that error and agreed with Mr. Williams through Mr. Hansel and Mr. Focht, the engineer of the Board and the revaluation commissioner, on certain reductions upon plots which were tabulated at length, and when satisfactory to the Erie Railroad Company were approved by Mr. Williams and signed by him; the Board also decided that the Erie Railroad Company, being a foreign corporation and owning the floating equipment, that the floating equipment was not assessable in this State, and therefore we cut out from the assessment or appraisement which Mr. Hansel had put on the floating equipment, and made some reductions in land along the main stem where the Board thought they had placed a value which was higher than true and just, and made some other changes that I cannot recollect offhand, which brought the final figure down to the figure that I gave you, $26,685,925, and which included these present values on the second class land in Jersey City; that figure, as I stated, was $3,514,400 higher than the year before, and to that adjustment, which is all that it was, a final adjustment, after many days of conferences between the Board and Mr. Williams, who sometimes had with him other employes of the Erie Railroad, Mr. Williams agreed absolutely on that figure for the final assessment, and as I stated, Mr. Hansel asked me to give him the memorandum marked S-1 May 6th, 1915 that he might have a memorandum of it, and I did. He took it to his office and wrote to the Board, a few days later, a letter dated September 20th, 1912, referring to Erie Railroad No. 24, which was his file number, addressed to the State Board of Assessors, Trenton, N. J. "Gentlemen: On June 20th the final revision in the assessment of the New Jersey & New York Railroad Company was sent

you and I understand that the tax has been paid; on July 3d the revised assessment of the New York, Susquehanna & Western Railroad Company was sent you; and I understand that this tax has also been paid. After several conferences between the Board and Mr. Williams it was agreed that the revised assessment of the Erie Railroad of New Jersey for 1911, exclusive of the New York, Susquehanna & Western Railroad, and the New Jersey and New York Railroads, would be $26,685,925, an increase of $3,514,400 over the assessment of 1910. This assessment was arrived at by a readjustment of the value of the rolling equipment, as per accompanying schedule, dated June 4, 1912, wherein the final assessment of the rolling stock is $1,809,888 and the revised appraisal of the real estate, after a conference with all concerned, as indicated on attached statement showing the final revised value of the real estate to be $24,409,025, also the elimination of the floating equipment on the ground that the Erie Railroad was a foreign corporation, and is the only foreign corporation owning floating equipment operating in New Jersey waters; also a deduction of 26½ percent from the total value of land in main stem as appraised by the Board. The value of sub-division IV is given as $307,213. This is an arbitrary figure and is arrived at simply by deducting the value of the tangible personal property i. e. $1,969,687, plus the revised value of the real estate $24,409,025, from the total agreed assessment i. e. $26,685,925. We have not attempted to detail the revision to each of the subordinate companies, as it is merely clerical work, and Mr. Focht's office has all the figures. I assume that a nominal franchise will be apportioned to each of the several constituent companies and the sum of this nominal franchise deducted from the total of

$307,213 and the balance assessed against the Long Dock Railroad. (Signed), Yours faithfully, Charles Hansel.'' To that letter is annexed a schedule giving the figures as stated in the letter. On the 24th of September, a few days later, Mr. Oakley, who was the clerk in charge of Mr. Hansel's office, wrote another letter to the Board, addressed to Mr. Irvine E. Maguire, Secretary——

Mr. Bain. Just a moment: I object to the entire answer upon the ground that it is not responsive, and is incompetent, immaterial and irrelevant; I also object to the letter purporting to have been read by Mr. Hendrickson from Mr. Hansel to the State Board of Assessors, upon the ground that it is incompetent, immaterial and irrelevant; and I also object to any letter by Mr. Oakley to Mr. Hansel, upon the same grounds.

A You wanted me to give you evidence that Mr. Williams agreed to those valuations positively, and not conditioned upon the approval of the Erie Railroad executive board.

Q When did you last see Mr. Williams, prior to the 20th day of September, 1912? A I think I have stated that I could not answer that positively; my recollection is that he was with me when we divided up the franchise into the several companies, which reached the Board office here four days later, on the 24th of September. That of course concluded any possibility of my seeing Mr. Williams, because we wiped out and cleaned up everything with regard to any controversy between the State Board of Assessors and the Erie Railroad at that time, and we never expected that there would be any further controversy or question over that assessment.

Mr. Bain. I object to that part of the answer which is not responsive.

Q Will you kindly state Mr. Williams' exact words, as near as you can recall them, at the time you last saw him? A You mean his last words?

Q His last words with respect to the assessment referred to by you? A In Mr. Record's office where this final settlement was agreed upon between Mr. Williams, representing the Erie, and the Board, the last thing he said was a request, asking us if we would not throw off that $400. I answered that we could not conscientiously do it, as we had very carefully considered and worked out all the separate figures which added together made that figure, and that I thought that $400 was too small for him or his company to ask this Board to cut out, and his last words were, "All right." We all of us arose from our chairs and walked together out of Mr. Record's office, took the elevator, and everybody was happy, and the pleasant remarks that were made I do not recollect, but Mr. Williams was agreeable, and everybody else, we went down the elevator together and we parted on Exchange Place that day.

Mr. Bain. I object to that part of the answer which purports to state any alleged agreement or representations on the part of Mr. Williams, on the ground that the same is incompetent, immaterial and irrelevant.

Q Are you not aware that in September, 1912, the assessments made by your Board for the years 1906, 1907, 1908 and 1909 were in litigation before either the New Jersey Supreme Court or the New Jersey Court of Errors and Appeals? A That is an exceedingly difficult question for me to answer, for the reason that I, and I believe our counsel and

other members of the Board, and the lawyers representing the Erie, did not understand each other as we thought all of us did at the time. The lawyers representing the railroad company and Mr. Williams met several times in Jersey City, for the purpose of saving the railroad lawyers the waste of time coming to Trenton. On one occasion, with the lawyers, we thought that we had settled all of the back cases, and substantially about this time there was a discussion over the franchise on the Long Dock for some previous years, which somewhere around that time was altered and changed and made agreeable to the railroad company, and I always believed that the railroad had decided to accept and let those land values stand for all the back years, and was much surprised afterwards when I found that the railroad company were really adjusting those values for back years, because I believed that they had all been settled by agreement, and I understood and have a very distinct recollection of understanding the railroad representatives, the lawyers and Mr. Williams, as making the excuse for the continuation and holding up of the appeals for the reason that they had not the ready cash with which to make the payments; I believed for a considerable time that that was the reason that the appeals were carried, and in one case that we had with your company the State ceased to put in evidence, because we thought that the railroad was not going to prosecute the appeal.

Mr. Bain. I object to that answer upon the ground that it is not responsive, contains conclusions, and is in other respects incompetent, immaterial and irrelevant.

A You asked me if I did not know that there were appeals pending.

Q That could have been answered by yes or no. A It could not have been answered by yes or no, so as to give to the other members of the Board the facts surrounding the whole thing. Yes or no would be manifestly erroneous.

Q No agreement was ever made for an adjustment of the assessments for the years 1906, 1907, 1908 and 1909 against the Long Dock Company? A I have testified that I understood the railroad attorneys to say that it was adjusted.

Q By railroad attorneys whom do you mean? A Somebody connected with the office of Collins & Corbin.

Q Whom? A Mr. William H. Corbin, and I don't know whether you personally participated or not.

Q Don't you know that I never had any conversation with you relative to any adjustment of the 1906, 1907, 1908 and 1909 tax cases? A I would like to so testify if it were possible, but in a good many years past you have participated in these railroad appeals for the Erie, and I should say that you had participated in matters relating to those different years.

Q Did I participate in any way in the matters involving the assessment for 1911, until after the first of January, 1913? A I should say that you did.

Q In what way? A I don't know that you were in control of it, but I should say that you were at my office talking with me a number of times, and you certainly handled, for Mr. William H. Corbin, the preparation of various parts of it, came to my office and talked to me about stipulations and arrangements with regard to the record and production of things from our records here, which I have not the slightest doubt about.

Q Doesn't that refer to the earlier cases, Mr. Hendrickson? A I don't believe that there is a case since 1906 in which you did not participate, assisting Mr. William H. Corbin in some parts of it, and appearing before me and different members of the Board.

Q Did I appear at any of the hearing before your Board involving the 1911 assessment? A It depends on what you mean by appearance.

Q I mean outside of walking in and walking out of the room where the matter was being heard? A You were present on many occasions and produced papers and handed them to Mr. Corbin, and were familiar with the thing, and I always believed that you had done much work in the preparation of those cases.

Q Merely clerical work? A I don't know how you would characterize it,—I don't know how you would characterize it—I don't know how you define clerical work. I don't know how far Mr. Corbin consulted your ideas regarding the conduct of the cases, but you had very positive ideas and often expressed them.

Q The Long Dock Company contended, in regard to the assessments for the years 1906, 1907, 1908 and 1909 that those assessments were in excess of the real value of the lands? A That is what I understand.

Q And that contention was still being made at the time the 1911 assessments were under review by your Board? A I have said that I did not so understand it and the understanding that I got was from Mr. Corbin and from Mr. Williams.

Q When were the assessments for the year 1911 certified by your Board to the State Comptroller? A I could not say. You mean the revised assessment or the original one?

Q The revised assessment. A In 1911; it must have been pretty shortly after September 20th, 1912.

Q Will you fix the date? A I will not, without consulting the records of the Comptroller's office, which would show it exactly.

Q I wish you would consult those records and tell us? A (After Mr. Kite returned from the Comptroller's office and mentioned the figures to the witness), October 2, 1912.

Q Why was the certification of the assessments for the year 1911 by your Board held from the 20th day of September until the 2d of October? A That is 12 days.

Q Yes, and why was it held? A Because it took that long for our office to re-write the thing, to typewrite it and get it into the shape where we could send it in, and it was sent in the first possible moment after that.

Q Was there a meeting of your Board between the 20th of September and the 2d of October? A I could not tell you; I refer you to the minutes of the Board to see.

Q Don't you remember writing a letter, dated September 20th, 1912, to Mr. Harrison Williams, stating that the meeting of your Board would be held a week from the next Tuesday following September 20th? A I do not.

Q I show you a letter and ask you whether that is your signature? A That is my signature, and I recognize the letter.

Q That letter was sent by you to Mr. Williams? A It was.

Q Why did you notify Mr. Williams of any adjournment of a meeting of your Board subsequent to the 20th of September, 1912? A For the reason that I tried, to the very best of my ability, to

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keep Mr. Williams posted, and everybody else representing those great taxpayers that were assessed by this Board, of the actions and conduct of the Board; but why Mr. Williams wanted that information I cannot say.

Q Was not a postponement of action by your Board upon the assessment for the year 1911 discussed between Mr. Williams and yourself? A It was not.

Q At no time? A At no time, after Tuesday, September 17th, 1912.

Q When your letter of September 20th, 1912, which has just been shown to you, was written by you, was the Board at that time not awaiting for advice by Mr. Williams as to whether or not any proposed adjustment of the assessment for the year 1911 was satisfactory to the executive officials of the Long Dock Company? A No, sir; there was no such thing.

Q The figures that you have mentioned, relative to the revised assessment for the year 1911, was the proposition by your Board? A It was the proposal by our Board, the figures had been arrived at in part by consultations between Mr. Hansel and Mr. Williams, and Mr. Focht and Mr. Williams and possibly Mr. Maguire and Mr. Williams, for some considerable period prior thereto.

Q You have produced a card here marked S-1 for Identification; not one of the figures on that card were written by Mr. Williams, nor is there anything upon the card in the handwriting of Mr. Williams? A There is not.

Q Who wrote that card? A I wrote those figures on that card myself, and undoubtedly wrote them on the same morning here at Trenton, in the office of the State Board of Assessors.

Q Did you not receive a letter from Mr. Williams, dated September 21st, 1912, in which he says: "Thank you for your note of yesterday about the appointment at Trenton on the 1st proximo. I appreciate your kindness in helping me out of this dilemna by giving me this postponement and shall be there on that day. Very truly yours, Harrison Williams, General Land and Tax Agent?" A I did. Consulting the minutes of the Board I see that I presented this to the Board at its meeting on September 24th.

Q And that letter was written in response to your letter of September 20th, 1912, which has been identified by you? A I should say so.

Q To what did the postponement mentioned in that letter from Mr. Williams to you, dated September 21st, refer? A Referring to the minutes of the Board of September 24th, 1912, I read as follows: "Report of Secretary: The Secretary presented the following communications,—Mr. Harrison Williams, requesting adjournment of the hearing in the matter of the Long Dock franchise assessment for the year 1910. On motion the hearing was adjourned until October 1st at the office at 11 o'clock a. m." Further on in the minutes appears the following entry, at the same meeting: "Erie Railroad System: Mr. Charles Hansel presented his final report of adjustments in valuations of the various corporations comprising the Erie Railroad System in New Jersey, exclusive of the New Jersey & New York Railroad, previously adjusted. On motion the report was received and adopted and the Secretary instructed to certify the adjustments of taxes in accordance therewith to the State Comptroller and to the Erie Railroad Company." On the following day, October 2d, that final report was filed with the Comptroller.

Q Does the communication from Mr. Williams to which you have alluded appear in the minutes of September 24th, 1912? A It does not; I have read the minutes in full as they are written relating to this correspondence

Q And the letter from Mr. Williams, dated September 21st, 1912 is not contained in the minutes of the Board of September 24th, 1912? A I know positively that this letter, which I wrote to Mr. Williams under date of September 20th, 1912, was written to him because he requested a hearing on the next meeting of the Board, for the purpose of some other matter not concerned in the 1911 adjustment, which had been previously fully settled with Mr. Williams, and his letter to me of September 21st was an answer to that letter; my habit at that time had been to give all of my time constantly to this work, and when I wrote that it was for the purpose of giving Mr. Williams something that he wanted, and these minutes undoubtedly state exactly what was the subject matter contained in the request that caused the writing of those two letters.

Q Will you now refer to your minutes and tell us how many meetings the Board had between September 20th, 1912 and October 2d, 1912? A The first meeting after September 20th was September 24th, 1912; the next one was October 1st, 1912; the next one was October 3d, 1912; and the next one is October 8th, 1912. Consulting these minutes, in the meeting of September 17th, I see a paragraph which confirms the statements which I made a little while ago with regard to the back years; there were several different items which we were settling all the time; in the meeting of September 17th, 1912, the minutes read: "The Secretary also presented a communication from Mr. Harrison Williams,

General Land & Tax Agent of the Erie Railroad, stating that the adjustment made by the Board in the assessment of the franchise on the Long Dock Company for the year, 1910, under order of the Supreme Court, was not satisfactory to the company, and asking for a date for hearing in the matter. On motion the Secretary was instructed to advise Mr. Williams that Tuesday next, the 24th instant, at this office, at 11 o'clock a. m. had been appointed for the desired hearing."

Q Have you, or has the Secretary of your Board, the correspondence that passed between your Board and Mr. Williams, or between you and Mr. Williams, during the months of September and October, 1912? A I imagine we have. Mr. Williams did appear at the meeting of October 1st, 1812, and the Board gave him a hearing on the Long Dock franchise question. I read the following entry from the minutes of that date: "Long Dock Company: Harrison Williams, Real Estate and General Tax Agent of the Erie Railroad Company System appeared before the Board and was heard on the question of the further reduction in the assessed valuation levied for the year 1910 upon the franchise." I have examined the minutes up this date and do not find on them anything relating to the settlement for the year 1911 on the Erie Railroad property in its entirety, excluding the New Jersey & New York Railroad, excepting the minute which I have previously read, in the minutes of the meeting of September 24th, 1912, and in which the final assessment for 1911 was received and adopted by the Board and the Secretary instructed to certify the assessment to the State Comptroller.

Q Have you, or has the Board, anything in writing by Mr. Williams, or by anybody on behalf

of the Long Dock Company, showing any adjustment of the assessments for the year 1911? A Nothing except Mr. Hansel's letter of September 20th, which I read and is in the record.

Q That is a letter from Mr. Hansel to your Board, with which Mr. Williams had nothing to do? A Mr. Williams, in the presence of Mr. Hansel, and in the presence of myself, accepted this figure on behalf of the Erie Railroad and approved of Mr. Hansel making these allocations which were sent to the Board; it was thoroughly understood when we parted in Mr. Record's office, and the Board expected to receive this very letter.

Q Who were present at the meeting that you state between Mr. Williams and yourself at Jersey City, on September 17th, 1912? A Speaking from recollection, I believe that every member of the Board was there, Mr. Hansel, ex-Governor Fort and John R. Hardin; I asked every body to go over there because I was so sure from what Mr. Williams had said that if we came there we could agree on the complete settlement of the entire 1911 matter.

Q You state positively that Mr. Williams did not say that he had to report the proposed adjustment of the 1911 assessment to the executive officials of the Long Dock Company? A I was positive that Mr. Williams did not say, or by his action, or anything, give the slightest suggestion that that was not a final settlement of the matter, and I say further that he positively stated that that settlement was satisfactory, and it was as positive and final an agreement as could be phrased in words. There was not a thing left unsettled in the whole matter of 1911 except the mere matter of the distribution among the Erie's various companies of the allocation of the various franchise items

which make up the franchise of three hundred seventeen some odd dollars. That distribution to the other companies was left to be done and the letter which I offered to read to you, signed by Mr. Oakley, dated September 24th, four days later and addressed to the Secretary of this Board, annexed to it being a page setting forth the names of the different companies comprising the Erie System and the amounts set opposite their names, for franchise assessments amounting in the aggregate to $307,213. That was the only thing that was left unsettled, the distribution of the total amount among the different companies; and my recollection is that Mr. Williams participated in the final distribution as between the different companies. I should say that I am absolutely positive that Mr. Williams never wrote to the State Board of Assessors or to me personally, or ever communicated with me in person or by telephone, upon any matter regarding any further readjustment of the assessment for 1911, after that date, Tuesday, September 17th, 1912, when he agreed on the assessment as it was made.

LOUIS FOCHT, recalled.

Direct examination by Mr. Hardin.

Q Mr. Focht, have you, at my instance, tabulated the terminal assessments of the Pennsylvania Railroad and Delaware, Lackawanna & Western Railroad properties in Jersey City and Hoboken comparable with the assessments under discussion on the Long Dock Company terminal? A I have.

Q The figures that you have used in the tabulation are official? A They are the figures that were contained in the assessments or final figures.

Q These figures have been tabulated by you in two ways, by dividing the terminal tracts as they are found in the details of the assessment by the Board, and also by combining all the tracts of the terminal in one tract as to each company? A They have; the first is a statement giving the values in 1911 and 1912, and the second is a statement giving the figures for 1913 and 1914.

Q Do these tables show the rates per acre and the square foot rates, both? A They do.

Q On these terminals? A They do.

Mr. Hardin. I offer the first two tables, showing the assessments referred to by the witness, with the tracts divided into parcels, for 1911, 1912, 1913 and 1914.

Mr. Bain. We object to any evidence as to assessments for the years 1911, 1912, 1913 and 1914 against the property of the United New Jersey Railroad & Canal Company and the Morris & Essex Railroad Company, upon the ground that the same is incompetent, immaterial and irrelevant.

Mr. Hardin. I understand, Mr. Bain, that there is no objection to the offering of the evidence in this form rather than by producing the original assessments?

Mr. Bain. The objection is to the materiality, competency and relevancy of the assessments themselves, and not to the form in which the offer is made.

(The tables produced by the witness were thereupon marked, respectively, Exhibits S-5 and S-6 of May 11, 1915).

Mr. Hardin. I also offer the consolidated tabulation of the terminal assessment figures on the same three terminals for the years 1912, 1913 and 1914.

Mr. Bain. I repeat the objection heretofore made to the tables last offered in evidence. I desire to add further that the objection runs to the entire statement offered in evidence so far as materiality, relevancy and competency of the facts purporting to be shown by the tables is concerned.

Q Mr. Focht, these tabulations show in detail the appraisals of the terminal tract on the one set, and as to the whole terminal, and the other set representing the assessments per acre and per square foot? A They do.

Q You are familiar with the way in which the Board certifies the assessments to the Comptroller's office? A I am.

Q The figures you have used in these tabulations are the same figures as to the amount of the assessments that were certified to the Comptroller's office in those years; is that right? A So far as they relate to the terminal tract, as far as they relate to the tracts enumerated in the tables.

Q For instance, referring to the assessments against the United New Jersey Railroad & Canal Company, as certified to the Comptroller for the year 1914, I find that there is an item of tax on second class railroad property in the County of Hudson, Jersey City, showing the valuation of $5,362,525 and the local tax of $113,310.15? A Yes.

Mr. Bain. At this time I desire to object to the whole line of testimony involving the assessments upon the property of the United New Jersey Railroad & Canal Company and the Morris & Essex Railroad Company, for the years 1911, 1912, 1913 and 1914, upon the ground that the same is incompetent, immaterial and irrelevant.

Owen W. Kite, direct.

Q Are the valuations on your schedules against the terminal tracts in Jersey City, on the main terminal, included in the valuation of $5,362,585 that I have referred to? A They are.

Q The larger figures include what? A The larger figures include buildings, structures and other property outside of terminal property, which is shown in the statement that I made up for you.

Q But the terminal properties have gone in the additional figures shown on your schedule? A The appraisals relating to the terminals have gone into that statement.

Q Is the same true also of the further item I find of second class property in Jersey City, under the title of "Harsimus Branch"? A It is.

Q And the same would be true as to all the other years and as to the other railroads? A It would.

No cross examination.

OWEN W. KITE, sworn.

Direct examination by Mr. Hardin.

Q Mr. Kite, where do you reside? A In Trenton.

Q Are you connected with the State Comptroller's office? A I am.

Q Have you brought with you, from that office, the original certifications of the valuations of railroad property and the tax statements locally assessed against the United New Jersey Railroad & Canal Company and the Delaware, Lackawanna & Western Railroad Company? A Yes, sir.

Mr. Hardin. I will offer those in evidence.

Mr. Bain. I object to the offer upon the ground that the documents offered are incompetent, immaterial and irrelevant.

(Certificate marked Delaware, Lackawanna & Western Railroad also of the Morris & Essex Railroad Company, Revised return for the year 1911, marked Exhibit S-8 of May 11, 1915; certificate of same companies for the year 1912 marked Exhibit S-9 of May 11th, 1915; certificate of same companies for the year 1913 marked Exhibit S-10 of May 11, 1915; certificate of same companies for the year 1914 marked Exhibit S-11 of May 11, 1915.)

(Revised return of United New Jersey Railroad & Canal Company which includes both the Main Terminal and the Harsimus Terminal, for the year 1911, marked Exhibit S-12 of May 11, 1915; revised return of same company for 1912 marked Exhibit S-13 of May 11, 1915; revised return of same company for 1913 marked Exhibit S-14 of May 11, 1915; revised return of same company for the year 1914, marked Exhibit S-15 of May 11, 1915.)

Q Mr. Kite, can you tell us whether the taxes on the valuations shown on these revised returns, as certified to the Comptroller's office by the State Board of Assessors, have been paid on this property of the United New Jersey Railroad & Canal Company and the Delaware, Lackawanna & Western Railroad Company also?

Mr. Bain. I object to that as incompetent, immaterial and irrelevant.

Q They have been paid?

Mr. Bain. The same objection.

A They have.

Q For each year? A For each year.

Q Including the year 1914? A Including the year 1914.

Mr. Bain. At this time I desire to repeat my objection to all evidence as to assessments against the property of the Morris & Essex Railroad, or the Delaware, Lackawanna & & Western Railroad, the United New Jersey Railroad & Canal Company or the Pennsylvania Railroad Company and the Long Dock Company, for the years 1911, 1912, 1913 and 1914, and to all documents offered in evidence with respect thereto, upon the ground that the same is incompetent, immaterial and irrelevant.

Q Can you tell when these taxes were paid in their respective years?

Mr. Bain. I object to that as incompetent, immaterial and irrelevant.

A Tax assessment of 1911, payable in 1912, was paid on the 1st day of February, 1912; that is the United New Jersey Railroad & Canal Company; the same year's taxes on the Morris & Essex Railroad was made in two payments.

Q On what dates? A On the 1st day of February, 1912, and the 29th day of October, 1912. Taxes for 1912, payable 1913, against the United New Jersey Railroad & Canal Company, paid on the 1st day of February, 1913; against the Morris & Essex Railroad Company on the 31st day of January, 1913; taxes for the year 1913, payable 1914, against the United New Jersey Railroad & Canal Company, paid on the 31st day of January 1914; taxes against the Morris & Essex Railroad Company was paid February 2d, 1914; taxes assessed against the United New Jersey Railroad &

Canal Company for the year 1914, payable in 1915, was paid February 1st, 1915; and the taxes against the Morris & Essex Railroad Company was paid February 1st, 1915,the same date.

Cross examination by Mr. Bain.

Q Have you a statement of the amount of taxes paid by the Long Dock Company for the years 1911, 1912, 1913 and 1914 to the State of New Jersey? A I have no statements with me; no, sir.

Q You can produce such statements of the taxes, the amount and dates upon which those were paid? A Yes, I have that here.

Q What I desire is a statement of the valuations of property in Jersey City upon which the Long Dock Company paid taxes to the State of New Jersey for the years 1911, 1912, 1913 and 1914, and the amount of taxes paid by that company upon those valuations, together with the dates of payment? A I will have to get up a statement of the dates and payments.

Q Will you kindly get us a statement so that it can be put in later? A Yes.

(The witness thereupon left the stand and upon his return Mr. Bain resumed his examination.)

Q Have you the records of the Comptroller's office showing the amount of the assessments against the Long Dock Company for the years 1911, 1912, 1913 and 1914 and the amount of taxes paid for each of those years by the Long Dock Company? A I have.

Q Will you kindly state the amount of taxes paid by the Long Dock Company to the State of New Jersey for each one of those years? A The assessment of 1911, payable 1912, on February 2d,

1912, the Long Dock Company paid $88,792.82 on account; and on the 16th day of Ocotober, 1912, the sum of $489.64 in addition, making a total of $89,282.46. Assessment of 1912 payable in 1913, the Long Dock Company paid $116,454.22 on the 3rd day of February, 1913; the assessment of 1913, payable 1914, the Long Dock Company paid $113,-836.21; that was paid February 2d, 1914; on account of the assessment of 1914, payable in 1915, the Long Dock Company paid $113,348.73 on February 1st, 1915.

Q Now, state the valuations,—not the assessed values, but the valuations themselves, upon which those assessments were paid by the Long Dock Company for those years? A I cannot; I have only been able to locate the stipulation with reference to the 1914 assessment, payable in 1915; that is last year's.

Q Have you got in the Comptroller's office, a stipulation relative to the payment of some part of the 1911 taxes, which was filed in that office? A I cannot seem to find it.

Q So that there is nothing in the Comptroller's office to show the valuations upon which the Long Dock Company paid taxes for the years 1911, 1912, 1913 and 1914? A No, sir; not that I have been able to locate, with the exception of 1914, that is, payable in 1915.

Q But those valuations were always the assessed valuations? A Always the assessed values.

Adjourned to Wednesday, May 12th, 1915, at two o'clock in the afternoon, at 75 Montgomery Street, Jersey City, New Jersey.

The hearing in the above matter was resumed this twelfth day of May, 1914, at two o'clock in the afternoon, at the office of Charles E. Hendrickson, Jr. Esq., 75 Montgomery Street, Jersey City, New Jersey; in the presence of counsel for the respective parties.

CHARLES E. HENDRICKSON, Jr., recalled.

Cross examination by Mr. Bain.

A I stated yesterday afternoon, in my cross-examination, that I would furnish the data of other purchases of the Manhattan Electrical Supply Company in Block 34: These purchases were made by a client of mine, the Manhattan Electrical Supply Company; I handled the passing of the title, had the contracts in this office, and made the settlements with the vendors, and had the titles guaranteed by the New Jersey Title Guarantee & Trust Company. I find, on looking at my records, that the contracts first came into the office in April, 1912, and some time in the next two months the titles were closed. The Manhattan Supply Company paid $30,000 for a plot 75x100, making 7,500 square feet and tore the buildings down for the extensions to their plant.

Mr. Hardin. What block was that?

A That is in Block No. 34. The vendor who sold these to our company purchased them about two years before, the same property, with the same buildings, for $25,000 and made no changes in the buildings; they were occupied as tenement house property up until the time when our company took them over; this sale analyzed shows that our vendor purchased lands, with the buildings on them, at $2.80 a square foot, and sold them, approximately two years later, for $4.00 a square foot. This land is located in the zone on which I placed a

value for the land at $2.00 per square foot; and this sale shows an increase in the land value alone between those two sales of $1.20 a square foot. The purchase of this property by the vendor who sold to to us is what I meant in my testimony yesterday by speculative purchasing and holding of property in this section of lower Jersey City, which is turning into business property, where the plots of ground have got to be larger than 25x100 feet for the purposes to which the ground is now rapidly being used.

Q What buildings were upon that property when it was purchased by the Manhattan Electrical Supply Company? A They were old buildings, similar to all the other old buildings in that locality, and were occupied as the poorer classes of tenement house property.

Q How many stories in height were the buildings? A I do not recollect accurately, but my recollection is that one plot had a two-story frame on it and the other properties were three stories, one, I think was brick, and one, I think, was frame; then there was a small building in the rear of the frame building, a low frame building.

Q So that the the front and the rear buildings were rented? A I dispossessed all of the tenants from those properties by serving on them, thirty-day notices, and some of them were actually put out and some of them went out of their own accord.

Q But the buildings were all rented at the time of the purchase by the Manhattan Electrical Supply Company? A I could not say positively whether every apartment was occupied or not, but they were very well occupied.

Q The price of $30,000 was for the land and the buildings? A Yes, sir; it included everything on the ground.

Q Who was the original vendor of that property? A I do not recollect the name at this time; I have it in the vault down in the cellar and would be glad to furnish it.

Q How far is the property last referred to south of Exchange Place in Jersey City? A They fronted on Morris Street, and that is four blocks south of Montgomery Street.

Q And how far is the property referred to south of the Long Dock Terminal? A About 4,000 feet; four-fifths of a mile, approximately.

Q The property referred to by you is at the extreme southerly end of Jersey City, with respect to the frontage of that City on the Hudson River? A Yes, sir; it is two blocks north of the Morris Canal, or what is known as the Gap; it is in the same tier of blocks with the Colgate factories.

Q And the Colgate factories are also south of Exchange Place? A They are.

Q So that the property referred to by you as having been purchased by the Manhattan Eelectrical Supply Company is in an entirely different section of Jersey City from that in which the Long Dock terminal is located? A No, sir; I consider it in identically the same section of Jersey City, which is a strip running along the Hudson River, east of Henderson Street, having practically identical reasons and elements of value.

Q With respect to the old political divisions of Jersey City the property referred to by you as having been purchased by the Manhattan Electrical Supply Company is in an entirely different section

of Jersey City from that in which the Long Dock Terminal is located? A Yes, sir; if you go back to a period more than half of a century ago, at which time I believe this property was in Jersey City, and I think, Pavonia was the name of the municipality in which your property is now located.

Q And there were separate developments of Jersey City proper and the old Pavonia section of Jersey City? A More than half a century ago that was so, but that has not been so far the last 15 or 20 years.

Q You had no appraisal made of the value of the buildings purchased by the Manhattan Electrical Supply Company and last referred to by you? A We did not need any; we needed the property and we bought it.

Q You referred, in your testimony yesterday, to a communication to your Board from Mr. Harrison Williams, and stated that that communication was mentioned in the minutes of the Board of September 24th, 1912; have you that communication from Mr. Williams? A That question is capable of misconstruction at this time and I decline to answer it until I have had an opportunity to reproduce the minutes, which I had before me yesterday I would have had them here today, except that I believed that you had gotten through with them at that time.

Q Will you produce the minutes of the Board and also the two letters from Mr. Harrison Williams, one to you dated September 21, 1912, and the other from Mr. Williams to Mr. Maguire, Secretary of your Board, dated September 20, 1912? A I will produce the minutes of the Board. Mr. Bain has handed me the office copies of two let-

ters which he refers to. If the originals of these letters are still in existence they are in the files in the vault of the cellar of the State House, and will require great labor to get them, without showing anything that these carbon copies do not show, and I therefore read these letters into the testimony and accept them as if I had produced the originals:

"Chas. E. Hendrickson, Esq.,
Union Trust Building,
Jersey City, N. J.

Dear Mr. Hendrickson:

Thank you for your note of yesterday about the appointment at Trenton on the 1st proximo. I appreciate your kindness in helping me out of my dilemma by giving me this postponement, and shall be there on that day.

Very truly yours,
(Signature)
General Land and Tax Agent."

That letter is in reply to my letter dated September 20, 1912, reading as follows:

"Mr. Harrison Williams,
Care Erie R. R. Co.,
Hudson Terminal Building, N. Y. City.

My Dear Sir:

I am only writing to tell you that the next meeting of the State Board of Assessors will be a week from next Tuesday at Trenton.

Yours very Truly,
(Signed) Charles E. Hendrickson, Jr."

The other letter which you asked me to produce, of which you offered me a carbon copy and which I read into the record and accept as if I were able

to produce the original letter to you, bears date September 20, 1912:

"Mr. Irvine E. Maguire, Secretary,
State Board of Assessors,
Trenton, New Jersey.

Dear Sir:

In accordance with my telephone conversation with you this morning:——I subsequently called upon Mr. Hendrickson and asked him to postpone the hearing of the Long Dock 1910 franchise case until Tuesday, the 1st proximo, because of my out-of-town engagement around the 24th instant. This he agreed to do so I assume the matter stands adjourned to the date named.

Very truly yours,
(Signature)
General Land and Tax Agent."

The 24th of September, 1912 was a Tuesday and was a regular meeting day of the Board, and the Board did meet on that day. I am sure that both of these letters referred to one and the same thing, namely Mr. Williams' desire to be heard before the Board on the matter of the 1910 Long Dock franchise. In the minutes of September 24th, 1912, will be found the action taken by the Board on this correspondence as requested by Mr. Williams.

Q The communication referred to in the Minutes of the Board of September 24th, 1912, was Mr. Williams' letter of September 20th, and not of September 21st? A You asked the question, to which I made the answer, in which you called my attention and used in your question the date of September 21st. I think it probable that the letter of September 20th, 1912, is the one that you intended to refer to in your question. Mr. Williams was always exceedingly courteous and always, or

almost always, wrote these letters of appreciation and kindness, as he calls it, for what he considered favors, and I think that the letter of the 21st was prompted by his habit of always doing so. I am very certain that his letter of the 21st did not refer to anything different from his letter to Mr. Maguire of September 20th. It is probable that his letter to me of the 21st was before the Board at the same time with the letter of September 20th and I know, from my habit of working at that time, that any request that Mr. Williams asked for was granted by the Board.

Q I show you a letter purporting to be signed by Irvine E. Maguire, addressed to Mr. Harrison Williams, dated September 24th, 1912, do you recognize Mr. Maguire's signature? A I do.

Q That letter was written after the meeting of your Board of September 24th, 1912? A I feel very sure that it was, for the reason that Mr. Maguire, in my experience, almost always got off the letters on the same day, giving notice of actions taken by the Board. It was received by the Erie Railroad on September 25th, which was the following day, so I imagine it was mailed on the 24th.

Q That letter of Mr. Maguire's, dated September 24th, refers to Mr. Williams' communication of September 20th, 1912, as having been presented to the Board, and not to Mr. Williams' communication of September 21st, addressed to you? A Yes, sir; and in confirmation, I would call your attention to the fact that this letter to Mr. Williams reads as follows: "Dear sir: Acknowledging yours of the 20th instant, I beg to say that President Hendrickson of our Board confirms the appointment for an adjourned hearing in the matter of the Long Dock 1910 franchise case until Tues-

day next, October 1st, at this office, at 11 o'clock a. m.", which, when compared with this letter to me of the 25th of September, confirms my belief and statement that I had personally assured Mr. Williams that an adjournment would be made to October 1st, in order to help him out of what he called his dilemma, namely, the out of town engagement which he mentions to Mr. Maguire in his letter of September 20th.

Q Your statement in regard to the dilemma mentioned by Mr. Williams in his letter to you of September 20th is a pure conclusion on your part? A I do not so regard it.

Q Mr. Williams never expressed to you what that dilemma was. A I notice that in his letter to Mr. Maguire he says that he called upon Mr. Hendrickson, and I therefore believe that he came personally to the office, instead of telephoning, as I suggested before looking at these letters, and as Mr. Williams was accustomed to giving his reasons in full, I believe that he told me; I don't remember it.

Q The assessments as made by your Board for the years 1906 and 1907 upon the terminal property of the Long Dock Company in Jersey City were reviewed by the Supreme Court, were they not? A The best evidence of that is the reports in which those things are contained; I cannot tell you accurately from memory.

Q Don't you recall what the fact was with respect to the review of these assessments by the Supreme Court? A My recollection is that it was twice before the Supreme Court.

Q The assessments as originally made upon the Long Dock Company property in Jersey City, for the year 1909, was before the Supreme Court on certiorari? A There is absolutely and posi-

tively a record of all of these appeals and I think you should produce that, or refer to it, and the evidence, in reply to that question, and not ask it of me, as I do not recollect with sufficient accuracy to make me feel justified in answering it.

Mr. Hardin. If Mr. Bain desires this record to show matters relating to the assessments on the Long Dock terminal of 1906, 1907, 1908 and 1909 I will stipulate with him according to the situation as shown by the record.

Q When did you last have any communication with Mr. William H. Corbin relative to the assessments made by your Board upon the Long Dock property for the year 1911? A I cannot recollect.

Q Was there any definite proposition of adjustment by your Board, of the assessments against the Long Dock property in Jersey City, for the year 1911, prior to September 17th, 1912? A It is very difficult for me to say no or yes to that. From the time time that we first began taking testimony in the Long Dock case, and the cases of the other railroads, all of the attorneys representing all of the railroads and all of their land and tax agents and assistants were constantly with the Board, and with me individually, and probably with other members of the Board, with Mr. Hansel, with Mr. Focht, and with Mr. Maguire, the Secretary, and almost from the first testimony taken there was talk of settlement and adjustment in the beginning, not of the entire controversy but as to parts of it, such as regarding values on buildings and piers, which, very early in the taking of testimony, we referred, by mutual consent, to the engineers representing our Board and the master carpenters and men connected with

the railroads; and all the time new matters came into the question of adjustment. I personally did not think that anything proceeded from the Board, or from me personally, which could be considered as a suggestion or compromise or adjustment from the Board, but the Board always expected, Mr. Hansel always expected, and the lawyers representing the Board and the railroad always expected, from the beginning, that we would keep eliminating various things and get down to final figures and final settlement, but whether one could fairly say they proceeded from the railroad or from the Board, I do not think I could say, because it never was done that at all. We were, all of us conferring with the railroad lawyers. Is that what you mean by your question?

Q When were any definite figures for the assessment of the Long Dock property in Jersey City for the year 1912 arrived at by the Board for the first time? A On September 24th, 1912, officially; on September 17th, unofficially. The figure on Exhibit S-1 of May 6th, 1915, of an increase of $3,514,400 over the assessment for 1910 was simply the addition of all the elements of increase that had been substantially agreed upon at various times during the last two or three months, as various elements such as, for instance, the elimination in its entirety of the floating equipment, the reductions on the main stem land through Passaic, and the reductions on the piers and buildings, were all agreed upon at separate times, and, as I stated yesterday, the building, piers and structures, after they were agreed upon, were typewritten out in a schedule and presented, on behalf of the Board, by Mr. Hansel, and accepted by Mr. Williams, over his signature. There may be others that were signed by Mr. Williams, in Mr. Hansel's posses-

sion; I have never asked him for it; but I remember seeing that one.

Mr. Bain. I object to that part of the answer which states that any figures were agreed upon by Mr. Williams as incompetent, immaterial and irrelevant.

Q When was the assessment upon the floating equipment of the Erie Railroad Company for the year 1911 first eliminated by your Board? A I cannot give the exact date, but within a month or two; they might have been as early as July or in August, or in September, unofficially. We talked about the different things at different times, and I have no doubt that prior to September 24th, 1912, we had, all of us, decided on the recommendation of Mr. Hansel and the attorneys representing the Board, to accept the Erie Railroad Company's contention, that they being a foreign corporation, that floating equipment came in under a different class, and was not the subject of assessment by the State, but I could not tell within two months of when the thing actually came into the heads of the various members of the Board as a finality; I know that no official action was taken until the whole thing was cleaned up on September 26th.

Q You would not say that the elimination of the assessment upon the floating equipment of the Erie Railroad for the year 1911 came into the heads of the Board as a finality until September 24th, 1912? A The question is rather badly framed to answer. I should say that it came into the heads, as a finality, prior to that time, but the Board's final and only final record action is in the Minutes of September 24th.

Q Can you state any fact showing that your Board, as a whole, had determined to eliminate

the assessment for the year 1911, upon the floating equipment of the Erie Railroad prior to September 24th, 1912? A It is so hard to define the word "fact" that it is difficult to answer your question. Counsel and the Board and Mr. Hansel were in consultation four or five days a week during all of the two or three months prior to September 24th and there were different roads under consideration at different times, and sometimes different roads in the same week, but I could not expect to remember exactly; but I tell you positively that my mind was clear, I have no doubt that other members of the Board were clear at that time, it was one of the things that we had in mind, and it was one of the principal requests made by the Erie Railroad.

Q Had your Board agreed upon any definite figures, for the assessment of the property of the Long Dock Company, for the year 1911, prior to the 15th day of August, 1912? A The only final agreement, and which final agreement covered every part of the assessment of the Long Dock, and the Erie System, except the New Jersey & New York and the New York, Susquehanna & Western Railroad, was the agreement made in Mr. Record's office, with Mr. Harrison Williams, and at that meeting Mr. William H. Corbin was not present.

Q And Mr. Corbin took no part in what transpired at the meeting of September 17th, 1912? A Mr. Corbin was not present, and, so far as I know, took no part; I do not know whether Mr. Williams and Mr. Corbin, had had any conversations or not, but I can only tell you about what happened at the meeting.

Q You had no communication with Mr. William H. Corbin relative to any definite figures for the

assessment of the Long Dock property for the year 1911? A I have not; I never communicated with Mr. William H. Corbin at all; Mr. Harrison Williams had always taken as large a part as William H. Corbin in litigation, in the examination of witnesses, and very frequently appeared without Mr. Corbin or anybody else from Mr. Corbin's office.

Mr. Hardin. I have offered in evidence a map marked S-1; since then I have had the same map enlarged so as to cover the back land not shown on the Exhibit S-1, so that the new map that I had made includes not only the terminal properties but runs back to the foot of the Heights, to take in the comparative areas testified to by witnesses for the railroad company, and by witnesses for the State; and I should like to offer that in evidence.

Mr. Bain. Was this map made by Mr. Focht?

Mr. Hardin. Made by Mr. Focht.

Mr. Bain. Mr. Focht is here; Is he willing to verify that as an accurate map?

Mr. Focht. I am.

Mr. Bain. We have no objection to the map, so far as the lines are concerned, but we do object to any data purporting to show sales or assessments, if there is any such on the map.

(The map was thereupon marked Exhibit S-1, of May 12, 1915.)

Mr. Bain. I want to make clear, so far as the last map is concerned, that we do not admit anything except the lines and areas as found by Mr. Focht.

Mr. Hardin. I also offer in evidence the may used by Mr. Hendrickson in part of his testimony, which has upon it the figures representing sales &c., as explaining Mr. Hendrickson's testimony.

Mr. Bain. I object to that map as incompetent, irrelevant and immaterial.

(The map last referred to was thereupon marked Exhibit S-2 in evidence of May 12, 1915.)

Mr. Hardin. There has been some testimony taken as to the item described in the assessment as terminal station, including ferry buildings, racks, platforms, floats, waiting room, train shelters and platform, given an assessed valuation of $146,470. I think Mr. Dawley and Mr. Focht both gave testimony on this subject; and it was understood at the conclusion of Mr. Focht's testimony that Mr. Focht and Mr. Dawley should confer and, if possible, reach an understanding based on actual data. I am informed that this conference has been held and the results have been communicated to the State Board of Assessors in a letter by Mr. Focht which I have, which shows that an agreement has been reached on the figure of $123,600 as the assessed value, based on a value new of $206,000, inclusive of engineering and interest, and the assessed value being, after a depreciation allowance of sixty percent of the value, as ascertained new.

Mr. Bain. I understand that the figures mentioned by Mr. Hardin are those agreed upon by Mr. Focht and Mr. Dawley.

Mr. Hardin. It is understood then that the item in the assessment will be revised at the figure of $123,600.

Adjourned to Thursday, May 13th, 1915, at 10.30 o'clock in the forenoon, at 75 Montgomery Street, Jersey City, N. J.

The hearing in the above matter was resumed this thirteenth day of May, 1915, at ten-thirty o'clock in the forenoon, at the office of Charles E. Hendrickson, Jr., Esq., 75 Montgomery Street, Jersey City, New Jersey; in the presence of counsel for the respective parties.

GEORGE L. RECORD, Esq., sworn.

Direct examination by Mr. Hardin.

Q Mr. Record, where do you reside? A Jersey City.

Q What is your profession? A Lawyer.

Q How long have you been such? A Since 1887, I think.

Q Where have you had your office and practiced your profession chiefly? A Jersey City.

Q During the whole time? A Yes.

Q Have you occupied any official position under the State recently? A I have been a member of the State Board of Assessors.

Q Since when? A Since April 20th, or 21st, 1911.

Q Before you were a member of the State Board of Assessors had you occupied any official position in Jersey City? A I was corporation counsel of Jersey City from January 1st, 1902 to 1908, six years, and I was also a member of the Board of Education, in 1886.

Q Were you at any time connected with any other State body than the State Board of Assessors? A Yes, I was, for ten or twelve years, directly connected most of the time as counsel, with

the Riparian Commission. The Riparian Commission rented offices from me, and, for a number of years, I did special work for them and for the Attorney General in connection with shore front property, and all over the State, and then I was made counsel for the Commission, which I held for six or eight years, perhaps longer.

Q Can you recall about the period of time that that relationship covered? A From about 1889 until 1903; that is pretty close to it.

Q Then your services to the Riparian Commission and your services as corporation counsel slightly lapped? A Yes, sir.

Q Did you have any duties in relation to the Riparian Work which made you, in any way, familiar with the shore front or waterfront properties in Jersey City, Hoboken and the municipalities to the south of Jersey City? A In this way: There were always coming up two classes of cases, and there were applicants at sundry times before the Commission inquiring for the prices or attempting to negotiate leases or sales of shorefront property that was still left in the State, in Hudson and Bergen counties. That was particularly so as to the New York Bay Section, and from the north end of Hoboken up. Several sales were made at that time, notably the terminal, sales of the Susquehanna Coal Company Terminal up there in Bergen County, just above the edge of Hudson County; then there was another class of cases that come to me, because I held this relation to the Riparian Commission. Men would come in looking for factory sites and they would be referred to me. One example I remember is with the late Abram S. Hewitt, Ex-Mayor Hewitt came to the office one day, and his purpose was to find some waterfront property to which he and his associates could move

the Peter Cooper Glue Factory, which was a big concern on Newtown Creek, but which, for various reasons, they wished to move to New Jersey, if they could find a proper site, and that visit ended in his retaining me to give him a map showing every site available on the Hudson River, and on the Hackensack, and on the Passaic, that could be reached by tidewater, and with the probable prices of acquiring both the upland and the lowland and the land under water, and I remember making for him a comprehensive report, starting about at the Hudson County line on the Hudson River and coming down around the Bayonne shore, and up the Hackensack River as far as Hackensack, and giving him a range of prices, and giving him also the charge that the Riparian Commission had exacted for land in the vicinity in each instance; and I often had inquiries and duties of that character, but on a smaller scale, involving factories, which I do not now recall.

Q Did you then become familiar in this work and association with the Riparian Commission, with the physical conditions, geographical conditions of the entire waterfront in Jersey City, north and south, and also become familiar with current values of property? A Yes; I did.

Q Have you, in your profession, or in any other way, had experience which gave you knowledge of the values of land in Jersey City and the municipalities north and south along the waterfront? A I have. When I was first connected with the Riparian Commission they hired offices of me in the Fuller Building, I think it was in 1889, or of my firm, which was the firm of Bacot & Record; John V. Bacot's father was the Secretary of the Riparian Commission, an engineer, and, in his younger

days, he had purchased a portion of the Harsimus-Pennsylvania tract here on the Hudson River.

Q For the Pennsylvania Railroad? A For the Pennsylvania—away back in war times, or before that. The Pennsylvania Railroad determined to acquire on the New York Bay a terminal, a freight terminal. General Sewell consulted Mr. Bacot, Sr., who recommended him to employ Mr. Bacot, Jr., and myself, which General Sewell did. We submitted to him maps and estimates of prices and assessments of all of the land from the Central Railroad south to Bergen Point.

Q After investigation, of course. A After investigation; after we had submitted that report to the Pennsylvania Railroad, they fixed upon the site that was subsequently purchased as the one that they thought most desirable for their purposes, and employed our firm to make that purchase, and that, as I remember it, was in 1889 or 1890. That took, I should say, six months—

Q Where was the location? A The location was the land that is at present occupied by their Greenville terminal, back from the shore a variety of distances. The railroad only desired enough of the upland on which to found an application for the riparian grant, but in order to buy the necessary strip, it was necessary to buy a tract of land connected with the shorefront at each point, that is to say, the shorefront owners would not sell a one-foot strip, and therefore it was necessary to buy as much land as was contained in each tract that fronted upon the waterfront. It was necessary to do that because it was important that the seller of the land should not get any impression that it was a railroad purchase that was going on. As I remember it, there were some 30 or 35 separate tracts of land, some of these tracts were

owned in common by numerous descendants of an original owner, and I remember hunting up a lot of heirs in Philadelphia, dickering with them over a period of many months. We purchased that property, endeavoring at all times to keep our purpose of acquiring the property secret and endeavoring, as far as could, to keep each one from knowing that we were negotiating with the other. It took us the better part of a year, as I now remember it, to purchase that property. Do you want me to tell my experiences about it?

Q In that experience you became familiar with the values of the property abutting on the waterfront and the back part of Jersey City? A Yes, after that purchase was concluded my partner and myself and De Witt Van Buskirk, of Bayonne, united in the purchase of a very small piece of land fronting on the Bay, in the upper part of Bayonne, (that is as near as I can figure it at the moment, but it appears on all the maps); I think it was only about 60 feet on the shore; it appears on the riparian maps. It was just below Fiddler's Elbow, perhaps five hundred feet below Fiddler's Elbow. That is all of the actual purchases that I have been connected with there.

Q Do you think of any other matter that bears on this inquiry? A It occurs to me at this moment: After the Pennsylvania purchases there were a good many inquiries as to the value of property in that section; it was supposed, when the fact came out, that the Pennsylvania had purchased this property, as it eventually did, that they contemplated an immediate improvement there, and so there was quite a brisk inquiry for the value of adjacent shorefront lands. A man appeared on the scene one day in my office, who represented himself as the agent of a California

syndicate, and I met, in New York several people whom I do not know, except as they were introduced to me, and we started in for these people to get options on quite an extent of land from Fiddler's Elbow south. We paid there several thousand dollars, as I now remember it, on options, and we got options on two or three thousand feet, as it now occurs to me, for this alleged California syndicate, and these options were submitted to the counsel of the syndicate in New York, and these payments were entrusted to us, and we made them on account. That syndicate finally abandoned the enterprise and forfeited its options.

Q But that was after your investigations had been made? A Yes, that was after the purchase of the Pennsylvania Railroad property, and we were employed, I take it, because we had purchased the Pennsylvania property. That gave me a little additional experience, quite some additional experience, in subsequent years; I think it was two or three years after we finished the Pennsylvania purchases.

Q Now, while you were corporation counsel of Jersey City did you have work in connection with that office which gave you personal information as to the value of lands in Jersey City back from the waterfront? A I did. Almost immediately after I took office, I investigated the assessments of the State Board of Assessors upon shorefront lands in Jersey City,—railroad lands in Jersey City. At that time the railroads had a special rate of $15 per thousand, the proceeds of which, as I now remember it, were handed over to Jersey City. Jersey City, therefore, was interested in the amount of the assessment, as it could not change the rate. I investigated the amounts of the assessments of the railroad company and became

convinced that they were too low, and made formal application on behalf of the City to the State Board of Assessors that these values, of all of the railroad shorefront in Jersey City, should be increased,—the assessments should be increased,—and upon that application the Board gave us prolonged hearings. We went out in tugs and with the State Board of Assessors and with the railroad officials and viewed the property from the shore; we went around in carriages and visited all of the terminal yards, and walked over them, from the rear down to the waterfront, and inspected them. We then took a great mass of testimony, Jersey City putting forward several witnesses, notably Mr. Ehrehardt, who figured in many of those controversies, and later Mr. Floyd Corbin, who has later figured as a railroad expert, and the railroads put forward numerous witnesses whose names now escape me, except that Edlow Harrison was the principal one at the time and had charge of the witnesses on the railroad side. It fell to my lot to marshal all of this evidence on behalf of the City, to analyze all of the evidence produced by the railroads, and to examine all the witnesses for the City and to cross examine all the witnesses produced by the railroads, and to sum up in formal argument before the State Board of Assessors the evidence adduced. In the course of that experience I made an exhaustive study of the value of the Long Dock property, in connection with the other railroad shorefront properties similarly situated in Jersey City.

Q What other terminals are there in Jersey City which were covered by this investigation? A There were the Pennsylvania, Lehigh Valley and Central tracts on the south, and the Pennsylvania terminal in Greenville, the Black Tom improve-

ment between the Central and the Pennsylvania Greenville terminal on the south, and on the north the Lackawanna terminal.

Q Being all the railroad terminals in Jersey City? A Yes, Being all the railroad terminals. In the course of that investigation the steamship property in Hoboken, and in fact all of the terminal lands from the Bergen County line down to Bergen Point, were all brought into that controversy by one side or the other, or both, and analyzed and used as bases of comparison or reasoned away as not being proper bases of comparison. Then, as a result of that application, the City administration with which I was connected, started an agitation to change the fixed rate of $15 a thousand for second class property and $5 a thousand for main stem property, which was then on the statute books. In pursuance of that policy we caused to be introduced into the Legislature bills making the railroads pay upon the same basis as to rate as the private individuals pay on their property. As a result of the introduction of that bill and of the political agitation that ensued with reference to it, the Legislature passed a resolution authorizing Governor Murphy to appoint a Commission to consider the whole subject of railroad taxes. That Commission consisted of Charles C. Black, present Justice of the Supreme Court, Chandler W. Riker, then or afterwards Prosecutor of the Pleas of Essex County—

Q Also Corporation Counsel of Newark? A Also Corporation Counsel of Newark, then or theretofore, Mr. Carl Lentz, a member of the State Board of Taxation, and another I forget his name.

Q Were there four or five members? A That I was trying to remember; it seems to me there

were five, with the State Board of Taxation, two other members,—ex-Governor Werts was a member of that Commission and Chandler Riker, and the State Board of Taxation,—Mr. Black was a member of the State Board of Taxation at that time. This Commission went practically over the same ground that the State Board of Assessors had done upon our previous application to raise the assessments. They visited all of the property, in company with the railroad counsel and representatives and the city counsel and representatives; they listened to practically the same experts, and the same line of testimony was brought out before them, and, in addition, of course, much argument with relation to the rate which was not taken up before the State Board of Assessors.

Q Your inquiry went into the values of those properties? A Yes, they went into the values of these properties, because the railroads insisted that their special rates were justified by the fact that, as they claimed, they were over-assessed, as distinguished from other property, and therefore the question of the justice of the assessment became an issue before this Commission.

Q In the investigation by this Commission of those values of the railroad lands in Jersey City, did you have any part, as representing the City, or otherwise? A Yes, I had the management and direction of the Jersey City case or, for that a matter, of the case of all the municipalities in that investigation, the other municipalities joined, Bayonne, Hoboken and all Hudson County municipalities that border on the water.

Q Did you thereby gain further familiarity with the values and characteristics of the properties under examination? A I did; I had a practical repetition of my experience before the State

Board of Assessors, and I had the responsibility of marshalling the witnesses for the City and cross examining the witnesses for the railroads and of summing up the case on behalf of the City.

Q Did you have any other work as Corporation Counsel, bearing on the valuations and extent of these terminal properties in Jersey City and adjoining properties? A Yes, as a result of the agitation for a change in the railroad law to which I have referred, an Act of the Legislature was passed, which authorized the municipalities in Hudson County to assess the second class railroad property in their respective municipalities; that threw upon the taxing board of Jersey City the task of assessing those Long Dock properties, in connection with all the other railroad property that lay in Jersey City, and I had many sessions with the taxing board of Jersey City in fixing those assessments, and again became familiar with the valuations of such property.

Q Do you recall whether that assessment was appealed or not, before the law under which it was made was declared unconstitutional or in any way brought before the State Board of Taxation? A My recollection is that under the law those assessments were subject to appeal, and that they were appealed from, and that we went before somebody, but I have forgotten whether it was the State Board of Assessors or whether it was the State Board of Taxation. Then those assessments were appealed to the State Board of Equalization; and there fought out in the same way. I had charge of the presentation of the case on behalf of the City, and, incidentally, on behalf of the other municipalities, if there was any appeal,—I have forgotten about that,—but I had charge of that case in the task of sustaining, or attempting to sustain

the assessments made, and again marshalled the evidence, obtained the witnesses and presented the case as before.

Q All of those experiences were, I understood, preceding your membership in the State Board of Assessors? A Yes.

Q Now, from these various experiences, personal and professional, were you able to know the values of property, terminal properties and adjoining properties, in Jersey City? A I considered that, at that time, I had more experience than any other single individual which would serve as a foundation for arriving at a value of these properties.

Q And you had a personal judgment of the values of such property? A I did; from that experience I had come to certain very definite conclusions as to values and as to bases upon which such values should be built up.

Q Now, since you have been a member of the State Board of Assessors have you had occasion to give attention to the valuations of these waterfront properties in the performance of your duties as an assessor? A I have.

Q And in the performance of those duties have you used the personal knowledge and judgment that you had on the subject of values, derived from the experiences that you have described? A Yes.

Q You are, I assume, (if I am wrong in the assumption you will kindly correct me), familiar, by reason of all the experiences that you have told us about, with the sales and considerations for the sales of property in Jersey City in the neighborhood of Long Dock terminals and the property in the west and south? A I was at the time that I joined in voting upon these assessments and at the different times when these controversies were

being heard, I had all of those sales that I ever heard of at my fingers' ends, but I have not now; I would have to refresh my recollection.

Q You have been acquainted with the sales and actual considerations? A Yes, and every sales consideration that I have ever heard of testified about by the railroad witnesses or by our own witnesses.

Q There were many such sales and many actual considerations brought under your observation and knowledge? A I should say, and may say here, I was retained by the Yellow Pine Company, I should say eight or nine years ago, to find them a purchaser for the tract of land which they owned in Hoboken in the vicinity of the steamship piers fronting upon tidewater, which, as I remember it—

Q That is a little to the north of the Lackawanna terminal in Hoboken? A Yes, it is north of the steamship piers, above Castle Point.

Q Does it adjoin the 14th Street Ferry of the Lackawanna? A No, I think not; I think there was one street in between.

Q But in that neighborhood? A In that neighborhood. That was quite a large tract of land. I finally procured them a purchaser and the property was sold through my agency; I received a commission for its sale.

Q Was that a waterfront property? A Yes, that is a waterfront property.

Q Running from Hudson Street to the then pierhead line? A Yes, as I remember it; that sale, I think, is in evidence probably in this case already; it is a well known sale. My recollection is that the purchase price was $525,000, $42,200 per acre, or $1,225 per front foot. It was nearly all land under water.

Q Are you able to give us the acreage? A It can be taken off from any of these maps; I don't carry those things in my mind. It is about 12½ acres, how much of it was upland I cannot state, but it was very small, compared with the whole.

Q Give us now, please, your valuation of the Long Dock terminal property,—I understand you participated in the assessment made by the State Board on this tract in the years that you have been a member? A Yes; it is my judgment that all of the terminal tracts in Jersey City are worth at least twice as much as they are assessed for by the State Board of Assessors. I consider that one railroad tract is worth substantially the same as the other, and I put them all on the same basis.

Q Your personal judgment is then that they are worth more than the assessment that has been put upon them by the State Board of Assessors? A Yes.

Q The assessment of values of the Long Dock Terminal has been arrived at by adding together a total of values upon parcels carved out of the tract known by various titles, as Block 17A2, Block 16B6 and so forth; does your estimate of these values apply, when you say that the lands are worth double the assessed value, to the parcels, or is it an application of figures to the whole terminal? A I mean my view is that is true as to the whole terminal, because I have tried to arrive at a basis of value by reason of the lands availability for railroad use; if you tried to sub divide the holdings of a railroad and its terminal into other parcels, smaller parcels, the only rule that you can apply, according to my notion, is its availability for uses other than railroads, and then I should undertake to apply a rule of valuation on that basis, built up by an investigation of the nearest

similar land on the north and south not occupied by railroads. If the railroad tract was discontinued as a railroad use, I assume it would be devoted to a variety of uses, and my judgment is that it would be devoted to such uses as part of a similar area in Hoboken, north of the Lackawanna terminal, and in Jersey City, south of Exchange Place, and on the basis of a use other than railroad use, I should consider that the best evidence of value of the whole tract would be the value of a similar sized tract for other purposes, in those two locations. If you subdivide below that, I should undertake to arrive at the value of the sub-divided portions by comparison with lands similarly situated in those sections, in Hoboken and in Jersey City, respectively, considered according to their availability for uses other than railroad uses.

Q Is there any other place along the waterfront in Jersey City, from the Hoboken line to the Lehigh Valley and Central Railroad terminal properties, where a terminal yard of the extent of the Long Dock terminal could be located? A Yes, a terminal yard could be located from Exchange Place south and running back as far as necessary.

Q And between Exchange Place and the Morris Canal? A Between Montgomery Street and what is known as the Gap; and there is a similar opportunity in Hoboken.

Q In Hoboken at what point? A Adjoining the Lackawanna, on the opposite side of the ferry.

Q The territory in Jersey City where you have indicated a tract of equal area could be located, and the territory in Hoboken where a tract of equal area could be located, intersected by streets and used not by railroads? A Yes, but it is physically and legally possible to acquire the land, both the streets and the other land.

Q From your experiences, are you able to tell us whether or not there has been a demand indicated on the part of the railroads in Jersey City for other terminal tracts, by purchase, to increase the area of those tracts? A Yes. I have always considered that the fact that the railroads have sold no property, but are continually acquiring property on the waterfront in the Hudson River, as a very powerful evidence of the steady increase in the value of this shorefront property, considered as to its availability for railroad uses.

Q Now, in indicating the valuation that you put upon this Long Dock terminal, in your valuations of the other railroad properties, have you at all considered the question of franchise valuation? A I have considered it, I should say, in answer to that.

Q Is there any element of franchise included in your estimates of values as you announced them? A Absolutely not. Every element of value that comes from franchise has been carefully excluded. I might say that, so far as I am concerned, I do not believe there is any element of value attached to any land by virtue of the railroad franchise. That is my personal opinion, but I have considered it with reference to a railroad use, just as I have considered it with reference to a warehouse use, without any reference to franchise.

Q Your judgment of value is of the land as you found it in the areas that you found it, available for that use? A Yes, I should say that my judgment of its value is based upon its availability for railroad use; I have another judgment of its value as based upon its use for other than railroad purposes.

Q You spoke about the location of other tracts of like area in Jersey City to the south, and Ho-

boken to the north; have you given any attention to the probable cost of location of terminal yards at these points, considered with the property in the condition in which it is now, as compared with the assessments put upon the Long Dock property? A I have. I should say that it might be wise for you to ask me upon what basis I make up my values, and then let me work it out in that way.

Q Consider yourself asked that way. A I have arrived at the value which I place upon this property for railroad uses, by the consideration of certain facts. I have arrived at the value which I would place upon it for other uses by the consideration of other facts. When I came into the Board I found that there had just been completed or was on the eve of completion a revaluation and appraisement of all the property of all of the railroads in the State of New Jersey. This had been conducted under the direction of Mr. Charles Hansel, Mr. Hansel's report covered the rolling stock, improvements, such as embankments, cuts and bridges, rails, ballast, floating equipment, etc. It covered also the value of the franchise, and it covered the value of the main stem property, and the value of the second class property in different parts of the State. On the question of such things as rolling stock, bridges, embankments, rails, cuts and fills, the conclusions arrived at by Mr. Hansel were submitted to the railroads. If Mr. Hansel and the railroads, and our own engineer, Mr. Louis Focht, differed, the matter in difference was brought before the Board and there determined. When Mr. Hansel and Mr. Focht, on behalf of the State, agreed upon valuations of this kind of property with the representatives of the railroads, I personally was willing to take their judgment, and as I now recollect it, did take their judgment. When it

came to the question of the franchise, Mr. Hansel evolved a plan, or what he called a formula, for arriving at the valuation of the franchise, and all other elements of value outside of tangible property. After much negotiation with the railroad, the details of this formula were agreed upon and the franchise was worked out in accordance with Mr. Hansel's recommendations, and the railroads agreement, or where no such agreement was had, the differences were settled upon by the Board arbitrarily, or after negotiation with the different companies. In this case the franchise was agreed upon by negotiation, as a part of the settlement which I supposed we had made with the Erie Railroad, through their representative, Mr. Harrison Williams. When it came to the question of the realty I disregarded Mr. Hansel's personal judgment. Mr. Hansel had no knowledge of any real estate in New Jersey; he was in no sense a real estate expert, and had never pretended to be, and does not now pretend to be such; his business experience had been as an engineer, part of the time in railroad service in the West; he had helped in a general revaluation of railroad property in a Western City; his headquarters were in New York, and he merely lived in New Jersey. He stated that he had not personally gone over the State and inspected the main stem and second class property so as to arrive at a conclusion of their valuation. His valuations on main stem were made up by sending out employes; one of the main employes was a newspaper reporter, who was absolutely in ignorance of the value of real estate anywhere. These subordinates merely got off the train in different sections of the State, according to my own notion, and by inquiry obtained the value of the land adjoining the railroad land for sale in separate parcels for

farm, village or city use, as the case might be, in that vicinity. Those returns were submitted to Mr. Hansel. He averaged them and found the value per acre in the neighborhood, dividing the railroad up into sections for that purpose. Then he took the square foot valuation thus found, and applied it to the main stem and turned that in as his valuation. He did not pretend that that was the value of the railroad main stem; I personally believed that that was not the value. When it came to the valuation of the railroad property in Jersey City, including the Long Dock property, he turned in a valuation that was substantially the valuation heretofore arrived at by the State Board of Assessors, (not the Board of which I was a member, but the Board whose valuations I had been persistently attacking for years); he adduced to me, or to the Board in my presence, no evidence upon which he arrived at his valuations, except the evidence that appears from these different sales which have been in evidence in the other cases, and I assume are in evidence in this case; he professed ignorance of the value of this property for the railroad uses, as considered as to its availability for railroad uses. He said he did not know anything about how profitable the railroad use was, and that he had not included in his so-called valuation the quality of availability of this property for railroad uses. Therefore I was not convinced in my judgment that the values that he turned in were values at all. They were merely facts which ought to be taken into account by the Board in arriving at a conclusion. All of those facts I did take into account and carefully considered as a member of the Board. I should say here that in all of the controversies that I have participated in, as to the value of this property, I

have never heard anybody give any estimate of the value of this property, considered as to its availability for railroad uses, which I conceive to be the sole point in controversy. That point, which is the main point, is always ignored by every alleged expert that has ever appeared in my presence, or whose testimony I have ever read. All of them proclaim ignorance of the value considered from its availability for railroad uses, which, in my opinion, is the main point in the case. The railroads are in possession of the knowledge which enables them to place such a value upon it, and the facts upon which such a value is placed. They decline to produce before us any evidence showing how much money can be made by the use of this land for railroad purposes, as distinguished from warehouse or other city or country purposes. From my experience in purchasing the railroad terminal in Greenville, I came to the conclusion that whenever any corporation is compelled to get together a large or unusually shaped tract of land, which requires purchasing of many separate tracts from individual owners, in order to make up the large and peculiarly shaped tract needed, such corporation, whether railroad or private, will be compelled to pay a sum very much in excess of the value of the separate pieces of property, where the value of such pieces of property is based upon the availability of each separate piece for the ordinary country or city use. I came to the conclusion that, when a railroad wanted to buy property of this kind, the cost to the railroad to assemble property suitable for terminal or main stem uses, would be very many times the proportionate cost of buying a single tract of land for the ordinary farm or city purpose. I was confirmed in the belief by the admission of every expert produced

by the railroad company. This fact, of this increased cost from two to ten times the value of adjacent property, so far as I now can recollect, has never been disputed by any witness for the railroad or by any counsel in argument for the railroad company; it has never been denied, according to my present recollection. My experience in purchasing the Greenville terminal was that for land that was assessed, in the aggregate, for $147,000. I had to pay $552,000. The assessments of those years, according to the testimony presented by the railroads before the State Board of Assessors and before the Equal Tax Commission, was to the effect that assessments in Jersey City were upon a sixty per cent basis, and I think that was probably a reasonably accurate estimate of the relation of estimates to values. The assessment on this property in Greenville then was $147,000; for it I had to pay, in the end, $552,000, as the railroad company had no power of condemnation beyond ten acres; as illustrating this point very strongly I relate this experience: At one end of the tract, the northerly end of the tract, which the railroad company commissioned me to to buy in Greenville, was a tract of land which, upon the maps, runs as two tracts, but which were really adjoining, which was assessed at $40,000, together. I approached the owner and finally secured an option from him at the price of $60,000. This was submitted to General Sewell of the Pennsylvania Railroad, and he refused to pay it; he thought it was too high. I was unable to get any lower price. Finally it was taken out of my hands and another agent was commissioned to purchase it. By the time he got through his negotiations the price was $160,000, and the railroad paid $160,000 for that tract. The reason, of

course, was that the owner became suspicious that some big purchaser was in the market and marked up his price, which always takes place when any considerable portion of separate tracts are attempted to be gathered together for an aggregate purchase. The witnesses that appeared before these different commissions and before our Board, have estimated that if you gather together a number of lots for a factory you have to pay an increased price, which runs from ten per cent to twenty-five per cent, according to the size of the tract that you have to get. That is the estimate for factory purposes; and the experts called it plottage. When you come to get together a tract of land for a main stem of a railroad, or for a big terminal, the witnesses, as I now recollect, admitted that it would cost anywhere from two times to ten times what it would cost to buy a single piece of adjoining property for some other uses than railroad use. From this experience, and from this testimony, I drew the conclusion that the actual cost to the railroad company to gather together these lands in this State for main stem and terminal property was at least twice the average price for adjoining land in the market for other purposes, considered as separate parcels. I then considered whether this was a fair measure of value. The value of property, in my opinion, depends upon two elements, the cost of reproduction and the demand. The value can never go beyond the cost of reproduction except in exceptional instances, where there would come in the element of damage in the removal of a business or something like that, which I do not think ought to be considered. The question of a demand is very essential in arriving at value, in my opinion. With property in other uses than in railroad use,

it is quite easy to determine the question of demand by saying sales determine the question of demand. If the demand is slack the property will sell for less than it cost, or if the demand is brisk the property will sell for more than it cost, up to the point of the cost of reproduction of similarly situated lands and buildings, where it must stop. If there is a demand, then the property is worth what it cost to assemble. Now, in the case of railroad property, there being so few sales, there being no sales in fact of one tract fitted for railroad property like this, to guide us, the question of a demand must be worked out from some other considerations. I came to the conclusion that there is a demand, a very pressing demand, for such property as the Long Dock property and all of this railroad property in Jersey City. I came to that conclusion from these facts: In the first place, all of the property is in extremely active use, except the Pennsylvania passenger station, which is going through a transition period, the Pennsylvania having diverted its New York passenger service to its new terminal in New York. The Long Dock terminal is absolutely in extremely active use, and so with all of the other property of the railroads in Jersey City. Each of these railroads is acquiring additional property, under the obvious necessity of meeting, somehow, the increased demand upon its existing facilities. The Long Dock Company, for example, has put an open cut through the Hill and put in additional tracks running down to this property; it has doubled its facilities in recent years in that respect. The tendency among all of the railroads has been to relieve the congestion of these shore-front tracts by removing to land in the rear, or on the westerly side of the Hill, or to other places north and south upon the shore front, upon

additionally acquired land, a portion of their business. It seemed to me from what I can gather that they have removed to these other and cheaper tracts the portion of their business out of which they made the least money and that they have left this shore-front tract available for that portion of their business out of which they make the most money. The Pennsylvania, for example, acquired, at vast expense, its Greenville terminal, which is devoted largely to bulk freight, and this has made available its Jersey City terminal for the more expeditious freight, which, I assume, pays much better. I also draw the conclusion that this property has a pressing demand from the fact that it is a part of the Port of New York, and that the growth of the Port of New York has been marvelous in the last 20 years. New York City has spent vast sums in improving its waterfront facilities. Those facilities have been insufficient for the traffic of the Port, and immense improvements, like the Bush Terminal, long distances, five or six miles from New York, have been built up to relieve its congested condition, owing to the growth of the business that comes to the Port. All of that business requires for its proper handling land which borders upon the water; the conjunction of land and water is an indispensable element for handling the bulk of the business, or a large part of the business, that comes to New York City. So much of the land back of the water as is convenient and available for this use of trans-shipment, I consider to be available for the railroad use incident to the terminal business at this Port, as carried on by the railroads. I therefore form the judgment that there is a demand for railroad property, and that that demand justifies the prices that they have paid for it, and therefore justifies a conclusion that

the land is worth substantially what would cost to acquire a similar tract, with similar advantages. To acquire such a tract, with such advantages, would cost many times the valuation which we have put upon this property. Some evidence to determine that cost I will submit in a moment. If I am right, that this property must be considered with reference to its availability for railroad uses and that the demand and the cost of repreducing it are the only two elements to be considered, then I come to another point. In trying to value this land we must consider it according to its availability or suitability for the various uses of such land. A piece of farm land available only for farming uses will have its value determined by the profitableness of the farm use or by the profit which can be derived from it when devoted to farm use. If, upon the farm is discovered an oil well, the property will then acquire a new element of value, which will be measured by the value of the profit that can be made out of it by virtue of the oil-producing business. If coal is found upon it, another element is added, and the value of the land is determined by the profit which can be made out of it by devoting it to coal producing. If a city lot is located quite a distance from the city, it will have one value, measured by the profit that can be gotten out of it by raising vegetables or garden truck. It will have another, and probably a larger element of value by reason of its availability for a site for a home or a factory, which will be measured by the profit which can be made by the devotion of it to homes or factories. But if the property is located in the heart of the city, upon the main street, where thousands of people pass daily or hourly, it will have another element of value, which will be its availability for retail trade,

and this element of value will be measured by the profit that can be made out of the land when devoted to the retail trade. If the property is so situated as to be suitable for a warehouse terminal, it will have an element of value for that purpose, which will be measured by the profit which will be made out of it when devoted to warehouse terminal use. It is by the estimate of the profit that can be made out of this land, when devoted to warehouse, that I understand that Mr. Hansel makes his basis of valuation. My conclusion then is, that when the property is devoted to, or is available for railroad use, it has an element of value by reason of its availability for such uses, and that that element of value is to be measured by the profit that can be made out of it for such use. We can get this evidence, that will show by sales, or by profits, the approximate value of the land fitted for farming purposes, and of land fitted for the retail business on the main street of the City, and of land fitted for warehouse business. Sales of such property are frequent enough to offer a reasonable standard. But when we come to the railroads, we have no direct information from witnesses as to the profitability of the railroad use, and therefore we have to estimate the element of the availability of this property for railroad uses as best we can. We start with the proposition that it originally cost many times the value of adjacent property to assemble it together in its present shape. They have admitted the fact that it would be impossible to gather together any similar tract, within reasonable distance, the property in question upon the Hudson River, for anything like the assessment we put upon this Erie property. The question, then is, is the railroad use a more profitable use than the warehouse use? I

concluded that it is, by reason of the fact that the railroad terminals always occupy much more expensive and costly land than the warehouses occupy, and that the railroads do an apparently profitable business upon lands costing them this excess price. I find in this case the sale of the so-called Vanderbeek tract illustrative of this reasoning. The Vanderbeek property was first sold to the lumber company in the early 90's at a rate of $150,000 for 29 lots. That was at a rate far in excess of the valuation that we put upon this property. At that time the land was in the possession of executors, and it is a fair presumption that they did not part with this property for that price without trying to get a better price out of the railroad company. Ten years later, in 1903, the lumber company sold this property to the railroad company for $375,000. This indicates to my mind that the pressure for railroad facilities at this point in ten years had so increased that they were able to pay this tremendously increased price and still find the property profitable devoted to a profitable use. From these facts I should judge that the railroad use is the most profitable use to which you can devote this kind of property at this place, to the extent, at least, of the terminals that we now have in Jersey City, and I therefore, in valuing this property, discard the element that attaches to it for raising farm truck, for tenement houses or for the ordinary business that is transacted upon the average city lot, or the average factory site, and the value that might attach to it if it was cut up in different parcels and devoted to the warehouse and other city uses, and I attempt to value it according to the element of value imparted to it by reason of its availability for the most profitable use of all, to-wit,

the railroad use. Upon this, and as a result of my experience and from the fact that these railroads will never sell a bit of this shorefront property, but are always paying what appears to be exorbitant prices, and buys out other holdings on the shore front, as evidenced by the Vanderbeek sale, I figure that this property is worth in the market, by reason of its availability for railroad uses, many times the value of adjacent property. My judgment, therefore is, that the railroad is a more profitable use than is the warehouse or ordinary city use, and that we must therefore attempt to measure its value by its availability for its highest use. I find the view, that it is proper to assess railroad property of a peculiar shape, higher than the adjoining property, at least twice as much as the value of adjoining property, considered with reference to its purchase in detached parcels for other than railroad purposes, supported by the decision of the Supreme Court, in the Central Railroad Company case, 20 Vroom, which is also referred to in the arguments upon this proposition. This point was raised in this case, which was the original controversy over the value of railroad property in this State. The original valuers of the railroad property, of whom Mr. Edlow W. Harrison was the chief, proceeded upon the principle which I have outlined, of ascertaining the cost of adjoining property for other purposes in detached parcels, then multiplying it by two. At least the railroads, in that litigation, claimed that this was done. The Supreme Court says that if this was done, there was nothing in the case to show that this was not a proper method of arriving at a valuation. The same view is supported by the United States Supreme Court in the case of Monongahela Navigation Company vs. United States,

148 U. S. 312, where the Court says: "The value of property, generally speaking, is determined by its productiveness,—the profits which its use brings to the owner. Various elements enter into this matter of value. Among them we may notice these: Natural richness of the soil as between two neighboring tracts. One may be fertile, the other barren: the one so situated as to be susceptible of easy use, the other requiring much labor and large expense to make its fertility available. Neighborhood to the centers of business and population largely affects values, for that property which is near the center of a large city may command high rent, while property of the same character, remote therefrom, is wanted by but few, and commands but a small rental. Demand for the use is another factor. The commerce on the Monongahela River, as appears from the testimony offered, is great; the demand for the use of this lock and dam constant. A precisely similar property in a stream where commerce is light, would naturally be of less value, for demand for the use would be less. The value, therefore, is not determined by the mere cost of construction, but more by what the completed structure brings in the way of earnings to its owner. For each separate use of one's property by others, the owner is entitled to a reasonable compensation, and the number and amount of such uses determine the productiveness and the earnings of the property, and therefore largely its value." From all of these facts, taken together, my judgment as a member of the State Board of Assessors, and as an individual that the value of the property in question is at least twice the amount of the assessment, and as a member of that Board I have always stood ready, and now stand ready, to vote

for such an assessment of its value. The other members of the Board were, however, of the opinion that my judgment as to the value of this property was too high. After discussing the matter among ourselves, therefore, the assessment that is here questioned was finally agreed upon. I have considered with great care the value of this property, considered for other uses than the railroad use. If I am mistaken in my judgment of the value of this property, considered as to its availability for railroad uses, then the question arises as to its value if it was devoted to other than railroad uses. The railroad witnesses, and have heard them all or read their testimony, pick out cheap land in the vicinity of the rear of these roads, and use that as a basis; and when they are confronted with the value of land such as is in Exchange Place, in Jersey City, or on Hudson Place, in Hoboken, where the value of the land alone, judging by the assessments and sales, is from five to eight times the assessment we have put upon this property, they proceed to offer reasons why those high values should not be considered as a criterion. The so-called experts for the City, and for the State, also offer reasons why the low value in the rear of these properties, as shown by sales, should not be considered as a criterion. Mr. Hendrickson has worked out a zone theory, which appeals to me proof beyond reasonable doubt of the value of this property for other than railroad uses. I have arrived at a valuation for other than railroad uses in this way: If I was asked to value a lot of land upon Newark Avenue, or upon any street, in any city in the country, I should, if possible, find out what the adjoining lots similarly situated and of a similar size, available for similar use, had sold for, and I should, in the

absence of sales, find out the assessment, and I should follow down the history of the assessment, as to whether it had been acquiesced in or not and should consider that, not as conclusive, but as element showing values. If the adjoining lots were not available, as to sales, I should endeavor to find a sale price of the nearest property similarly situated and available for the same uses, and of the same approximate size. I undertake to value the Long Dock property upon that principle. I consider it for other than railroad uses; I consider it as a tract of land which fronts upon a great street, namely, the Hudson River. It is opposite the greatest city of this country, and what may be the greatest city of the world, a city which is continually increasing in population and in assessable taxable property; it is situated in a part where the business is continually increasing. I could go to the north and south of this tract to find a similar tract and state it. On the north is the Lackawanna tract, devoted to the same purpose, which has never been sold in the market. I go further south and find the Lehigh Valley and the Central Railroad tracts, which have never been sold in the market. I find that the assessments upon these properties are the same as those upon the Long Dock terminal, and that these assessments have not been contested, and I take that into account. I then take a similar tract of land, of substantially the same size, shape and area and frontage in Hoboken, and another similar tract on the south side of Exchange Place, and Montgomery Street. I reason that if, for any reason, the railroad company should vacate their shorefront or if they had never come to this city for their terminals, that the land of the Long Dock Company and the other railroad companies would have been,

or would be in the future, devoted to a variety of uses, and that the variety of uses to which they have been devoted, or would be devoted, is fairly indicated by the uses to which a similar area of property in Hoboken, devoted to private uses, and a similar area in Jersey City, devoted to private uses, are actually used. At several times in this controversy to which I have referred, I have worked out such valuations. In this controversy I had Mr. Dunham work out the assessments in Hoboken of a tract similar in size, location and area to the tract in Jersey City, bordering on the south side of Exchange Place and Montgomery Street, for the purposes of comparison. In Hoboken he takes a tract bounded on the north by Third Street on the east by the pierhead line of the Hudson River, on the south by the Lackawanna Railroad yard, and on the west by Willow Avenue. The area of this tract is 3,000,000 square feet, in round figures; the assessed value of the land is, in round numbers, $6,400,000, and its frontage upon the water is 1150 feet. The average assessed value, per square foot, of this property is $2.12. In Jersey City Mr. Dunham took a tract bounded on the north by the Pennsylvania Railroad yard, on the east by the pierhead line of the Hudson River, on the south by the Morris Canal, and on the west by Warren Street, an area of land of 2,715,000 square feet. The frontage on the river was 1475 feet; the assessed value of the land was $4,280,000. The assessed value, per square foot, is $1.57. Both of these tracts are substantially similar as to area and vicinity to New York, and general shape as the Long Dock Company's terminal. The Long Dock Company's area is 3,700,000 square feet, in round figures, which has a frontage on the river of 1300 feet, in round numbers, and the assessed

value of the land is $5,200,000 made by this Board, which is a square foot assessment of $1.40. I understand that this does not include any valuation of land in the streets. I reason from that, from my familiarity with tax matters and tax assessments and sales, that the assessed value of those tracts of land at Hoboken and Jersey City are less than the price at which than the price at which those lands could be acquired at private sale, if individually purchased, with no necessity of haste, and with no intention of making a large tract, and for the various uses such as a property is now devoted to. I think that in both of those areas the assessed value is not the full value; that is my judgment. I reason further, that if it was attempted to gather these tracts together they could not be acquired for anything like this sum of money. I should say that the cost of acquiring either of these properties, used as a basis of comparison, would be at least five, and more probably ten times the value of the assessment which we have put upon the Long Dock property. There is no reason, physical or legal, why these properties could not be acquired for a railroad terminal, if the necessity was great enough. From that investigation, and from these figures, I arrived at the conclusion that Mr. Hendrickson's zone reasoning is sound, and that, in a different way, that method of comparison bears out the valuations which he has made, if you consider the property in reference to its availability for uses other than railroad uses. That method of comparison takes into account the high price of land on Exchange Place, Jersey City and upon Hudson Place, Hoboken, as well as the low price of land that is found in the rear, or in different portions of these tracts used for comparison. It makes a fair average of values

of lands in separate parcels, devoted to uses other than railroad uses, and, in my judgment, indicates very conclusively, that the assessment placed upon this property is a fair assessment, is a low assessment, considering the property in question as to its availability for uses other than railroad uses. Considered with reference to its availability for railroad uses I consider that the assessment we have placed upon it is very much under its true value. I offer and ask to have read into the record a statement of the different tracts of land which I have purchased, or my firm purchased, for the Pennsylvania Railroad, in its Greenville terminal, which show the owner of the land in each instance, the date of the deed, date of recording in the Register's office, the block and lot number, the consideration paid, and the amount of the assessment at the time of the purchase. The statement referred to is as follows:

Henry V. Meyers to E. F. C. Young. Deed January 26, 1889. Liber. 473, page 194. Cons. $12,500. Assmt. $5,000. Plot 3, Block 1507; 1.34 acres.

Four deeds to E. F. C. Young.. Deed January 10, 1889, Liber. 469, p. 599. Deed February 8, 1889. Liber. 474, p. 277. Deed February 8, 1889. Liber. 474, p. 279. Deed February 27, 1889. Liber. 474, p. 577. Cons. $12,700. Assmt. $5,000. Plot 5, Block 1507; 1.34 acres.

Two deeds to E. F. C. Young. February 28, 1889. Liber. 474, p. 639. Deed March 2, 1889. Liber. 475, p. 42. Cons. $15,000. Assmt. $5,000. Plot 6, Block 1507; 1.34 acres.

Five deeds to E. F. C. Young. Deed February 20, 1889. Liber. 475, p. 89. Deed January 28, 1889. Liber. 474, p. 288. Deed February

20, 1889. Liber. 475, p. 85. Deed February 9, 1889. Liber. 474, p. 285. Deed January 26, 1889. Liber. 476, p. 426. Cons. $13,052. Assmt. $3,000. Plot 2, Block 1507; 1.34 acres.

Cornelius P. Vreeland to E. F. C. Young. Deed December 13, 1889. Liber. 475, p. 318. Cons. $30,000. Assmt. $7,000. Plot G., Block 1506; 1.21 acres.

George Vreeland to E. F. C. Young. Deed March 18, 1889. Liber 477, page 331. Cons. $160,000. Assmt. $40,000. Plot I, Block 1507, 1.34 acres. Plot H, Block 1506, 3.80 acres.

Reuben Simpson, et al. to E. F. C. Young. Deed January 16, 1889. Liber 469, page 605. Cons. $10,000. Assmt. $5,000. Plot 4, Block 1507, 1.34 acres.

Susan M. Vreeland to E. F. C. Young. Deed February 28, 1889. Liber. 476, p. 13. Cons. $85,000. Assmt. $30,000.

Plot D., Block 1512; 18.35 acres. Plot C., Block 1404; 18.35 acres.

Garret G. Vreeland to E. F. C. Young. Deed January 23, 1889. Liber. 469, p. 602. Cons. $85,000. Assmt. $12,500.

Plot 9, Block 1509. Block 1510, lot 8; 8.07 acres. Block 1508, lot 8; 8.07 acres.

Henry Lembeck to E. F. C. Young. Deed February 9, 1889. Liber. 474, p. 273. Cons. $30,000. Assmt. $2,500.

Strip 1 foot by 500 feet along canal with water rights; .01 acres.

Albert N. Brown to E. F. C. Young. Deed February 14, 1889. Liber. 474, p. 455. Cons. $40,000. Assmt. $15,000.

Plot A, Block 1511; 8.88 acres.

Henry Lembeck to E. F. C. Young. Deed February 9, 1889. Liber. 474, p. 270. Cons. $9,000. Assmt. $5,000.

Plot B., Block 1511; 1.75 acres.

Mary Vreeland to E. F. C. Young. Deed February 9, 1889. Liber 474, page 282. Cons. $50,000. Assmt. $11,000.

Plot C., Block 1512; 5.50 acres.

I would like to make clear that in arriving at this judgment I have not included any element of franchise value. Under the law we are told to value franchises and other intangible elements of value. I do not know and have never heard of any method of valuing franchises, except in conjunction with what are called the other intangible elements of value, to wit, the business earnings and returns. The way to get a total valuation of any property is on the average to find its earning power, and the market will pay for any property the earnings capitalized at five or six per cent. If there is an extreme probability that the earnings will never decrease, it sometimes goes to a four per cent. basis in the market; if there is a probability that the earnings will largely increase then the market reflects that probability in the market value of the property on the securities representing it far in excess of the capitalized value of the earnings at five or six per cent; for example, I personally know that in Newark, in the vicinity of the McAdoo tunnel terminal owners of value of the earnings at five or six per cent; for basis, relying upon the fact that the value of the land will greatly increase. When you come to a railroad, the value of the railroad depends upon its earning capacity, the prospect of its continuance and the suitability of its construction for its

purposes. If it has been allowed to run down and improvements have not been made, the market value will be as much less than the capitalized earnings as it would cost to put it in first class physical condition; but taking in all of these roads with which we have to deal, the earnings capitalized are the measure of the value of the road as reflected by the value of its securities in the market. It is not possible to add any value to the land value, due to the franchise or intangible element of value. I have never heard of any suggestion by any witnesses by which you could measure any element of intangible value which was to be added to the land value. I have very carefully considered, in my own mind, whether it was possible to fix an element of value to the land due to its use under a franchise; I am satisfied that no human being can fix any such value or set up any criterion by which he could measure that element of value. In my duties as a member of the Board, and in my thinking as an individual, from my experience, I valued the land and then I valued the franchise, according to the formula which we have used; I valued each of them separately. I do not throw into the value of the franchise any part of the land; I do not throw into the value of the land any part of the value of the franchise. I give it as my opinion that no human being can do either of those two things, and that there is no criterion by which either of those things can be done. I fix my value of this property considered as to its availability for other than railroad uses, as fairly indicated by the value of the property shown in the tracts on the north and on the south, which have been compiled by Mr. Dunham under my direction. I should say that those assessed values were ninety per cent. of the true value, and that that measures

the amount of the true value of the Long Dock property, considered as to its availability for other than railroad uses; considered as to its availability for railroad uses, my valuation is at least twice the valuation we have put upon it in this assessment.

Mr. Bain. The entire answer, and each and every part thereof, is objected to, upon the ground that the same is hearsay, contains conclusions not warranted by any competent evidence, or not warranted by any evidence, that alleged facts are given without date, and because the same is in other respects incompetent, immaterial and irrelevant. I object also to that part of the answer which purports to state alleged statements, representations or agreements by Mr. Harrison Williams, upon the ground that the same are incompetent, immaterial and irrelevant and not binding upon the Long Dock Company. I also object to the exhibit offered by Mr. Record upon the ground that the document offered does not disclose the areas of the various parcels mentioned.

Mr. Hardin. We will add the areas to the paper.

Mr. Bain. I would like to ask Mr. Record whether there were buildings upon the parcels mentioned in the exhibits.

A My recollection is that, as to most of the parcels, there were no buildings whatever, but as to the three northerly parcels there was a very poor building on the extreme northerly Vreeland tract, which I can show you if you wish, in Block 1506, Plot G. My recollection is that there was a very old farm house building on that, which I should think was not worth over $1500. (That is

my recollection), on the next plot, Block 1507, Plot G. H. Block 1506 sold for $160,000 and there were two houses, just alike, one occupied by the father and the other by the son. These were two story mansard roof houses, and in those days probably cost say $7,000 apiece, when they were built. They were at least twenty years old when I bought them.

Mr. Bain. Isn't one of them standing yet?

A It may be, for all I know; I haven't been down there in years, and then there was a very old house that must have been from 100 to 500 years old, an old stone house, which was worth absolutely nothing; somebody lived in it once, some fellow that worked a market garden, but it was hardly habitable, I remember that. Then there were some other houses, small, which have faded out of my recollection; but I have this recollection, that I collected, for three or four years, or two or three years' rents for three or four market garden tracts, and it is possible that I collected rent for two or three of those houses; I have forgotten about that. Outside of these two or three Vreeland houses, I should say there were no houses worth anything, practically, on any of the tracts. That was a good many years ago and I may be mistaken about that; that is my recollection.

Mr. Bain. Then I further object to the offer, upon the ground that the matters stated in the document offered in evidence are not evidential of the value of the Long Dock Terminal.

Mr. Hardin. You have no objection, I understand to the materiality, competency and relevancy of the statement in the form in which it is presented?

Mr. Bain. Not to the form, provided the other matter is supplied, the area of the tract.

Mr. Hardin. We will supply that.

A recess was thereupon had until two o'clock p. m.

The hearing was resumed at two o'clock p. m.

GEORGE L. RECORD, Esq., Recalled.

Direct examination resumed by Mr. Hardin.

Q Mr. Record, I call your attention to a Minute of the Board passed on August 8th, 1911, which was read into the minutes by Mr. Maguire, the Secretary of the Board, on page 251 of the present record; do you recall the passage of that resolution? Kindly read it and let us know. A I have no distinct recollection, except as I refresh my recollection from reading that resolution, of the passage of the resolution itself. I do recollect, however, very many discussions with the different members of the Board and with Mr. Hansel, over the theory or plan of appraisement which I have outlined in my previous testimony, to wit, that the way to arrive at the value of railroad property, or property available for a railroad use, peculiarly shaped and specially situated, was to fix its value in excess of the valuations of adjacent property for other purposes than railroads, and in detached and separate parcels. This principle, or the propriety of applying this principle, was debated over and over again between me and the members of the Board and Mr. Hansel, both in meetings of the Board and in travelling to and from meetings of the Board. I insisted, as I have before stated, that the true principle was the cost of reproduction where there was a demand, and the cost of

reproduction had been admitted by everybody that had any part in any part in any case in which I had taken part to be from two to ten times the value of the adjacent property, considered in separate parcels and for other than railroad purposes; that nowhere had any expert ever testified to an average of less than two times such adjacent value. My recollection is, and my testimony is, that ultimately it was agreed by the Board that that position was sound and that that method of arriving at valuation was sound, and that that railroad main stem property was worth at least twice the value of adjacent property considered for farm and city uses and as detached property. Then we took up the discussion of the question as to terminal property. I, in that discussion, and in all of those discussions, claimed that the principle applied equally as to terminal property as to main stem, but I was unable to arrive at an agreement with the rest of the members of the Board on that point, and my recollection finally was that we agreed that the figures turned in by Mr. Hansel for main stem property, as the value of adjoining property, should be doubled, and that, as a compromise, we finally settled that, on the second class terminal property, a twenty per cent. increment for the plottage increment should be added to the figures that Mr. Hansel turned in which, both as to main stem and as to second class property, I understood to be figures which he had gathered showing the valuation of adjoining property for purposes other than railroad purposes and in detached parcels. My recollection is that this agreement as to how we should arrive at a final valuation and assessment on this property when it was arrived at, was reduced to writing and passed as a formal resolution of the Board, and it was

adopted as a means of instructing Mr. Hansel how to arrive at the valuations which the Board fixed, the Board having fixed the principle, Mr. Hansel was instructed how to apply that principle.

Q Were you familiar with your colleague's, Mr. Hendrickson's figures, as to the valuation of the Long Dock terminal? A My recollection is that I never carried in my mind any particular figures, either Mr. Hansel's or Mr. Hendrickson's. My concern was to get a proper settlement.

Q But at the time you had the figures? A Well, I presume the figures were all shown to me at the time; I have no doubt of that; but I concerned myself with the principle at which we arrived at a valuation.

Q Have you any recollection of any specific conversation with Mr. Hansel, in the State House or elsewhere, where you required of him to figure the percentage upon valuations necessary to add ten million dollars to the railroads of Jersey City for second class property? A I have no recollection of any such conversation. I had almost innumerable conversations with Mr. Hansel going up and down from Trenton, and at meetings of the Board and at intermissions between them, but I have no distinct recollection of any specification of ten million dollars or any other sum, or any such conversation to which he has testified. I should think that either Mr. Hansel is mistaken in that testimony, or that its true version was that we had agreed upon a plottage value and somebody said something about ten million dollars; I might have asked that, how that fitted in with our plottage value theory, something of that kind, but I have no recollection of any ten million dollars, nor does it fit in with any theory which I have ever held of the value of this property.

Q Your recollection of any application of twenty per cent. was on the plottage theory only? A On the plottage theory, only, and that was applied to a set of figures which Mr. Hansel used on adjoining value theory.

Q Do you recall at any time when the valuations as finally fixed upon the terminal property of the Long Dock Company received the approval of anyone connected with the Erie Railroad? A I have a general recollection of what I believed to be a settlement arrived at as has been testified to by Mr. Hendrickson and Mr. Hansel. I remember repeated conferences with Mr. Harrison Williams, and I remember the final conference at my office, at which we arrived at a figure and that was agreed upon and settled then and there, as I supposed, for good. I assumed and believed that Mr. Williams was empowered to speak for the railroad. I remember the interview and the showing of a slip of paper,—I could not remember the figures except as I refresh my memory by looking at them.

Mr. Bain. I object to that last answer upon the ground that it contains a conclusion, and is in other respects incompetent, irrelevant and immaterial.

Q Were you present at the meeting of the State Board of Assessors in Trenton, on April 6th, 1915, when this slip was taken from the envelope, Exhibit S-2? A Yes, I saw Mr. Hansel produce that envelope from his files sealed, open it and extract from it the slip Exhibit S-1, in the presence of the members of the Board in formal session and in the presence of the counsel of the Board.

Q The assessment against the Erie System, as agreed upon by Mr. Williams, was put in form and filed by the Board later on?

Mr. Bain. I object to the form of the question as to any alleged agreement with Mr. Williams, on the ground that the same is incompetent, immaterial and irrelevant, and not binding on the Long Dock Company.

A Yes.

Q Do you recall having made any inquiry later as to why the Erie did not pay the taxes in accordance with the settlement? A Mr. Hansel has shown me today a letter to myself, the substance of which he has testified to, which refreshes my recollection, and upon that, I testify from recollection, that the reason was brought to my attention for their non-payment, which was to the effect that they did not wish to embarrass themselves by paying a higher tax than they were contesting for the previous years; but whether I saw Mr. Williams or whether he saw me, or whether I saw Mr. Williams or he me first, I cannot recollect, but I do recollect that that fact was communicated to me at the time, as an explanation of why they had not paid their taxes.

Mr. Bain. I object to the answer upon the ground that it contains hearsay and is in other respects incompetent, immaterial and irrelevant.

Q Is your recollection about the occurrences at the meeting in your office, to which you, Mr. Hansel and Mr. Hendrickson have referred, at which this slip of paper, Exhibit S-1 was used, clear enough to enable you to tell us whether or not there was any conditional arrangement made by Mr. Williams, of any sort or of any kind? A

There is a very clear recollection; my recollection is that after many, many interviews we finally, at Trenton or some other place, arraived at a final figure——

Mr. Bain. Pardon me a moment; I object to the question on the ground that it is incompetent, immaterial and irrelevant.

A ——We had arrived at a final figure which we would finally stand for, and that we came to Jersey City and met Mr. Williams for, what I believed to be, a final interview, at which we were ready to deliver our ultimatum. At that interview Mr. Hendrickson, who conducted the negotiations, presented these figures; they were agreed to by Mr. Williams as a finality, so far as I remember, that they were agreed to by him as a finality, and that they settled the long tedious negotiation.

Q Do you recall any reservation on his part, of any necessity for consulting with his Board of Directors, or in any way get additional authority in that connection? A I have no recollection of any such statement from him; but it is in my mind that I considered him, at the time, authorized to effect a final settlement, and when he went away and these figures were agreed upon, it was with the supposition in my mind that he came there authorized to settle.

Mr. Bain. The answer is objected to upon the ground that it states a conclusion, and is in other respects incompetent, immaterial and irrelevant.

Q When you later participated with the Board, which I believe was on September 24th, 1912, in officially confirming the assessment against the Erie System and ordering the same certified to the Comptroller, you did so believing that a final ar-

rangement had been reached? A I certainly did, and would not have agreed to the finished assessment as it was agreed to, except on the basis that this was accepted also.

Cross examination by Mr. Bain.

Q Will you kindly fix the date when you were retained to make a map showing the available sites for the location of factories along the waterfront of the Hudson River as first testified to by you? A By the Hewitts?

Q By the Hewitts. A Now, that can be ascertained——

Q Well, approximately. A I should say that was, in my recollection it was either in 1893 or before the panic had subsided; my reason for that is that I distinctly remember one day being in Mr. Hewitt's office and the clerk brought in some checks, and Mr. Hewitt said, "Thank Heaven everything has not gone to pieces." That brings it back to my mind that it was either in the time of the panic or before it had subsided.

Q Will you kindly fix the date when you were first employed to purchase the Pennsylvania property, the land upon which its Greenville yard is located? A From six months to a year prior to the dates of these deeds. We did the bulk of the work in the summer; I remember distinctly having to brush the mosquitos off me down there.

Q When was the purchase of that property completed? A I should say the dates shortly before the dates of those deeds; I took options on tracts, and they were thirty day options on the tracts, as I remember it, and when the titles were searched the title passed.

Q Then the Greenville yard of the Pennsylvania Railroad was purchased just prior to 1891?

A Yes, just prior to 1891; a year and a half or two years before.

Q Will you kindly state the price per acre paid by the Pennsylvania Railroad for its present yard in Greenville? A I cannot do that; it can be worked out from the records very easily.

Q I think you said that you became corporation counsel of Jersey City about 1902. A January, 1902, I think.

Q And that was the time when you first started to investigate the value of railroad lands in Jersey City? A I should say within a year of that time.

Q How long had you lived in Jersey City before that? A I came here in 1883, I think it was.

Q When did you first become convinced that assessments upon railroad terminal lands in Jersey City were too low? A Some time within a year after I became corporation counsel.

Q And that was about the time you made the first application to the State Board of Assessors for the increase of those assessments? A Yes; I might say also that before I became corporation counsel there had been a somewhat similar agitation, which also resulted in a commission and hearings, in which Mr. Black also was a member of that commission; that was in Mayor Wanser's time and it had been a matter of political agitation in the town, so that there was an impression in my mind from the political agitation that the railroads were getting the best of it from taxation.

Q You first made application then to the State Board of Assessors for the increase of the assessments upon railroad terminal lands in Jersey City, I take it, along about 1903 or 1904? A I should think it was sooner than that.

Q About a year earlier, possibly? A Yes.

Q But some time between 1902 and 1904 (you say it was the early part of 1902), you sought then, I presume, to have the assessments upon railroad terminal lands increased to what you thought to be the true value of the land? A Yes.

Q At that time at what percentage of true value were the lands of other owners in Jersey City assessed? A My recollection is that the general idea was from 60 to 75 per cent.; there was no way to tell accurately.

Q At the time you made application to the State Board of Assessors to have the real estate assessments of terminal lands increased to what you thought to be their true value, no similar application was made to any Board to have the value of other lands, not owned by railroads in Jersey City, increased to the true value of those lands? A No, sir; not by me, anyway.

Q And no other application that you know of? A No.

Q I think you said that you first examined the railroad terminal lands just prior to the taking of the testimony upon the complaints before the State Board of Assessors against the assessments for the years 1906 or 1907? A No, sir.

Q Or was that before the hearing the Board of Equalization of Taxes on the complaint against the assessments for 1906 and 1907 A There were two hearings, one before the State Board of Assessors, and that hearing took the form of a joint trip by the railroad officials upon a tug furnished by the railroad, out in front of the land, and also a joint trip of the State Board with the railroad and city officials, in carriages, from one terminal to the other, in the rear; and then the same thing was done when we went before the Equal Tax

Commission; and the same thing was done, I think when we went before the Board of Equalization on appeal.

Q And that appeal before the Board of Equalization was against the assessments for the years 1906 and 1907? A 1905 and 1906, wasn't it; the 1905 and 1906 assessments were knocked out.

Q And those assessments were set aside by the State Board of Equalization? A No, what happened was (this is my recollection, I may be wrong about it), but while they were pending the Court decided that we had not any right to assess at all; it may be that they handed down their decision before that; I have forgotten.

Q Wasn't this what happened, Mr. Record: The assessments upon second class railroad lands as made by the local assessors of Jersey City for the years 1905 and 1906, or possibly for the year 1905, were appealed to the State Board of Equalization of Taxes, and that Board set aside the assessments, on the ground that they were either excessive or in excess of the proportionate value at which surrounding lands were assessed; that decision of the Board of Equalization of Taxes was taken before the Supreme Court and the Court of Errors, possibly not before the Court of Errors, at any rate before one of the Courts and the decision of the Board of Equalization of Taxes reversed, upon the ground that notice had not been served upon each individual taxpayer of the complaint against the assessments? A I don't remember those details; I do remember, that before we finally concluded anything, the Court set aside our capacity to assess and declared the law unconstitutional.

Q Then after,—and, by the way, I think if your memory was refreshed you would find the assess-

ments made by the local assessors on second class railroad lands were for 1906 and 1907,—the assessments for the years 1906 and 1907 were made by the local assessors and set aside, there was an assessment by the State Board of Assessors of the same lands, it having been determined that the Act under which the assessments upon second class property were made by the local boards was unconstitutional? A And a new act was passed, a special act.

Q You have mentioned the sale of the Yellow Pine tract in Hoboken; that tract included not only the land under water but back land in connection with the land under water? A Yes, a small amount, as I remember it.

Q And the purchase price for the Yellow Pine tract was not for the land under water alone, or the back land alone, but for both, and cannot be apportioned to either one or the other? A I should think not.

Q Did I understand you to say that you based the cost of reproduction of a terminal similar to the Long Dock terminal along the Hudson River in Jersey City, upon the cost of acquiring land south of Exchange Place, with in northerly boundary line along Montgomery Street and Exchange Place, and upon the cost of acquiring land in Hoboken with the southerly boundary line along Hudson Place and Ferry Street? A Yes, I based the cost of reproduction upon that basis, those being the only two places that I know of where you can get a terminal similarly situated to the Long Dock.

Q There has been no substantial change in the character of the property in the section of Jersey City and the section of Hoboken last referred to, in the last fifteen years? A Well, I should say

yes. The opening of the McAdoo tunnels affected downtown property in Jersey City adversely, in the vicinity of the tunnel; it, I should say, largely increased the value of the Lackawanna, Erie and the Pennsylvania terminals, as against the Lehigh Valley and the Central terminals, by substituting a convenient, comfortable and very much quicker journey under the river to each of those terminals than the old, slow, uncomfortable ferry service.

Q So far as lower Jersey City is concerned, the most expensive land is along lower Montgomery Street and Exchange Place? A Well, I am not sure whether that is more expensive than that in the shopping district or not.

Q By "shopping district" you mean along Newark Avenue? A Mr. Ryer confirms my idea that the shopping district on Newark Avenue above the Pennsylvania Railroad has values as high, if not higher than those at Exchange Place.

Q But, aside from the shopping district along Newark Avenue, values in Jersey City, along lower Montgomery Street and Exchange Place are the highest in the lower section of the City? A I should think so.

Q And in Hoboken the values of land along Hudson Place and Hudson Street, running north from Hudson Place, and Newark Street running west from Hudson Street, and along Ferry Street, are the highest of Hoboken? A I have so understood it; I have no information as to the value of the shopping district on Washington Street there.

Q You have never heard of any attempt to locate, or any demand for the location of a railroad terminal in either of the sections mentioned by you? A Yes, I have.

Q None was ever located there, of course? A No.

Q Have you any positive knowledge at the present time of any demand, by any person, firm or corporation, for a railroad terminal of the size of the Long Dock terminal in Jersey City along the Hudson River? A I am under the impression that the Lehigh Valley Railroad Company would be very glad to obtain possession of such a terminal.

Q That is a conclusion not based upon any fact? A I would not say yes to that. In the course of these different contests it has come out in evidence that the Lehigh docks are awkward and inconvenient, and are not sufficiently long, and that it is not a sufficiently convenient terminal for their purposes; that has come out in evidence by witnesses, some trying to distinguish and make the one railroad terminal higher than others, and so on; those facts are facts I have, upon which I have obtained my impression to which I testified.

Q But you have no knowledge that the Lehigh Valley Railroad Company has ever attempted to secure a terminal in Jersey City upon the territory just south of Jersey City, or in Hoboken, upon the territory just north of Hudson Place? A No, that is true.

Q Nor any other railroad? A No.

Q When the Pennsylvania Railroad Company wanted a new terminal in New York Harbor, instead of attempting to get either one of those terminals, it went to Greenville? A Well, I have no knowledge about that; they may have attempted to get those terminals, for all I know.

Q You don't know that this company did attempt to get it? A No, I don't know that they did not, either.

Q You do know that the company did go to Greenville? A Yes, but not for such a terminal as they have here.

Q A freight terminal? A They wanted a terminal to take part of their business for which they had no room here.

Q And they went to Greenville for a freight terminal? A They went to Greenville for additional terminal facilities, I assume, freight terminal facilities.

Q Have you any accurate knowledge of the reason why the Pennsylvania Railroad Company located its freight terminal in Greenville? A What do you mean by that? I cannot answer that.

Q Have you any knowledge of the reason why the Pennsylvania Railroad located its terminal in Greenville? A I have.

Q It was because land was cheap, wasn't it? A You asked me if I had any knowledge as to why they did it and I told you I had.

Q I am asking you now whether it was not because land was cheap in Greenville. A It was because it was most available, the most available that could be gotten for the amount of money that they were willing to spend for the purposes to which they wanted to devote it. The reason why they went to Greenville, as given to me by their officials, was that the business had outgrown their Jersey City terminals, and they therefore had to get additional terminal facilities; now they foresaw that they would shortly have to do that.

Q Subsequent to the time when the Greenville yards of the Pennsylvania Railroad Company were constructed, the great railroad station of the Pennsylvania Railroad in New York was opened, and the majority of the passenger traffic that formerly

came into the Pennsylvania terminal in Exchange Place was diverted to New York, leaving the Exchange Place terminal at Jersey City but of little use? A No, that is not so; the passenger station portion of the Pennsylvania terminal in Jersey City is less used now than it used to be since they opened their New York terminal, but that is only a very small portion of their Jersey City terminal.

By Mr. Hardin.

Q When was that, with reference to opening the Greenville yard? A In the Greenville terminal, that was bought in 1889, I think it was started six or eight years later, and it took about five years to finish, I think it was opened about 1900. When the station was opened I have forgotten but it was five or six years ago.

By Mr. Bain.

Q Notwithstanding the fact that much of the passenger traffic, which went to the Exchange Place terminal of the Pennsylvania Railroad before the New York depot of that company was opened, has been diverted from Exchange Place, the Pennsylvania Railroad has not shifted any large proportion of its freight business from the Greenville yards into the Pennsylvania Railroad terminal at the foot of Exchange Place? A That I don't know; I only know that the railroad station, that part of the terminal occupied by the railroad station, obviously cannot be used for freight purposes, and that is a very small corner. My belief is that the Pennsylvania's business is constantly increasing in very large volume annually.

Q When was the so-called element of availability for railroad purposes first considered by you as an element of value of railroad terminal lands? A When I first studied the question, as corporation counsel, I read the old Central Railroad case. I procured from Mr. Allen McDermott the testimony which was in his possession, which was then and is now etxremely rare; I don't think there is more than one or two of them in existence, of the old testimony in the Central Railroad case; and I read that testimony substantially, so far, at least, to get the point of view of each important witness; I read the arguments of counsel in the court; and I read the Court's opinion, too; then I talked with Mr. Black, who had served on a commission which had considered that question; and I talked with railroad counsel on their points of view, Mr. Edwards and Mr. Corbin, and I tried to master the subject as well as I could; and I then came to the conclusion to which I have adhered until the present time, that the only way to value railroad property is to ascertain the element of availability for railroad use, and in default of the railroad giving us that information, which they have and which they would never disclose, I have arrived at it as best I could, in the way I have stated in my testimony.

Q Have you ever heard anyone versed in the matter suggest any formula by which the so-called element of availability of land for railroad purposes could be ascertained? A What do you mean by "formula." I cannot answer that without a definition.

Q Any method. A Yes, Mr. Ehrehardt evolved a method, and Mr. Floyd Corbin evolved a method.

Q Was it upon those methods that your method was built up? A No, my method was my own. Mr. Ehrehardt's method was to take Buffalo, Chicago, Boston, New York, Brooklyn, Baltimore, and by grouping values and finding out what was the value of railroad property, in comparison to other property in those sections, to build up a theory of railroad value, which he did, and expounded it at great length.

Q If I understand your method of attempting to determine the value of the so-called element of availability, it is to do so from the profit that the railroad company gets out of its terminal property. A On the contrary, I am unable to do that, because I cannot find out what the profit is.

Q Could you do so if you found out what the profit was? A I certainly could. The value of a shopping district is due to the profit that you can get out of the use of the land. The United Cigar Stores Company fixes its rentals over in New York and in every city in this country, without talking to a single expect; they send a man who counts the number of people who go by certain locations, and upon that they say "We can afford to pay about so much," and then get it as much less than that as they can, but go up to that if the market requires, and if the market is above that they do not buy.

Q But the profit made by a railroad company depends not upon the terminals alone, but upon the entire system, including terminals, main stem and every other part of the railroad. A That is true.

Q And it is impossible to allocate any portion of the income to a railroad terminal. A Well, in the United States cases, before the Interstate Commerce Commission, they bring forward elaborate

allocations on their part to show how much ought to go to terminals, how much ought to go to main stems, where the railroad runs through the different states.

Q You have no formula of your own for that? A Necessarily not; that can only be built up by railroad men who have an understanding of railroad expenses.

Q Then, when you say that the element of availability makes terminal lands worth from two to ten times as much as the value of tracts surrounding those lands, that statement is not made by any fact or calculation? A Yes, it was based upon the admitted testimony of witnesses that it cost from two to ten times the amount to assemble such a tract, and the fact that the railroad use it for an obviously profitable business, shown by their stock market quotations, in that expensive location, induces me to believe that they make a profit, or if they did not I think they would go somewhere else.

Q Don't you remember hearing Mr. Hansel testify, or read his testimony, to the effect that it is impossible to tell the value of a terminal to the railroad system? A Well, at this moment I do not recall that he so testified; I presume I read it at some time; I don't know but what that is the case; I don't know; I never said it was possible.

Q Your so-called element of value because small parcels of land must be grouped in one parcel to make a parcel of sufficient size for railroad terminals, is based upon the presumption that originally the lands were separated by streets and in small parcels? A No, that is not so. My position is that if you attempt to get together a tract of land, of say half a block as the minimum, and any indefinite amount that you may consider, run-

ning into the hundreds of acres, in a city or in a farming section, where the total unit is very much larger than the ordinary unit, in such an event, by the time you get it all you will have paid an element in excess per square foot of what you would have had to pay if you got any one of the tracts separately; as to that principle, I understand, there is no difference among the experts; that is known as the plottage principle; we differ only as to whether that is ten per cent., one hundred per cent. or five hundred per cent. in individual instances. The plottage principle, as far as I know, is not contested by any witnesses in any of these controversies.

Q You made no attempt, in the case of the present assessments to measure the so-called element of availability for railroad purposes in money? A Yes, I did. I figured that I obtained the average value, as I explained, of adjacent property in Hoboken and in Jersey City, and doubled that; I figured that those figures represented the least value that could reasonably be apportioned to that property as representing its railroad use, its capacity to earn money when used for railroad purposes.

Q In order to make terminal lands available for railroad use there would have to be the railroad behind the lands, would there not? A I should not think so. I should think that if the Pennsylvania Railroad had, by its Greenville terminal and New York terminal, abundant facilities, entirely sufficient for its business, that this tract of land in Jersey City today would bring at least five times the amount we have assessed it, and that that would be eagerly purchased by another railroad company; I should think either the Baltimore & Ohio or the Reading Railroad would

be very glad to pay very much in excess of the assessed value of this property.

Q Your last statement is a pure conclusion? A You have asked me for my opinion and that is a conclusion.

Q Did I understand you to say that your Board disregarded Mr. Hansel's valuation on real estate? A No, I did not so state. What I mean to say is, that I, personally, considered Mr. Hansel's figures, as to main stem values, to be an indication of the average value per square foot of adjoining property for farm or city use, which was appropriate to the locality in question. I did not question the correctness of those figures for that purpose, but I did consider that Mr. Hansel was no judge of those values whatsoever; they were brought into him by clerks who, in their turn, were no judges, but I accepted those figures as probably true; Mr. Hansel made no pretence of knowing the value of anything in Rahway or Burlington, or any other place; he never went to any of them.

Q You took Mr. Hansel's valuations of all other railroad property except real estate? A I did, in this way: I took Mr. Hansel's valuations on everything as prima facie, as a thing to commence your inquiry with; on rolling stock we submitted those valuations to the railroads; if they disputed them, as they did in scores of instances, we then said to Mr. Hansel, "You and Mr. Focht sit down with the railroad men and see if there is any error made." There must have been hundreds of errors made which were corrected by mutual agreement between them. Errors were made in the computation of bridges, errors were made of every kind, natural errors that must necessarily creep into a work of that magnitude; we considered Mr. Hansel's figures, subjected them to the test of in-

quiry, evidence and reason, both as to franchises, rolling stock, tangible property of every kind, and real estate. We did accept, I think, Mr. Hansel's knowledge as an expert upon the valuation of a car and the railroad things of that kind which he had been familiar with; he knew the value of locomotives, he knew the value of cars, and he was expert in that line; I think he was an expert upon the value of cuts and fills, and upon those values we took his judgment, in connection with that of Mr. Focht, who had also been familiar with those things.

Q But your final revision of the assessments after the revaluation by Mr. Hansel, with respect to all other property except real estate, were the values as finally revised by Mr. Hansel, in conjunction with Mr. Focht? A And accepted by the railroad representatives, if there was any difference between Mr. Focht and Mr. Hansel on the one hand and the railroads upon the other; in any individual instances we settled that ourselves.

Q You say that Mr. Hansel had no knowledge of real estate values in New Jersey? A That is my understanding; he never pretended to have with me.

Q As part of Mr. Hansel's duties under the various acts or resolutions under which he was appointed, it required him to ascertain the value of such property? A Yes, and he did. Part of my duty requires me to ascertain the value of land down in Tuckahoe for railroad purposes, but I don't know anything about it, except as I learned in pursuance of that duty.

Q Did I understand you to say that Mr. Hansel reported valuations to your Board at about the figures of former assessments by the Board? A I understood that his valuation of the railroad ter-

minal properties in Jersey City were substantially that which had been last found by the Board prior to the time that he took hold; they seemed to be copies of that assessment, in substance; they did not vary substantially from it, as I remember it.

Q Have you any personal knowledge of the so-called Vanderbeek sale, outside of what you have obtained from reading the testimony? A Well, I have heard it testified to in five or six of these contests; but I know nothing about it personally.

Q If I understood you correctly, you made the statement that the railroad terminal lands along the Hudson River are worth very much more than the assessed value of that land because of the availability for railroad uses; was that your statement? A Yes; and I think they are worth very much more considered in reference to their availability for other uses, such as we find in this locality north and south; but if you consider the railroad use, that makes a very great excess, if you consider the other use, the excess is not so great.

Q Have you any knowledge of any person, firm or corporation not owning a railroad which purchased land for a railroad terminal along the Hudson River? A Technically, yes, but as you mean it, of course, no. All these purchases of the West Shore and the northern purchases, and the purchase of the Greenville terminal, were not made by railroad companies, but technically made by real estate companies.

Q In other words, in order to make land along the Hudson River available for railroad purposes, the intending purchaser must own a railroad? A Not at all. I chipped in with three other men to purchase a piece of land on the shore front below the Pennsylvania Terminal, on the ground that I thought it was available for railroad uses, and I

undertook to speculate on that proposition; I was not a railroad, but I bought it and paid what I considered it worth because I thought it was available for a railroad use, and I thought at that time that the Lehigh Valley would purchase down below. I wish to say, in addition, that Mr. Mungo Currie, in partnership with Morris & Cummings Dredging Company, filled in an immense tract immediately adjoining on the south of the Pennsylvania Railroad tract, with the idea, among others, of making it available and fitted for a railroad terminal and to make a profit by using it for that purpose. And I wish to say, in addition, that I personally know that the Pennsylvania Railroad considered buying it from him for a long while.

Q But did not buy it? A They did not buy it.

Q Therefore, it was not available to the Pennsylvania Railroad for railroad use? A It was, and it was absolutely available. Instead of it being true that they did not purchase the Morris & Cummings and Currie tracts because it was not available for railroad use, the only reason why they did not purchase was because I advised them that they could get this tract on the north cheaper than the price that Morris & Cummings and Currie demanded.

Q And they got their other property cheaper? A A great deal cheaper.

Q Therefore Currie and the Morris & Cummings Dredging Company made a mistake when they thought it was available for railroad use? A No, they made a mistake in charging too much; but there will come a time when that property will be used for a terminal similar to the Pennsylvania.

Q In other words there is a possibility, as illustrated by that case, of over-valuing the so-called element of availability? A There surely is a possibility of over-valuing any element in real estate.

Q The whole question of availability for railroad purposes is a matter of speculation? A So it is with respect to any use whatsoever; it is all a matter of judgment, and a man makes mistakes in judgment.

Q Speculative judgment? A That is true as to buying a piece of land for any purpose whatsoever under the sun; it is all a matter of judgment; some make and some lose on speculative judgment; except where a man buys for the sole purpose of building himself a home, with no idea of any future sale; then he pays what he can afford, but property that has a market value is determined by the speculative view that the holders and prospective purchasers have of it.

Q Did I understand you to say that if the railroads had not come to Jersey City property at the foot of Exchange Place, Jersey City, and along Hudson Place, in Hoboken, would be used for the purposes for which that property is now used? A I should think it extremely likely. I should think that if these railroads had not come to Jersey City that the Jersey City shore front would have been used largely for steamship and warehouse purposes; that the Bush terminal development would have been up here instead of down in Brooklyn, that the New York Dock Company's improvement would have been here; and that we would have had docks, steamships and the warehouses and kind of business that gravitates to the shores of a great port; and I should say that that kind of business and its profitableness is fairly indicated by the development in Hoboken and by the development in Jersey City, south of Exchange Place.

Q Then do I understand the answer to the last question to indicate that if the railroad company had not come to Jersey City, the land at the foot of

Exchange Place would be used for warehouses like the Bush Terminal, and that the same thing applies to the territory in Hoboken, also? A No, I am not talking about the value of land in any specific plot; I know nothing about that; I have tried to fix a value upon these tracts as a whole, and not to any corner of them as distinguished from any other corner. Mr. Hendrickson has applied a zone theory on that proposition; I have approached it in another way; if the railroad companies had not appeared here I should think that the ferry proposition at reasonable distances up and down this river would have appeared to relieve the congestion of traffic to the ferries; that these ferries would have been immediately built up by the business that grows wherever there is a passage of a large number of men, which would be either office business, cigar business, retail business or the saloon business, or the hotel business; that, as you went further back, through collateral uses, would develop like the Colgate business, the sugar house, and then around those would develop the apartment house use, and at definite distances would develop the retail store use, and then, at other distances further away, but still convenient, would develop great shopping centers, and that values would be higher or lower in those areas just as we fined them in Hoboken and in Jersey City, the general rule being that where there are vast numbers of people passing a given point the land is high in value, and that is true at a ferry or at a shopping center pretty generally.

Q Then, in your opinion, the placing of the terminal of the Pennsylvania Railroad at Exchange Place, and placing the terminal yard of the Lackawanna in Hoboken, had nothing whatever to do with the development of the sections of Jersey City

and Hoboken immediately adjacent to those properties? A I did not say anything of the kind; I should say they had very much to do with it. I say I cannot estimate what would have happened at Taylor's Hotel if the Pennsylvania Railroad had chosen to make its terminal at Staten Island, nor can I tell what would have happened to the Pavonia Avenue lot if the Erie Railroad had stuck to its Piermont terminal and never came down the river at all.

Q Then how can you tell whether or not, if the railroads had not come to Jersey City, the sections along Pavonia Avenue and Exchange Place, and Hudson Place, in Hoboken, would have been used for the purposes they are used? A I can only tell by looking at all communities where there is a port; wherever there is a vast traffic in a port around the borders of the land nearest to the harbor there grows up a use which is appropriate to land and water which is conducted, of various kinds; that peculiar use applied to railroads, applies to warehouses and applies to ferries; I do not know, at the moment, of any other water use; those uses lead to the development of the land in the rear for the various purposes of a settlement, banking, retail trade, express business, trucking business, saloon business, hotel business, and every kind of retail business, banking business and office business. I should say that if those railroads had gone either up or down, or all had crossed the river up above the Harlem and came into New York City that way, that we would have had a development on this shore front of the general nature of the New York and Brooklyn shore front development and that those values are fairly indicated by the Hoboken situation today, which is in the rear of steamship companies, and the Jersey City situation today,

which is in the rear of the port for steamships. If there is any other way of arriving at the hypothetical value in a case that does not exist, and will never exist, I do not know what it is.

Q The twenty per cent. that was added to second class railroad property under the resolution of your Board, which has been offered in evidence, was added not only to the large terminal plots, speaking particularly of the Long Dock Company east of Provost Street, but also to the small parcels of second class property lying in Jersey City for the main stem of the Long Dock Company and west of Provost Street; was not that so? A I assume so; it certainly should have been, according to my view.

Q And that twenty per cent. multiple was applied to all second class property of all the railroads in the State? A It ought to have been; that is my principle.

Q Irrespective of the size of the plot? A Well, I would not say that; if that was applied to a single lot of land somewhere in Passaic or Newark or some place, I should say that was a wrong application of the principle.

Q Is it not a fact that the twenty per cent. multiple was applied to every parcel of second class railroad property, irrespective of its value? A That I don't know.

Q You would not say that that was not so? A That is easily obtainable; Mr. Focht could tell you about that. I am only saying that my contention was that the plottage principle should apply to the main stem and the terminals where the terminals were peculiarly shaped and to get another one like it would require the buying of separate pieces of property from separate owners.

Q Then if the twenty per cent. multiple was applied to Mr. Hansel's valuations of the land in Jersey City along the main stem of the Penhorn Creek Railroad, on these second class lands to the west of Provost Street, it was an error? A I should say that all of the land which the Long Dock Railroad owns in Jersey City is a part of its terminal, and on my theory should be treated as a whole and the plottage value should be applied to their entire holding in Jersey City.

Q Notwithstanding the fact that the second class property west of Provost Street is separated by streets, each parcel from the other parcel? A Well, if the parcels are composed of many parcels gathered together and which are held for railroad use, or in contemplation of railroad use, I should certainly say so.

Q Do I understand you to say that even though the parcels of second class property owned by the Long Dock Company to the west of Provost Street are separated by streets, nevertheless, this twenty per cent. multiple should be added? A Surely, if there is more than one tract, because otherwise they should be assessed as third class property; if they are not held in immediately contemplation for railroad use then they should be assessed as third class property; then I should think the plottage principle would require a lower multiple than if they were in the terminal itself; if they are assessed as second class property, I would throw them all into the same general class.

Q Then do I understand you to say that all second class railroad property, because it is devoted to general railroad use, should have the twenty per cent. multiple added? A No, the multiple should depend on the circumstances in the case. In South Jersey we value the main stem, and I pre-

sume the second class property was below the value of adjacent property, because the railroads were making no money, running trains at a dead loss, and offered us proof to that effect, and the railroad use was obviously not even as profitable a use as the farming use, and for that reason we not only disregarded the franchise,—we threw that off—but assessed the value much below adjacent values, on the ground that before the farmer could use it he would have to take the gravel, ballast and rails off the land; and we reversed that process where we saw that the railroad was doing an apparently profitable business and paying exorbitant sums and it pays on its present holdings.

Q How did you get the profitable use of the railroads lands in South Jersey? A By their evidence; they came in and showed us that they ran only one train a day, or whatever the law required them to run and that very few people travelled in it, and that every train they ran they ran at a loss, and some of them only run in the summer time, besides.

Q I understand from your testimony then that while in Jersey City you assessed all parcels of second class land at twenty per cent. more than the value of adjoining property, you assess second class railroad land in South Jersey at less than the value of surrounding lands? A I don't know about the second class property; I say I am telling you the principle; that I recollect part of the main stems in South Jersey that I have had to do with have a valuation less than the adjoining property, and had no valuation for the franchises. Now, if there was any second class property, as I assume there might have been a few, with the railroad station in these uninhabited regions, thrown in on the same principle.

Q Were the terminals of the railroad companies in Camden, and second class property in those terminals, assessed at twenty per cent. more than the surrounding property? A They ought to have been.

Q Will you say they were, or were not? A I am not up on those details.

Q You don't know what the fact is? A If they were not, then my understanding of the position of the Board is wrong; that is what I voted to do and I understand that is the direction we gave to Mr. Hansel and Mr. Focht about it.

Q Did you intend the Board should add twenty per cent. to the value of the second class property of the Long Dock Company lying west of Bergen Hill? A No, I did not intend to add twenty per cent. to the value, but I intended that they should add twenty per cent. to the value, for which you could buy a small portion of adjoining land, for a separate detached use, like a factory or something like that.

Q And that applied to the second class property of the Long Dock Company west of Bergen Hill? A It would, in my theory, wherever there is an aggregate of land gathered together from a variety of purchasers, where the admitted principle, which all witnesses agreed is a sound principle, can be applied there, there should be an increment of value added, and that increment of value, in my opinion, is subject to discussion and a variety of opinions, according to its special location; it would run from ten per cent., to my mind, up to perhaps five hundred per cent.

Q And there can be no uniform application? A I should not think so; I think each location ought to be governed by itself, but you can apply it with reasonable uniformity to all of the lands of the

railroads of New Jersey, except in these South Jersey railroads, or some side lines, where individual proof can be shown that the railroad is making no money upon that particular line; those would be all exceptions.

Q Do I understand from your last answer, we will say taking the parcels of second class railroad land north of Trenton, there should be twenty per cent. added to the value of each separate little second class parcel of every railroad? A I do not say so.

Q Do you intend to say that?

A I should say that that ought to be valued in this way: That if there is a piece of second class property that is about the size of the average lot, which is bought and sold adjoining, that the principle ought not to apply to a large extent; it might apply to a small extent; whenever you add to that a particular piece to piece out your railroad at that point, I should say that that plottage value would be very small, say ten per cent., but if the second class property at that point required a yard for drilling, and needed to buy from 30 to 40 different people—had not the power of condemnation—for what you needed, then I should very much enlarge the multiple; I should judge each case by itself; I should put Camden and Jersey City upon the same plane; I should put the distributing yards west of the Hill upon that plane, as I personally know over there that I can buy land for $900 an acre for a factory, and you would pay $2,500 an acre for your main stem every time you want to go through.

Q Will you state a specific instance of that kind west of Bergen Hill? A Yes, I can; I don't know that I can at this minute. Last year I took part in a valuation of some property over on the Newark Plank Road on the meadows, in which there was a

settlement of the interests in a big abbatoir controversy; in that case numerous witnesses were produced, among others, the agent of the Hackensack Land & Improvement Company, and he turned up repeated sales to the railroads of their rights of way across there, and even for the sidings that ran down into this particular abbatoir of $2,500 an acre, and he said that his company would sell at $900 an acre any detached portion, if it was bought in small tracts, for a factory use, but any continuous tract that ran through that property they had always gotten $2,500 an acre. Now, my figure may be wrong as to the $2,500. It was either $2,000 or $2,500.

Mr. Bain. I object to that answer on the ground that it states conclusions of the witness and is hearsay.

Q Have you any accurate recollection of whether Mr. Hendrickson ever communicated to you his figures, as recently given on the complaint in this case, of his appraisement of the Long Dock terminal lands in Jersey City? A Yes; Mr. Hendrickson and I have spent hours and hours together in my office, in which he has put up his point of view, and I put up my point of view, and he brought his maps out and he showed me how he got at his figure many time, then I took them home and again went over his theories and mastered them, and at the time when it was under investigation had known all about it.

Q Have you any distinct recollection of the exact figures testified to by Mr. Hendrickson upon the complaint in this case? A Not at this moment, no.

Q Do you recall that Mr. Hendrickson placed before your Board his figures of the revaluation of

the Long Dock terminal lands in Jersey City? A Not as distinguished from the general proposition; we considered the whole railroad proposition in Jersey City together, so far as I know; at least I did; I put my mind on the whole proposition together.

Q In your opinion is land today in Jersey City assessed fully up to its true value? A I should say that land in Jersey City today is not uniformly assessed, but I should say that it was assessed at much nearer its true value than when we commenced this fight, at the time I testified that valuations were from 60 to 70 per cent.; in that case I participated in the increase of the assessments by our local Board at one time.

Q At what percentage of true value would you say that property in Jersey City is assessed today? A Well, I should say that it varied; I should say that it would run all the way from 40 to 90 per cent.

CHARLES HANSEL, recalled by the State.

Direct examination by Mr. Hardin.

Q Mr. Hansel, I show you a small bit of paper, marked Exhibit S-1 for Identification of May 6th, 1915, and ask you if you recognize that as a paper that you have seen before? A I do.

Q Has it got anything on it in your handwriting that enables you to recognize it? A It has.

Q What? A The words "Erie Memo" and underneath it the initials "C. E. H."

Q Are the letters "C. E. H." your initials? A No; Mr. Hendrickson's.

Q But in your handwriting? A Yes, in my handwriting.

Q Do you know whose handwriting the figures are, $3,514,400? A No, I cannot say.

Q Has that paper been in your custody? A It has been, up to a certain time, when it was opened at Trenton.

Q How long ago was that? A I will have to refer to my memorandum, (refers to pocket diary). Yes, April 6th, at Trenton.

Q From what time? A Well, from the time of the conference at Mr. Record's office.

Q Was that on September 17th, 1912? A My impression is that it was that date; I could prove it by records, but it was at the time we made the settlement, and these figures were handed to me by Mr. Hendrickson after being presented to Mr. Williams.

Q What Mr. Williams? A Harrison Williams.

Q When you speak about settlement, what do you mean by that?

Mr. Bain. I object to that as incompetent, immaterial and irrelevant.

A The settlement, as I understood it and confirmed it afterwards in correspondence with Mr. Hendrickson, as President of the State Board of Assessors, was a compromise between the figures that I had turned in, or valuations, for the Erie property, exclusive of the New Jersey & New York Railroad, for the taxes of the property as of December 31, 1910, and because of my definite understanding that this was a settlement, I preserved the paper and put it in this envelope, sealed it up and put it among my other records, and it stayed there until the 6th of April, 1915.

Q What is the writing on the envelope which you just referred to, marked Exhibits S-2 for Identification; is it familiar to you? A Yes, sir.

Q The blue pencil handwriting? A Yes, sir.

Q Whose is it? A The handwriting of Mr. Raymond Oakley, my chief clerk, who was with me during all of my revaluation work in New Jersey.

Q What is the file number, E-24 in the corner? A E-24 is the symbol given to the Erie, and appears on all our correspondence.

Q Was this envelope kept sealed during the time that you have referred to, after you put this slip in it? A So far as I know it was; it was not disturbed; I do not believe it was out of the records until I brought the whole file to Trenton.

Q Did you see the envelope opened? A I did.

Q Where was it opened? A In the office of the State Board of Assessors.

Q At Trenton, on April 6th? A At Trenton, on April 6th.

Q There was nothing else in the envelope except this slip? A Nothing.

Q I show you a letter dated September 20th, 1912; was that letter signed by you? A It was.

Q Does that have any relation to the memorandum in your slip of paper marked Exhibit S-1 for Identification? A It does.

Q What is that letter? A That is a communication to the State Board of Assessors from the witness, confirming the settlement with Mr. Williams, which occurred after several conferences, and speaks of the sum of $3,514,400 over the assessment of 1910.

Q Who was Mr. Williams?

Mr. Bain. I object to that part of the last answer which purports to state any statement or agreement by Mr. Harrison Williams, on the ground that it is incompetent, immaterial and irrelevant and not binding upon the Long Dock Company.

Q Who was Mr. Harrison Williams? A All my dealings with him was as Real Estate Agent of the Erie, and I believe he was also called Tax Agent; all my dealings with the Erie, in respect to valuation matters I dealt with Mr. Williams, by instruction of the Erie. I could not deal with anybody else but him; they would not allow me to.

Q When did you receive any instructions? A Right at the start of my work, it was understood that all the railroads, that I was to deal with the Real Estate and Tax Departments in every case.

Mr. Bain. I object to the last answer on the ground that it is a conclusion.

Q Who instructed you to deal with Mr. Williams? A I cannot swear to the gentleman who instructed me, but my correspondence would show and I am sure the correspondence of the Erie would show that I had instructions from the Erie to deal with him in all matters pertaining to valuation. I objected to its seriously, as correspondence will show, because I had, on almost all occasions except where I dealt with the land, to go to some other department; I wished to go to that department direct, without any interrogatory, but I could not do it and had to go through Mr. Williams, whom I always addressed as agent, Land and Tax Agent of the Erie R. R.

Q Do you recall the meeting at which you saw this Exhibit S-1 for Identification, when it was handed to you? A I recall it distinctly.

Q Where did it take place? A In the office of Mr. George L. Record, 15 Exchange Place, Jersey City, at which Mr. Record was present and Mr. Hendrickson was present, Mr. Williams,—Mr. Harrison Williams—and myself. And I remember distinctly the whole situation that night; how Mr.

Hendrickson sat upon the table in front of Mr. Record's chair, and offered the settlement as shown on that slip of paper to Mr. Williams as the final decision of the Board. I had not seen the figures up to that time; I had not been consulted about those particular figures; and therefore, to be sure that there was no mistake, I asked Mr. Hendrickson to give me that slip with the memorandum on it and enclosed it in an envelope, so as to know how to prepare my figures to accord with the final total of the settlement.

Q Did you hear Mr. Williams give his assent to that figure? A I certainly remember that he did.

Mr. Bain. I object to the last question and answer on the ground that it is incompetent, immaterial and irrelevant.

Q You subsequently made that confirmatory report shown in the letter of September 20th, 1912, to the Board, officially? A I did.

Q You have stated that that was a final settlement; that is your recollection that it was agreed by those present, Mr. Williams, Mr. Hendrickson and the others present, that that was a final settlement? A I have no doubt about it; and again on the 25th of March I communicated with the President, Mr. Hendrickson, in which I referred to the settlement of 1911.

Mr. Hardin. I offer the slip of paper and envelope in evidence.

Mr. Bain. I object to the offer and the document upon the ground that the same are incompetent, irrelevant and immaterial, and not binding on the Long Dock Company.

(The slip of paper was thereupon marked Exhibit S-1 of May 13, 1915; the envelope was marked Exhibit S-2 of May 13, 1915).

Mr. Hardin. I also offer the letter which has been identified by Mr. Hansel, dated September 20, 1912.

Mr. Bain. I object to the offer and the letter upon the same grounds as stated with respect to the slip of paper and the envelope last mentioned.

(The letter was thereupon marked Exhibit S-3 of May 13, 1915).

Q There are some figures on the back of Exhibit S-1; do you know anything about them? A No, I don't know anything about them.

Q So far as you know they have no relation to the front part? A No.

Q And the memorandum that you preserved was on the side that contains your memorandum "Erie Memo., C. E. H."? A It is.

Q This letter of September 20th refers to two enclosures; are these the enclosures (referring to two papers then detached from file)? A Yes, they are.

Mr. Hardin. To make the matter complete, I will offer the two enclosures identified by Mr. Hansel as included in his letter of September 20th.

Mr. Bain. I object to the offer and the document on the ground that the same are incompetent, immaterial and irrelevant, and not binding on the Long Dock Company.

(The two papers produced by counsel and identified by the witness were thereupon marked Exhibits S-4 and S-5 of May 13th, 1915).

Q Did Mr. Harrison Williams, at any time afterwards, after the occasion in September, when

you say this final settlement was made, indicate to you in any way anything that indicated that he regarded the settlement as a tentative one?

Mr. Bain. The question is objected to unless the time is fixed.

Mr. Hardin. After September 17th, 1912.

Mr. Bain. I repeat my objection unless the date is fixed accurately.

Q That Mr. Williams regarded the settlement of September 17th, 1912, as a tentative settlement. A No, nothing; I dismissed that feature of it, although we discussed the question a good deal afterwards, about how it would affect other settlements.

Q This settlement with the Erie was the last one made, was it not? A The last that I had anything to do with, and the only one.

Mr. Bain. I object to the last question and answer upon the ground that the same are incompetent, immaterial and irrelevant.

Q I mean of the 1911 assessment. A That is the assessment that we are speaking of, yes; that is the only assessment that I had anything to do with.

Q Did you have any conversation afterwards with Mr. Williams concerning the payment of the 1911 taxes, as finally assessed against the Erie system? A I had, yes.

Q When was that? A That was before November 20th, 1912.

Q And did he say anything to you at that time as to why the taxes had not been paid?

Mr. Bain. I object to that as incompetent, immaterial and irrelevant, and on the further ground that the date has not been accurately fixed.

Q Have you any means of fixing the date? A As to when I called on him?

Q Yes. A I don't know that I have, except that shortly after I wrote concerning it.

Q Then it was in the neighborhood of November 20th, 1912, was it? A It was, yes.

Q What have you to fix that date? A The letter, a copy of the letter, to Mr. George L. Record, of November 20th; my remembrance is that Mr. Record called me up and he asked me to see Mr. Williams; the reason, you understand, why I was asked to do it was because I had previous to this settlement of September and I had very frequent interviews with Mr. Williams at his office and at mine, trying to come to an adjustment of the various elements, so as to distribute the amount agreed upon satisfactorily; in some cases Mr. Williams would want a little more on equipment or off of equipment, or something of that sort, to suit his own convenience or ideas, and we made these adjustments; I was called upon by Mr. Record, either by phone or otherwise, to see him and ask him why there was the delay.

Q Delay in what, the payment of the taxes? A Payment of the taxes assessed for 1911; and on November 20th I addressed a communication to Mr. George L. Record on that subject.

Q Having the memorandum to refresh your memory, can you recall what Mr. Williams said to you as to the reason why the taxes had not been paid?

Mr. Bain. I object to that as incompetent, immaterial and irrelevant.

A He said that they were withholding the payment of a certain portion of the taxes assessed for 1911, by advice of counsel, on the ground that

since this assessment of the corresponding portion in 1906 and 1910 was below that of 1911 he feared that the payment of the higher assessment as agreed upon would in some manner prejudice their interest before the court when they appealed their case on the assessment of 1906 and 1910, and that was the only answer that I got from him as to why they had not paid the taxes assessed for 1911.

Mr. Bain. I object to the entire testimony of Mr. Hansel as given this day, upon the ground that the same is incompetent, immaterial and irrelevant, and not binding upon the Long Dock Company with respect to the assessments in question.

Cross examination by Mr. Bain.

Q All of your testimony that you have given today has nothing to do with the assessments for the years 1912, 1913 and 1914? A Nothing.

Re-direct examination by Mr. Hardin.

Q Mr. Hansel, in your view, are the values of the tidewater terminals of the railroads coming to tidewater at the Hudson River, decreased by the fact that the roads are establishing yards on the meadows to the west of Jersey City? A No, sir.

Q Is the contrary the case? A I would say so; you get a higher use of the tidewater terminals, by classifying their cars outside.

Q So rather than depreciating the value by the establishment of these yards out on the meadows to the west, it gives added worth to the terminal properties on the river? A Yes, sir.

Mr. Hendrickson. In the item final revised value of real estate, $24,409,025 which is in the

itemized tabulated sheet submitted by Mr. Hansel to the Board with his letter of September 20th, confirming the settlement of $3,514,400 as the increase for 1911 over 1910, I wish to state that the same land values were used in arriving at that figure of $24,409,025 for the parcels known as Block 17A-2, Block 16B-6 and land in front of Pavonia Avenue 2.394 acres and the plot immediately south of that of 2.836 acres in Block 16B-7, are the identical figures and at the same basis of assessment for 1911, 1912, 1913 and 1914, except as for the year 1914 a slight increase has been added to the same figure covering the area under water in front of the yard, caused by the extension of the pierhead line by the War Department, and the figures of the assessment for the year 1911 comprising a part of that figure were the assessments on those tracts at the time Mr. Harrison Williams agreed on the increase on those assessments on those tracts as a part thereof.

Mr. Bain. Objection is made to that part of Mr. Hendrickson's last statement which purports to state some alleged statements, representations or agreements by Mr. Harrison Williams, upon the ground that the same is incompetent, immaterial and irrelevant, and not binding on the Long Dock Company.

Continuation of the taking of testimony on the above appeal before the State Board of Assessors, at the office of Charles E. Hendrickson, Jr. Esq., 75 Montgomery Street, Jersey City, New Jersey, this eighteenth day of May, 1915, at ten o'clock in the forenoon; in the presence of counsel for the respective parties.

Charles E. Hendrickson, Jr., re-called.

CHARLES E. HENDRICKSON, Jr. recalled.

At the close of Mr. Gaddis' examination, he being ill at the time, I asked Mr Gaddis to come back and to furnish the Board with the data of the sales of the different blocks east of Henderson Street, north of the Pennsylvania Railroad to Harsimus Cove; also the sales of the O'Neill Lumber Company to the Erie Railroad Company; or whatever subsidiary company was named; and all the other sales and purchases within the past five years by the Erie, or its subsidiary companies, east of Henderson Street; also sales east of Henderson Street, bounded by the Lackawanna and Erie yards. I had agreed that Mr. Ryer should make up the schedule of these sales called for as above, in the place of Mr. Gaddis, who is now away, and Mr. Ryer has prepared a schedule which is now offered by him in response to the above request.

Mr. Hardin. I offer that schedule in evidence.

Mr. Bain. The schedule is objected to upon the ground that sales in blocks east of Henderson Street and north of the Pennsylvania Railroad to Harsimus Cove are incompetent, immaterial and irrelevant and not evidential of the value of the lands of the Long Dock Terminal, the assessments upon which are now in question; also upon the ground that the sales east of Henderson Street are bounded by the Lackawanna and the northerly side of the Erie yards are incompetent, immaterial and irrelevant, and not evidential of the value of the lands, the assessments upon which are in question

(The schedule was thereupon marked Exhibit S-1 of May 18th, 1915).

THOMAS A. RYER, recalled by the State.

By Mr. Hardin.

Q Mr. Ryer, in the preparation of this schedule, which has just been marked Exhibit S-1 of May 18th, 1915, in stating the areas, have you included the streets? A I have taken the areas as described in the deeds only, and have not included streets unless they are included in the deed.

Q On this schedule, where the values of buildings are separately indicated, those values represent your estimates of the value of the buildings? A They do; where they contained buildings that were practically worthless I have simply indicated the value of the building in the land value.

Q In most cases the buildings on this schedule were torn down after purchase? A No, in the greater number of instances the buildings are still standing; the lesser part was torn down.

Q Can you identify those instances on your schedule? A I can.

Q Suppose you do so, by block and lot number. A Block 177, lots C, D and E.

Q The buildings have been torn down? A They have. In Block 182, lots 22 and 23, I am under the impression that the buildings were taken down there, but I am not positive; block 185, lot 31; block 185, lot 30; block 187, lots 29 to 32; block 188, lot 15; these are the only cases where buildings were on the property that have since been torn down.

Q I notice there are some instances where there would appear to be buildings and you have given no estimate of their value; for instance, take block 172, lot 121; your schedule indicates a two story frame stable, and there is no separate price named

for the buildings sold; that has since been torn down? A It has since been torn down.

Q I notice on this schedule, in many instances, you have stated the assessed valuation of the land and building in the year 1909; those figures you have taken from the City records? A I have

Q And the building and land valuations, when so stated, are stated in accordance with the City's assessment? A They are.

Q Do you know whether the City valuations of the year 1909 have been changed since on these tracts? A I don't know; there are changes going on all the time; there may be some reductions and some increases; I might say that the estimates I have placed are at so much per lot and are not affected by any assessment at all; I merely added the assessments where I had them.

Q In your figures as to the assessments of the comparative areas shown on Exhibits P-1 and P-3 what year have you indicated? A 1912.

Q And were those the same in 1913 and 1914? A I don't know; there may have been changes, as there always are in, assessments; I don't think there has been any material change in that section in the assessments since that time.

Q Do you know whether the figures of assessment of 1912 were generally similar to the assessments in 1911? A I think they were.

Q So that, generally speaking, the figures can be taken as covering the City assessments during all of the years 1911, 1912, 1913 and 1914? A I think so.

Mr. Bain. I have further examined the schedule offered in evidence by Mr. Hardin marked Exhibit S-1 of May 18, 1915, and desire to state that the objection is to the entire

schedule with the exception of a sheet headed "East of Henderson Street, between 7th and 12th Streets and West of Erie Terminal."

CHARLES E. HENDRICKSON, Jr., re-called.

Direct examination by Mr. Hardin.

Q Mr. Hendrickson, I understand since you testified you have further collected some figures bearing on considerations and sales of real estate within the areas referred to in your testimony? A I have.

Q Will you state what the result of your further investigation was? A In 1905, there was sold to McNulty, the Grand Hotel, on the northeast corner of Montgomery and Washington Streets, covering 4,200 square feet, for $55,500. The building was a three story brick building of substantial construction, a good many years old, and the upper floors are being used for ordinary hotel rooms; the building was appraised by Mr. Ryer, at $18,000. Deducting that value for the building from the sale value, left the land value $37,500 or at the rate of $9.40 per square foot, or approximately $410,000 per acre. At about the same time, the northwest corner of Montgomery and Greene Streets, designated as 4,875 square feet, was sold for $45,000. The appraisement of the building, made by Mr. Ryer was $22,000 leaving $23,000 for the land, or, at the rate of $4.72 per square foot, or $205,600 per acre. In Block 183, where the Hudson & Manhattan yard, which I testified cost three dollars and some odd cents per square foot, including the buildings I have figured out the buildings at the appraised price in the condemnation and deducted them from the total purchase price, and the land with the buildings re-

moved, at the condemnation figures, averaged $1.47 per square foot. There is also in the testimony in the 1906 and 1907 case before the State Board of Equalization of Taxes testimony of the sale of a tract of 5.78 acres, Winants to the United New Jersey Railroad, in 1872, lying east of Greene Street, part of the Pennsylvania passenger terminal yard, lying near the foot of Steuben Street. The consideration was $400,000 subject to a lease, without a riprarian grant, $12,000 was paid for a release of the lease and $14,000 for the riparian grant, making $426,000 or at the rate of $73,600 per acre. This land was largely upland and ran all the way back to Greene Street. There was also, in the same case, the sale by Dodge to Manor Real Estate and Trust Company, a subsidiary of the Pennsylvania Railroad. He sold, on May 12, 1890, five acres at a consideration of $375,000 or $75,000 an acre, having a waterfront of 260 feet, which is one city block and half of the street on either side of it. That land was occupied by the Dodge Company, one of the oldest lumber yard businesses in Jersey City, which is conducted today under the name of the Dodge & Bliss Company; they moved to West End, Jersey City, where they acquired a waterfront property on the Hackensack River. In the same zone, the two dollars per square foot zone, west of Hudson Street, there is a tract fronting on the easterly side of Greene Street, south of Essex Street, commonly known in the testimony as the Uvalde Asphalt tract, 130 feet by 150 feet, fronting on Greene Street, sold in 1899, Corrie to Corrie, leased to the Uvalde Asphalt Company in 1900. The expressed consideration in the deed was $50,000 and a lease calling for a rent of $2,000 per year, in addition to taxes and municipal charges against the property. This

figures out at the rate of $2.60 per square foot, capitalized at six per cent. or $113,000 per acre. Mr. Record testified to the Yellow Pine tract. This is an interesting property to study the history of the increase of values. Back of 1894 it was leased by one Dodd for 15 years at $12,000 per acre, with an option to purchase any time within five years for $250,000. This option was exercised and the tract was purchased at that figure, in 1894, at which time it was enlarged by the addition of 79 additional feet at a price unknown to me, but for the purpose of comparison averaging it at the purchase price paid for the balance of the tract would make the total tract $310,000. In 1894 the Yellow Pine Company purchased it for lumber yard purposes for $493,000 of which $193,000 was cash and the balance $300,000 was made by assuming payment of two mortgages. Then, ten years later, in 1905, the Yellow Pine Company sold this property to the Hoboken Land & Improvement Company for $550,000 which was at the rate of $40,000 per acre. Almost all the land was under water with a very very small upland back of it, without any possibility of acquiring additional back land back of it, because of the intersection of actual development and built up city streets in Hoboken. There is a narrow strip of ground at the foot of approximately Second Street, Hoboken, leased in 1895 to the Hamburg Steamship Company for ten years at $17,500 per year, together with repairs, to keep the pier in condition and insured against fire, to pay all taxes, water rents, duties and assessments, giving the Hamburg Steamship Company the right to purchase the property at any time within ten years for $325,000. Capitalized at six per cent this figures out at the rate of over $75,000 per acre. More than two-

thirds of this land is land under water with a small amount of back land running back to River Street. The further history of this tract is lost in the trade with the Pennsylvania Railroad; nobody knows what the consideration of that was. The purchases of the various tracts comprising the Lackawanna Railroad terminal north of the Long Dock terminal and fronting on the Hudson River, excepting one tract which was acquired, I believe, in trade and I do not think the consideration is expressed anywhere; the first tract and most northerly parcel is a little triangular plot having no waterfront containing 1.48 acres of land, sold by the Hoboken Land & Improvement Company to the Morris & Essex Railroad Company for $100,000 or $67,000 per acre, in 1867. The second tract which I have is one adjoining the rear of this tract and running back along the line of Ferry Street and Garden Street, six full blocks back from the river, commencing at about the line of River Street, is a tract containing 2.54 acres, purchased by the Morris & Essex Railroad from the Hoboken Land and Improvement Company, in 1865, for $233,100 or at the rate of $91,484 per acre. Both of these parcels were restricted against ferry use. In 1868 the Jersey Shore Improvement Company sold to the Morris & Essex Railroad Company a parcel lying approximately between 17th and 18th Streets, Jersey City, if extended containing 16.26 acres to the pierhead line; at the time of the sale this was partially improved and the purchase price was $475,600 or $30,000 per acre. The next tract is the tract lying south of this purchase from the Jersey Shore Improvement Company by the Morris & Essex Railroad Company, lying approximately between 16th and 17th Streets, if extended, containing 15.22 acres for $375,000 or at the rate of $24,600 per

acre, partially improved, and likewise subject to the restriction against ferry; that was in 1868. The next tract south of this was purchased in 1867 by the Morris & Essex Railroad Company from the Jersey Shore Improvement Company, lying between 15th and 16th Streets, if extended, containing 13.87 acres at a price of $550,000 or $40,000 per acre. The next tract south of this and extending to the line of the Long Dock terminal was purchased 24 years later, in 1881, Jersey Shore Improvement Company to the Morris & Essex Railroad Company, a consideration of $1,800,000 an average of $40,000 per acre to the pierhead line. This parcel at the time of the purchase was all under water at low tide and has since been filled in up to the grade of the present railroad yards of both the Long Dock and the Lackawanna terminals.

Mr. Bain. I object to the last statement, upon ground that it is incompetent, immaterial and irrelevant.

A recess was thereupon had until two o'clock p. m.

The hearing of the above matter was resumed at two o'clock p. m.

CHARLES E. HENDRICKSON, Jr., resuming.

Cross examination by Mr. Bain.

Q What is the assessment by Jersey City for the year 1914 upon the land comprised in the so-called Vanderbeek sale, per square foot? A Why, I don't know; I haven't got it here.

Q Don't you know that it is $2 per square foot? A I don't know what the assessment is; it is within your power to prove it exactly.

Q And what is the assessment by Jersey City upon the land purchased by the Great Atlantic & Pacific Tea Company, as you have testified to, for the year 1914? A I have never looked at the local assessments on the Great Atlantic & Pacific Tea Company property this year.

Q Referring to assessments for the year 1911, upon the parcels in question, as originally made by your Board and reviewed by your Board, was there any change in the assessments upon those parcels for that year? A These two terminal tracts, Block 16, Plot B-6 and Block 17, Plot A-2 which are the two large tracts in the Long Dock terminal yard, were valued for assessment and the assessment made, I think, by the State Board of Assessors, and certified to the Long Dock and Erie Railroad Companies as part of the total assessment against the Erie Railroad for that year. After the assessment was made an appeal was filed and testimony was taken from the Fall of 1911 to September 17th, 1912, or, rather, testimony was taken part of this time, and up until that date valuations on this and other parts of the total assessments were under consideration between the State Board of Assessors and the officials or representatives and attorneys of the Long Dock Company. When we finally confirmed the assessment and certified it to the Comptroller, the assessments on these two parcels were the same as they were prior to the taking of testimony and were at the same figures as Mr. Harrison Williams had at the time he made the agreement which I have before stated.

Mr. Bain. I object to that part of the answer which purports to state any agreement made by Mr. Williams on the ground that the same is incompetent, immaterial and irrele-

vant and not binding on the Long Dock Company.

Q After the review by your Board of the assessments for the year 1911 against the Long Dock Company was there any change made in the assessments upon the second class property of the Long Dock Company in Jersey City? A I believe there was no change in any second class property in Jersey City.

THOMAS A. RYER, recalled for the Appellant.

Direct examination by Mr. Bain.

Q Have you made a summary of the assessments of the territory mentioned by Mr. Dunham in his testimony? A I have.

Q Have you also made a summary of the assessments testified to by Mr. Lohman on lands in Hoboken? A I have.

Q And have you a summary of the assessments upon lands in Jersey City, to the sales of which you gave some testimony in response to questions by counsel on behalf of the State? A I have.

Q I show you a schedule entitled at the top "Assessments in sections testified to by Mr. Dunham", and ask you whether that contains a summary of the three matters last mentioned? A It does.

Q It that summary accurate? A It is.

Q Did you personally investigate the assessments? A I did.

Q And made the computation? A I did, from the assessment books, both in Jersey City and Hoboken.

Q The words "Including exempt and street areas" appear upon the schedule last mentioned by

you; what do those words mean? A It means that I have included everything in the area assessed, all the area in the land assessed, to make it clearer.

Q How does your method of ascertaining the average valuations per square foot and per acre differ from that of Mr. Dunham? A Mr. Dunham, in arriving at his square foot value and his acreage value included only the area that was actually assessed; I have included in my figures the entire area covered by the assessments.

Q By your method do you include the area in streets? A I do.

Q And also exempt property? A I do.

Q Do you know whether Mr. Dunham excluded the area of streets and exempt property? A Mr. Dunham excluded them.

Mr. Bain. Without admitting that the assessments shown upon the schedule are evidential of the value of the Long Dock Terminal lands, and reserving the objections heretofore made to testimony as to the assessments upon the lands shown upon the schedule and to sales of such lands, the schedule is offered in evidence

(Without objection the schedule produced by the witness was thereupon admitted and marked Exhibit P-1 of May 18, 1915, in evidence).

Q Have you examined the assessments upon property to sales which Mr. Cronan testified? A I have.

Q Will you kindly state the assessments for the year 1914 upon lot 3, Block 219? A The assessment on lot 3, Block 219, for 1914, was, land $2,000 and building $8,000, total $10,000.

Q What was the amount for that year of lot 25, Block 219? A The land $1,200 and building $7,800, total $9,000.

Q What was the assessment upon lots A and B, in Block 184? A Land $5,200, buildings $1,800, total $7,000.

Q What was the assessment upon lots 7 and 8 in Block 182? A Land $3,500, buildings $7,500 total $11,000.

Q Will you kindly state the assessment on lot 19, Block 187? A Land $2,000, building $6,500, total $8,500.

Q Will you kindly state the assessment upon lot G-1 in Block 220? A Land $1,200, building $2,800, total $4,000.

Q The last parcels mentioned by you are those to the sales of which Mr. Cronan testified? A They are.

Q Have you examined the assessments upon any land on Henderson Street, between 11th and 12th Streets? A I have.

Q Will you kindly state the result of your examination? A They are assessed at $2,000 a lot.

Q Have you examined the assessments on lands on 12th Street, between Henderson and Grove Streets? A I have.

Q Will you kindly state the result? A $1,200 a lot; those are 1914 assessments.

Q Have you examined the assessments upon the property comprised in what has been referred to as the Vanderbeek tract sale? A I have.

Q What was the assessment for the year 1914 upon that property? A $2 per square foot, corner $2.60 a square foot.

Q Have you averaged the assessments per square foot upon that land? A I have.

Q What is the average per square foot? A I haven't averaged the assessments; I can tell you the total assessment of the blocks.

Q What is the total assessment upon the entire block? A The total assessment upon the Vanderbeek property is $153,500. Block 11 is assessed at $70,500 and Block 42 is assessed at $83,000.

Q Does that assessment cover the land conveyed by Vanderbeek to the Manor Real Estate Company? A It does.

Cross examination by Mr. Hardin.

Q The land assessed in the Vanderbeek tract, as you have mentioned, is the same land that was sold to the Manor Real Estate Company for $375,000 as mentioned in this case? A It is.

Q In your tabulation Exhibit P-1 of May 18, 1915 just offered, the extreme sections testified to by Mr. Dunham were intended to indicate, both as to Hoboken and Jersey City, the areas selected by Mr. Dunham for comparison with the Long Dock terminal in Jersey City and Hoboken? A They were.

Q And the figures include all of the land within the comparative areas used by Mr. Dunham, shown on the map that is in evidence? A They do.

Q You arrived at the same result as Mr. Dunham in your tabulation, with the single difference that you have included exempt and street areas, while he left them out? A I think that the other calculations are identical.

Q And Mr. Dunham's figures, excluding exempt and street areas, as to the valuation per square foot, are correct? A They are.

Q He made no averages including exempt and street areas in his testimony? A He did not.

New Jersey State Library

Q Is there property within these areas other than within the streets exempt from taxes? A There is.

Q Of what kind? A Why parks and public buildings, anything in the way of buildings exempt from taxes.

Q I am asking you to define what the exempt properties are, other than the street areas? A In which section, Mr. Hardin?

Q Well, take Jersey City first? A In Jersey City, in the south section, there are schools, a Post Office and a park.

Q Have you the areas of the school properties and the public building properties and the parks separately? A I have not, and there is a church and fire houses.

Q Are you able to give us the areas included in the church property? A I can get them for you.

Q And in the school properties? A I can get those. I simply took the total area.

Q And the public property of the several kinds? A I can get them and produce them.

Q Can you get them also for Hoboken? A I can.

Q There are areas outside of the streets exempt in Hoboken also of like character? A There are.

Q Can you get them also, in the same way? A I can.

Q What would be the assessment per square foot on the land in this group of blocks thirdly stated on this exhibit excluding exempt and street areas? A $1.42.

Q The third group of blocks appearing on your Exhibit P-1 represents a continuous area for streets? A It does.

Q None of it fronting on the river? A No, except you call Block 11 fronting on the river, there is no frontage on the river there that I know of.

Q Outside of blocks 11, 12 and 42, all the land in this third group is back of Greene Street? A Yes, west of Greene Street.

Q In making up the statement that I asked you for with reference to the area of exempt property other than streets, will you also calculate the streets separately? A Yes, if you wish. Do I understand that you want the exempt property sub-divided into different kinds of exempt?

Q Yes, that is what I want. A So many square feet of parks, so many square feet for schools, churches, fire engines and things like that?

Q Yes. It is not your idea, is it, that if an attempt were made to assemble the land into a solid tract in the tracts in Hoboken and Jersey City treated of by Mr. Dunham in his testimony and referred to by you in your schedule, Exhibit P-1, that the property outside of the street areas in present exempt ownership could be, for that reason, included in the acquisition of the entire area without cost to the person engaged in the purchase? A I don't think so; I think they are what created the value of the territory, and if they were not there you would not have the value of the land.

Q You don't want us to think that because a fire house or school house is exempt from taxation, that if you were employed to assemble all the land within this area into one building, that you could get the school house and fire house without expense to the person accumulating the area? A Hardly.

Q So that if you were actually comparing by this the cost of acquisition of the tracts of land of the size of the two that have been selected by Mr. Dunham in Jersey City and Hoboken, you would have to add to its assessed valuations, necessarily, the purchase price of these exempt areas? A As well as the buildings, yes, all those things; I think it would be prohibitive, in view of the fact that you got a very expensive Post Office in that lower section.

Q These tabulations that you have made on this Exhibit P-1 do not include buildings? A They do not.

Q Along areas of land? A That is all.

Q So that if you were to assemble these lands in these two areas into one ownership, you would have to add a very large sum of money to the cost of acquisition for the value represented by the buildings upon the tracts? A Without question.

Q You don't think, do you, that if it were possible to assemble the parcels in these areas into one ownership and finding it necessary to get rid of the streets to make the property suitable for railroad terminals, that you could get rid of the streets without some additional expense? A You could not.

Q You understand, do you not, that Pavonia Avenue is excluded from the area as assessed by the State Board of Assessors in the assessment upon the Long Dock terminal? A I do.

Q You have no doubt, have you, that the area comprised within this Long Dock terminal would be entirely unavailable for railroad terminal use, if it were interlaced with streets as these other areas in Hoboken and Jersey City are?

Mr. Bain. The question is objected to so far as it pertains to the use of waterfront land,

upon the ground that the witness is not qualified as an expert upon values of waterfront lands as such.

Mr. Hardin. Is the witness unwilling to express an opinion for that reason, whether the tract would be available for terminal use if it were criss-crossed with streets.

Mr. Bain. I will withdraw the objection and let the witness answer, if he feels qualified.

A In my judgment I think that streets would have to be eliminated to use the yard as it is used today.

Q Some streets have been actually eliminated, have they not, within the area of that Long Dock terminal? A They have.

Q If you were considering the cost of acquisition of these areas in Hoboken and Jersey City selected by Mr. Dunham and to which your schedule applies, for a railroad terminal, you would necessarily need to add to the figures which you have collected from the assessment rolls, even assuming that the assessment figures are true values of the land so far as they apply, a very considerable sum of money to cover the cost of acquisition of the areas exempted either by ownership or street use? A I think so.

Q That expense, to some extent, has been incurred in the assembling of the Long Dock terminal? A I presume so,—some expense.

Q Have you given any attention to the area that would be included in street areas within the limits of the Long Dock terminal if streets were there according to the same general city plan which is in evidence on the comparative plots of Mr. Dunham? A In placing my value I have included whatever territory there was in the plot.

Q That is, you placed your value upon such parts of the terminal as you felt competent to value, exclusive of the waterfront? A As I was asked to value.

Q You have never been asked to value the waterfront? A No.

Q Then I have no objection to the form of your answer, but it makes it necessary for me to repeat my question, which was merely to inquire whether you had in mind the area that would be represented by streets within the limits of the Long Dock terminal if streets were there as they are on the two comparative tracts used by Mr. Dunham? A The only way I can answer your question is that I took the land as it was in the Long Dock terminal, as I found it.

Q Then you have not had in mind the extension of the areas that were included in the streets, if those had been extended from the south across the terminal? A You mean if they could be extended?

Q Did you have in mind the actual areas that would be represented by such streets if the streets were there? A The amount of what that area would be?

Q Yes. A No.

Q Is it your view that the presence of Pavonia Avenue through the heart of this Long Dock terminal increases the availability of that terminal as a whole, to the north and south of Pavonia Avenue, for use as a railroad terminal? A I think it would.

Q You think the terminal is more valuable by reason of the presence of Pavonia Avenue running through it? A I should judge so; you got to have access.

Q Doesn't the common ownership give access to every part of the terminal by the owner? A By the owner, yes.

Q And by licensees of the owner? A Providing they make a way for them.

Q Of course. You think the Lackawanna terminal to the north is less valuable because it has not a street down through the middle of it? A I don't say so; they have access as well, in another way.

Q If Pavonia Avenue increases the value of the Long Dock terminal, why wouldn't the Lackawanna terminal be increased by a street down through the heart of it? A Because the Lackawanna has access from Hoboken.

Q Wouldn't the Long Dock terminal have access from Jersey City if Pavonia Avenue wasn't there? A Not to the water front, no, unless some other access was made.

Q Doesn't it front on the water? A It does.

Q I don't exactly understand, then, why there would not be access from the water? A You didn't ask me that, Mr. Hardin, I don't think. I understood you meant access from the rear, that was my idea, from Pavonia Avenue, not from the waterfront. Naturally all waterfront has access from the water, but Pavonia Avenue gives it access from the rear land, just the same as the D. L. & W. gets access from Hoboken.

Q Wouldn't there be access to the Long Dock terminal from Provost Street, if Pavonia Avenue wasn't there? A There would.

Q And any such access to any part of the terminal as the owners wanted to arrange for? A Provided they arranged it in a manner that they have through Pavonia Avenue; Pavonia Avenue

gives access to the waterfront and to the terminal yard, right through it.

Q Of course it makes the terminal more valuable to have Pavonia Avenue fixed in one spot than it would be to have the owners of the terminal build a ten foot access to various parts of the terminal in such a way as might meet their own plans? A Not necessarily; I don't know whether it is more valuable to them there than in some other spot.

Q I think you expressed an opinion that it was more valuable as a terminal because it ran right down through the middle? A Not because it ran right through the middle, but because it was there, and it was more valuable there than without it.

Q Will you please explain how it differs from the suggestion that you made before? A Now, you are going to the point where it runs through the middle; I don't care where a street is, but if it runs to the waterfront it makes value.

Q You think a street in that fixed spot makes a parcel in the north and south more valuable than a common ownership without an intervening street which would be on the border of the terminal and which would have access to it as they pleased? A I presume Pavonia Avenue is just where the railroad wanted it; I don't know of any reason why they could not shift it if they wanted to.

Q Do you think it could be moved by request and without any expense to the company? A I don't think so; I presume there would be some expense to moving anything.

Re-direct examination by Mr. Bain.

Q You never have had any practical experience in the operation of a railroad? A No, sir.

Thomas A. Ryer, re-cross.

Q What streets in the Long Dock terminal east of Provost Street have been vacated, to your knowledge? A Only a short street, I think about 100 feet long, Barnum Street; I don't know of any others.

Q Is that the only street that you know of? A That is the only one I remember.

Re-cross examination by Mr. Hardin.

Q You do not profess to know the needs of a railroad for its terminal? A I have had no experience in that matter, no.

Q In valuing this land you gave no consideration then to its availability for terminal uses? A I valued it for its availability for any use.

Q Of course, if you have had no experience, and do not profess to know, you gave no special attention to its availability for railroad terminal use? A I did not.

By Mr. Bain.

Q You valued the land as available for a railroad use, as well as for any other use? A For any use that it could be put to.

Q Including a railroad use? A Including a railroad, or anything else.

By Mr. Hardin.

Q But you don't know anything about the railroad use? A Not the operation of a railroad, no.

Q To what distance back of the bulkhead do you consider yourself competent to value land in Jersey City?

Mr. Bain. I object to that as incompetent, immaterial and irrelevant.

A Upon a study of the question I consider myself competent to value any part of it.

Q Up to the bulkhead? A Up to the bulkhead, and possibly beyond that.

Adjourned to Tuesday, May 12th 1915.

Continuation of the hearing in the above-entitled matter at the office of Charles E. Hendrickson, Jr., Esq., 75 Montgomery Street, Jersey City, N. J., this twenty-fifth day of May, 1915, at four o'clock in the afternoon.

John R. Hardin, Esq. for the State.

Robert J. Bain, Esq., and George S. Hobart, Esq., for Long Dock Company, appellant.

HARRISON WILLIAMS, sworn in rebuttal.

Direct examination by Mr. Bain.

Q Where do you reside, Mr. Williams? A I maintain my legal residence in New York, but I actually spend most of the year at my country place in Northern Virginia.

Q What is your present occupation, if you have any? A None.

Q Were you formerly connected with the Erie Railroad Company, or any of its allied companies, or the Long Dock Company? A I was.

Q In what capacity? A General Land and Tax Agent.

Q When did you sever your connection with those companies? A In the spring of 1913.

Q You resigned, did you not? A I resigned.

Q And you are not now employed by any? A No, not now.

Q Did you take any part in the review of the assessments made by the State Board of Assess-

ors, for the year 1911 on the property of the Long Dock Company? A Yes.

Q Will you just state what your part in that review consisted of? A I was the official of the company representing it in negotiations with the State Board of Assessors over the assessment of its property for that year, and for many years before.

Q You had nothing to do with the assessments by the State Board of Assessors upon the Long Dock property for the year 1912, so far as any review of those assessments are concerned? A No.

Q Nor for the year 1913? A No.

Q Nor for the year 1914? A No.

By Mr. Hendrickson.

Q Didn't you prepare the return for the year 1912 to the State Board of Assessors? A It was prepared under my supervision in my office.

Q You left when? A I actually left and went South on the 15th of April, my resignation took effect as of the first of May.

Q 1913? A 1913.

Q Did you also make the return for the year 1913? A I don't understand; are you referring to conditions of the year 1913——

Q No; the company's return in that book. A I know, but do you call the return for 1913 the one made in the spring of 1913, or the one covering conditions in 1913?

Q The one covering conditions in 1913 in which we made assessments? A My recollection is that it was prepared under my supervision, in my office.

By Mr. Bain.

Q Did you appear before any members of the State Board of Assessors in the month of July,

1912, relative to the assessments for the year 1911 against the property of the Long Dock Company? A I did.

Q Can you fix the time? A The second day of July, 1912.

Q How do you fix that time? A I fix it from my correspondence files and my personal recollection of the day, which was within one or two days, apart from my files.

By Mr. Hendrickson.

Q Was that a stated meeting of the Board that you mean? A Well, there, Mr. Hendrickson, there was Mr. Record, Mr. Hansel was also present, and I was under the impression that Mr. Barber was there, but I am not sure, if he was there he took a less active part in the matter than the gentlemen I named.

By Mr. Bain.

Q Will you state what occurred at that meeting? A There had been a number of conferences between Mr. Hansel and myself in an effort to agree upon assessment valuations which would be accepted by the State and the railroad, to terminate the incessant litigation over the railroad valuations in New Jersey; and during those conferences Mr. Hansel and I had agreed upon a great many minor valuations, there remaining, however, certain major valuations which it was necessary for him to lay before the Board, which we could not agree upon, and the meeting was arranged by him in an effort to agree upon these remaining valuations.

Q What were the major valuations of which you speak? A There were franchise valuations, certain factors of theory on the main stem valua-

tions, and primarily the so-called terminal land valuations here in Jersey City.

By Mr. Hendrickson.

Q Floating equipment also, wasn't it? A We had practically come together upon that, Hansel and myself, as I recall it.

By Mr. Bain.

Q No final figures had been reached up to that time with respect to the assessments upon the Long Dock second class property in Jersey City? A No. Well, you say "in respect;" yes, there was, some of the minor items of the second class property of the Long Dock Company in Jersey City, but not in relation to the acre valuations which were the main issue there.

Q That is the main terminal parcels? A The main terminal parcels.

Q Were any definite figures submitted by the Board at that meeting in the early part of July, 1912? A It is a little difficult for me to answer that yes or no, Mr. Bain. If you let me answer in my own way, I had gone there with a desire to reduce the figures already placed by the Board upon these properties, which figures were the subject of our certiorari proceedings, and to make a further effort to convince them that the valuations which they had placed were too high.

Q Speaking now of the assessments upon the second class property of the Long Dock Company for the year 1911, what was the discussion at that meeting in the early part of July, 1912, between you and the Board, briefly? A It covered the whole range, not only of the value of the lands, but the underlying theory upon which that value should be ascertained.

Harrison Williams, direct.

Q The assessments upon the second class property of the Long Dock Company for the year 1911 had, of course, been made by the Board at that time, and were under review? A Yes.

Q That is, under review by the State Board of Assessors or by the courts? A My recollection is that formal certiorari proceedings had been instituted and the matter was in litigation for 1911.

By Mr. Hendrickson.

Q No certiorari was filed at that time; the certiorari was not filed until after. A There were a number of years involved, I have forgotten the status of each particular litigation, but as the valuations for each year were filed and confirmed by the State Board of Assessors, we took out writs of certiorari to review them; now, just at that time, whether a writ had been sought and obtained to review the 1911 assessments, I could not say without referring to my file.

By Mr. Bain.

Q How was the matter of the assessments upon the second class property of the Long Dock Company for the year 1911 left upon the conclusion of your meeting with the Board on July 2d, 1912? A In the same manner as the other valuations; I had stated to the Board at the beginning of the conference, that while I had every reason to believe that the company would be guided by my recommendations in the matter, yet it was a matter which I could finally commit it to, nor did I believe that the vice presidents or president could commit it to; it was a matter that had to go before the Board of Directors, as I understand.

By Mr. Hendrickson.

Q That was in July? A That was in July; the second of July.

By Mr. Bain.

Q You made known those facts to the members of the Board at that time? A I made a formal report to my superior officer, the vice-president.

Q But you made known to the members of the State Board the facts which you have stated as to the way in which the assessments for 1911 were left at the conclusion of the meeting on July 2d? A I made that statement at the beginning of the meeting; I prefaced my negotiations with it.

Q Did you report to the officials of the company the condition of the review of the assessment for the year 1911, after your meeting on July 2d, 1912? A I did, immediately.

Q To whom did you report? A Mr. Brownell, the vice-president.

Q After that meeting of July 2d, 1912, did you have any further communication with the Board relative to the assessments for the year 1911, so far as any definite figures are concerned? A Not with the Board as a Board; I may have had informal discussions with individual members, but I did not meet the Board as a Board; if my memory serves me, I had no further discussion with individual members, there was nothing further to discuss until I gave them our answer.

Q How did you positively fix the early part of July as the time when you met the members of the Board, as you have stated? A Mr. Hendrickson was very much interested in the Baltimore convention, which was then held of the Democratic party, to nominate a candidate for the

presidency of the United States, which was then in session; he was particularly interested in the candidacy of Mr. Wilson. While we were waiting to get together Mr. Hendrickson, Mr. Hansel and myself had a long discussion over the battle that was being waged between Mr. Clark and Mr. Wilson.

By Mr. Hendrickson.

Q That was June, wasn't it; the convention was early in June? A Well, it may have been that the convention was just over, but you were still very much interested.

Q Wilson was nominated on the 20th of June. A Well, the matter was touched on at that time, because it had been the first time we had apparently come together since the matter was fresh in your mind, and we spent quite a time discussing it. I think now, in answer to your suggestion, it seems to me you told me that you had been down to the convention. Probably you are right, that you were retailing your experiences.

By Mr. Bain.

Q Did you meet any of the members of the Board, relative to the assessments on the Long Dock property in Jersey City for the year 1911, on September 17th, 1912? A I did not.

Q Or at any other time about September 17th, 1912? A I did not.

Q Did you at any time during the month of September, 1912, meet any of the members of the Board with respect to any definite figures for the assessments on the Long Dock property for the year 1911? A I did not.

Q Have you examined your files relative to the assessments for the year 1911, so as to refresh your memory? A I have.

Q Did you, on or about September 20th, address a letter to Mr. Hendrickson, one of the members of the Board? A Yes, a personal letter to him?

Q Yes, a personal letter to Mr. Hendrickson. A Yes.

Q I show you a carbon copy of a letter dated September 21, 1912, addressed to Charles E. Hendrickson, and ask if that letter was written by you? A Yes.

Q To what did that letter refer? A It referred to my frequent requests to Mr. Hendrickson for further delay in giving the decision of the railroad company upon the proposed adjustments of these assessments I had been placed in a very embarrassing position toward the Board because I had told the Board at our session in July, at its request, that I would expedite the road's decision in every way in my power; of course I kept my word, but unfortunately the legal vice-president was on the eve of departure to Europe, and it was found impossible to convene the Board of Directors or the Executive Committee before his departure; he left, if my memory serves me, about the 12th or 15th of July, and did not get back for about two months; in the meantime, it being not usual for the Board to convene during the holiday months, July and August, in any event, I could not get any final answer from the company, and I felt that I was taxing the patience of Mr. Hendrickson and the other members of the Board, although I explained to them then how helpless I personally was to do anything more than I was doing at the time; and I think that letter refers, my best recollection is, to a personal appeal to Mr. Hendrickson not to take action but to give me a little further delay; he had given me

several extensions of time on behalf of the Board, and my telling him that after Mr. Brownell had returned I was sure that the matter would be given further attention and I would expect to give our reply within a very few days, and I thanked him in the letter for his personal courtesy in the matter.

Q Was that letter of September 21st written in reply to a letter from you to Mr. Hendrickson dated September 20th, which I showed you? A Yes, as I recall it, it was.

Q In order to identify the two letters on the record, they having been heretofore offered, I will ask you to read them into the record. A Mr. Hendrickson's letter to me, which, as I recall it, was in response to my telephone communication, from me to him, is:

"Mr. Harrison Williams,
Care Erie Railroad, Hudson Terminal Building,
New York City.
My dear Sir:
I am only writing to tell you that the meeting of the State Board of Assessors will be a week from next Tuesday, at Trenton.
Yours very truly,
Charles E. Hendrickson, Jr."

My answer is under date of September 21st, 1912:

"Charles E. Hendrickson, Esq.,
Union Trust Building,
Jersey City, N. J.
Dear Mr. Hendrickson:
Thank you for your note of yesterday about the appointment at Trenton on the 1st proximo. I appreciate your kindness in helping me out in my dilemma by giving me this postponement and shall be there on that day."

Q Did you attend a meeting of the Board on October 1st, 1912? A I did, sir.

Q What did you find when you attended that meeting, as to the assessment on the Long Dock property for the year 1911? A I learned that the assessments had been filed.

Q You mean by that that they had been certified by the Board to the Comptroller? A Yes.

Q As the final determination of the Board? A Yes.

Q Was that the first that you knew of the certification of those assessments? A Yes; my best recollection is that is the first I knew.

Q It was after the final certification of the assessments for the year 1911, about the first of October, that a writ of certiorari was allowed and issued to review those assessments, if any? A Yes..

Q After the meeting of the second of July, 1912, until you attended the meeting on October 1st, 1912, had you any knowledge that the assessments for the year 1911 had been certified by the Board? A I do not think so, no; I have no memory of it.

Q During the summer of 1912 was the matter of the readjustment of the franchise of the Long Dock Company for the year 1910 pending before the State Board of Assessors? A It was.

Q That matter was the subject of correspondence between you and the Board? A Yes; and was also somewhat discussed at the meeting of July second to which I referred.

Q Was that matter also discussed at the meeting of October first, 1912? A Yes.

Q Did you receive any authority from the executive officers or from the Board of Directors of the company, to agree to the figures that were

discussed on July 2d, 1912, by you with the Board? A I was authorized to accept the assessments of four classes, but not of the fifth, and while the matter was still under discussion I learned that the Board had filed its valuations; and final authority came not in the form of authority to accept the valuations, but to pay taxes upon the filed returns.

Q Exclusive of the class you mentioned as the fifth class? A Exclusive,—well, I mis-used the term; I should say of the second class property; the second class property is returned in Jersey City.

Q You mentioned five classes before; you meant the second class property? A I meant, technically, the second class property.

Q Did you ever receive any authority from the executive officers, or the Board of Directors of the company, to agree to the assessments upon the second class property of the Long Dock Company for the year 1911? A I never did.

Q On the contrary, were you instructed to refuse to accept those figures? A I was; I should say I was instructed to assist in seeking writs of certiorari to review the assessments as they are; and while the matter was still under discussion the valuations were filed and had become not a matter of voluntarily acceptance but it was a question of paying the tax or seeking to review them by the courts.

Q The Erie Railroad Company and its allied companies, and the Long Dock Company, upon the review of the assessments for the year 1911, before the State Board of Assessors, was represented by Mr. William H. Corbin, as attorney? A For which year?

Q For the year 1911. A Yes.

Q You appeared before the Board from time to time on review of those assessments? A I did.

Q You conferred with Mr. William H. Corbin relative to the review of the assessment for the year 1911, from time to time? A Very frequently.

Q And appeared before the Board with him? A Upon the different features of the various controversies then between the Board and the railroad in the valuations for those years.

Q So far as the company is concerned, Mr. Corbin directed the course of proceeding? A Yes, sir.

Q Mr. Corbin was not present at this meeting of July 2d, 1912, of which you have spoken? A No.

Q To your knowledge, Mr. Corbin never appeared before the Board after the 2d of July, 1912? A Never.

Q Do you recall when he last appeared before the Board on the review of the assessment for the year 1911? A Well, I cannot fix the exact time, Mr. Bain; I should have said two months, possibly three months, before the 2d of July.

Q Are you an attorney at law of New Jersey? A Not in New Jersey.

Q Of what State? A New York.

Q Collins & Corbin were the attorneys for the Erie Railroad Company and the Long Dock Company in Jersey City and neighboring portions of New Jersey, during the time the assessments for the year 1911 were under review by the State Board of Assessors? A Yes.

Q Did any of the other members of that firm appear before the Board either on July 2d, 1912 or subsequent to that time? A No; that is, I presume, not to my knowledge, between July 2d and the 1st of October.

Cross examination by Mr. Hardin.

Q How long were you associated with the Erie Railroad, Mr. Williams? A Nearly sixteen years.

Q During all that time did you have the position that you have indicated, as general land and tax agent? A No, I worked for the Erie in 1897 as the tax assistant to the so-called real estate agent, who had limited jurisdiction in tax matters; I subsequently became tax agent and was given jurisdiction over the tax department which I formed for them in 1902, and in 1907 the general land department was turned over to me and certain other departments of the company, and I formed the general land and tax department and became its first head.

Q Then, from 1907 forward, you were known as the general land and tax agent? A Until my resignation, in the spring of 1913.

Q Prior to the time that you became general land and tax agent had you been accustomed to appear before the New Jersey State Board of Assessors on tax matters? A For a number of years.

Q And after that also? A Yes, until the time of my resignation.

Q Were you at any time the attorney of the company? A Never.

Q In the review of the 1911 assessment before the State Board to which you have referred in your examination in chief, you recall appearing frequently before the Board, do you? A Yes.

Q Sometimes with Mr. Corbin and sometimes without Mr. Corbin? A Yes.

Q You distinctly remember having participated in the examination of witnesses? A Yes.

Q Sometimes in Mr. Corbin's absence, and sometimes in Mr. Corbin's presence? A Yes.

Q About land matters, and also about assessment on the rolling stock and floating equipment? A Yes. May I explain?

Q If you desire. A I did it, however, always at Mr. Corbin's request, to help him, because of the pressure of his work; I was never formally requested by the company to do so.

Q You recall Mr. Corbin having stated to the Board that you would proceed with the examination of witnesses? A Yes.

Q And in Mr. Corbin's absence the Board recognized you as the legal representative of the company in the examination of witnesses? A Yes, I remember carrying on the examination and I presume that the Board was recognizing me; that is a matter for the Board to decide. I was treated so, as the Board showed me all the courtesy they would show any attorney for the company.

Q You appeared on the introduction of Mr. Corbin? A Yes.

Q You, of course, have no personal knowledge as to whether Mr. Corbin talked with the members of the Board at times when you were not present? A None, save what he or them may have told me.

Q You, yourself, frequently talked with members of the Board when the Board was not in session? A With great frequency.

Q And you have no knowledge that he did not do so? A No, sir.

By Mr. Hendrickson.

Q Mr. Williams, you stated, as I called, in your testimony, that you did not meet the Board on the 17th of September, 1912; is that right? A I did; to the best of my belief.

Q I have testified that you called the State Board of Assessors on the telephone on the 17th of September, 1912, asked for me, I answered the phone, and you said over the telephone to me that you were so close to our figures that you were satisfied if the Board would come to Jersey City that day and meet you, that we could settle the entire assessment for the year 1911; do you recollect such a telephone conversation with me? A I do not; no, sir.

Q I have also testified, Mr. Hansel has testified and Mr. Record has testified, that the Board came to Jersey City, on my statement to them that you had asked us to meet you on that day at Mr. Record's office, in Jersey City, for the purpose of settling the Long Dock Assessments for 1911, and they have sworn that they came here and that we met you at Mr. Record's office on that day; do you recollect meeting us in Mr. Record's office at that time? A I do not. I assumed, from what I read of your testimony, that you always referred to the meeting of the second of July; and I still believe that you have confused your days.

Q You remember Mr. Charles Hansel very well in this connection, do you not? A Very well.

Q He impressed you, has he not, as a man who thinks accurately and does things at the time and when he writes them down in a letter as having occurred at that time you would expect them to be true, wouldn't you? A I have always accepted Mr. Hansel's statements to be true; I know nothing of his habits, of course.

Q You worked with him practically for two years, did you not, over the revaluation of the Erie Railroad property in New Jersey? A To the extent of frequent discussions of value.

Q You were appointed by the Erie Railroad Company as its representative to meet him on all matters of revaluation or appraisement of all railroad property of the Erie Company in New Jersey, weren't you? A I was.

Q And the Erie declined to allow him to meet any representative of the company except through you, for the purpose of talking over valuations of railroad property of the Erie in New Jersey? A They announced its wish that information be requested from me, in order to facilitate the preparation and making of it.

Q You recollect Mr. Hansel asking the Erie officials to allow him to talk with the actual man connected with the various departments, such as the master carpenter and the people who had actual charge of the property, do you not, and having that request refused and having him referred to you? A Not quite in that way; my memory is that Mr. Hansel sought the company's acquiesence in his going directly to any department seeking information wherever he might wish to get it, and the company felt that it was destructive of the orderly conduct of the business of those various subordinate offices to have him take it up in that way, and in order to facilitate the thing it wished it to be handled through me, which was my duty and the duty for which I was retained by the company.

Q And it always was done in that way, wasn't it? A Yes.

Q After July 2d, 1912, you were frequently in consultation with him, weren't you, through July, August and September, over valuations of Erie property? A Not on the valuations of 1911; I think not, Mr. Hendrickson; my memory is there was a serious issue relative to the Susquehanna,

there were various issues, in fact, upon the value of its property, but he had made quite a serious error in calculating its franchise value, due to a misconception of certain figures, what they represented, and we had a number of conferences over that, and it may have been after the discussions which we had seeking to get together upon these Erie system figures; without looking at my file (and I have not sought to refresh my memory on that). I am inclined to think that that was the case, that we went into the Susquehanna situation somewhat after the meeting of July 2d, at which we got together, so far as I could get together upon the Erie valuations.

Q You agreed with Mr. Hansel on the total assessment on the Susquehanna, did you not? A I agreed; I also had to agree with Mr. Hansel in a litigated matter; he offered what he might and I would recommend it.

Q You actually agreed, did you not, with Mr. Hansel, when the Board made the assessment on the Susquehanna on the figures that you and Mr. Hansel agreed upon? A I actually agreed, so far as I was concerned, and recommended those figures to the company, and the company accepted them and the Board so assessed.

Q You know positively, do you not, that when you and Mr. Hansel agreed on certain figures the Board made its assessment on the joint report of the two of you? A That is my recollection, Mr. Hendrickson.

Q And the same is true of the New York & New Jersey, isn't it? A Yes.

Q You and Mr. Hansel agreed on it and the Board assessed it on the agreement, as you two agreed? A Of course, I believe, speaking from memory, that there was some discussion; Mr.

Hansel, in his discussions with me, never assumed a final authority or never allowed me to believe that acceptability to him of a given figure was necessarily conclusive to the Board; it was always understood that the Board was the first recourse and I knew of my own knowledge that the Board was the ultimate authority and would accept it or reject as it saw fit; and it was also believed by me that the Board would follow Mr. Hansel's recommendations very closely in fact, in this New Jersey and New York matter, I believe there was some slight change at that meeting of July 2d; it never presented a problem of great difficulty; only a minor matter.

Q You knew that Mr. Hansel knew that you were perfectly aware of the fact that he had not the authority to act for the Board? A Why, I assumed, I don't know to what extent.

Q Why, when you and Mr. Hansel agreed on anything you always reported to the Board the same as he did, and together, did you not, on everything? A That we had agreed upon certain figures?

Q Yes. A Yes, sir.

Q Now, the New York and New Jersey, and the Susquehanna, were closed out early in the summer, weren't they? A What do you mean?

Q An agreement made by you with Mr. Hansel, approved and confirmed by the Board, made early in the summer, June or July? A As I say, I have been trying to recall without looking at my records, when that was done, but I cannot recollect from memory; my feeling is that we took the innumerable details of the Erie System first and got together so far as we could upon that before we tackled the Susquehanna and when that was done, I don't know.

Q In fact, we had all worked together and we eliminated, as fast as we could, one thing after another, didn't we? A We did.

Q We eliminated floating equipment, didn't we? A Well, I don't think that the Board was willing to eliminate the floating equipment; of course I appreciated the changing attitude of the Board toward the floating equipment, but I do not think that the Board was really willing to eliminate or announced its willingness to eliminate the floating equipment, and I do not think, as I put my mind back upon it, that Mr. Hansel was able to assure me that it would; it was a matter left to the Board, whether the Board had jurisdiction over the floating equipment, until the session of the second of July; I think that was very much the subject of discussion at that session, Mr. Hansel having confined himself, not to the question of law involved, involving the jurisdiction of the Board, but rather to the value of given units, assuming the Board had assessment jurisdiction over them.

Q Now, you remember the assessment on the main stem land out in Passaic, along the Main Line, don't you? A Yes.

Q You remember your argument to the Board that a comparison of 100 foot lots on either side of the main street in the town was not fair to the Erie, and the valuations of the land in that place? A I remember my argument that a multiplication of that value was not fair.

Q I didn't ask you that; I asked you if you do not remember your talk with the Board, that that being main retail business street of the town, a 100-foot strip on either side was not a fair comparative value to arrive at the value of the main stem in Passaic? A Well, I remember distinctly discussion of the subject——

Q You remember, don't you, that the Board agreed with you and changed Mr. Hansel's figures and reduced that land out there in the main stem at Passaic? A My impression was not that it reduced it from a value reflected in the adjoining lands, but rather that it reduced the multiple which it had used for main stem.

Q You remember that we actually did make a very substantial reduction in values through Passaic, do you not? A Yes.

Q You also remember, don't you, that we agreed with you on the value of the structures and buildings? A Yes, I think Mr. Hansel and I had practically reached the limit on them.

Q And that was made up in an actual schedule, wasn't it? A Yes; that is, I had kept memoranda, of course, of the items which I had met Mr. Hansel's mind upon, but I had no formal schedule for the use of the Board.

Q Mr. Hansel furnished you, didn't he, with a schedule of the alterations in the values of the buildings and structures? A Speaking from recollection, I believe that is rather more summary than detailed; it may have been that he gave the details of each change, but my recollection is that it was summary.

Q You came together upon it and the Board, Mr. Focht, Mr. Hansel and yourself, did agree upon those things, and that was true also of the rolling equipment change? A Yes.

Q We went over in detail engines, cars and everything? A Yes.

Q Sometimes you took them up with me, sometimes with Mr. Hansel, and sometimes with Mr. Focht? A We had frequent conferences.

Q And in that way we gradually eliminated item after item of the different pieces of property

that made up the total assessment, didn't we? A We gradually ended futher discussion upon those items that I announced myself as satisfied with.

Q Now, you know yourself that we finished with every other railroad before the Erie, and took the Erie last, don't you? A It was my understanding so from you gentlemen at the time; and my understanding from the other railroads of the same thing; of course I have no personal knowledge, for I was not present at your conferences.

Q You know because I told you so, Mr. Hansel told you so, and you did not question it at all? A No.

Q After we got through with those you certainly remember that we kept right straight at the Erie proposition day after day, don't you? A At what time was that, Mr. Hendrickson?

Q During the summer of 1912, and after July 2d, 1912. A No; on the contrary, I have no recollection, and there was nothing to meet you upon; I was not in a position, so far as I had gone, I had gone to the point where I could go no further, and there was nothing on the Erie assessment for me to see you on; on the contrary, as time went on, you prodded me for a reply and I felt the embarrassment of the situation, and that is why I found in my file by reference to letters on that day it was very politic to avoid you.

Q You never avoided me, in fact, Mr. Williams. A I avoided you in that summer, and I was embarrassed about that delay.

Q Mr. Williams, you never asked, did you, for an adjournment or extension of time either from myself or the State Board of Assessors, did you, that it was not granted? A I don't think I did.

Q Never one? A I don't know of any from memory, no.

Q And you also know if you had asked for any you would have got it? A I think I would have, from the way they treated me; but toward the end I realized that they were under pressure in finishing their work and that the delay was getting very exasperating; I appreciated entirely the Board's attitude, and that is why I was not cultivating the society of the Board at that time.

Q The Board never acted exasperated towards you, did it? A No, but requests from you were pressing for action upon my part or upon the railroad's.

Q You have no letters from me or from the Board making requests for prompt adjustment and final settlement of the matter? A The requests, Mr. Hendrickson, as I recall our talks that we had during that summer, were telephone communications, not infrequently.

Q You are sure that you had never had any letter stating any such thing? A I haven't any such letter here.

Q Did you look for such letter? A I did, that is, I went over the filed letters.

Q Did you look over all your letters? A I looked over all the correspondence at that time for those bearing upon the situation.

Q Now, the letters which you referred to, of the 20th and the 21st of September, 1912. They relate to a hearing which you asked to have with regard to franchise, did it not? A No, they relate to franchise, that also came up.

Q (Last question read.) A Only in part.

Q That is only your recollection about it, isn't it, that it was only in part of the franchises? A Yes, sir.

Q You appeared before the Board, and the minutes show nothing else except your argument with regard to the franchise. A When?

Q The meeting of October 1st, 1912. A Yes.

Q And at the meeting prior to that there was also a memorandum on the minutes of the meeting that you asked for a hearing on that franchise matter, and asked to have it adjourned to October 1st? A What meeting was that?

Q The meeting a week prior to October 1st. A I have never seen the minutes and I have no knowledge of that. Did they say I was there?

Q No, you were not there at the time of the prior meeting; I am only telling you for your information, to refresh your recollection, that at that meeting there is an entry in the minutes of the letter asking for an adjournment to October 1st, for the hearing on the franchise? A I don't quite understand you.

Q Now, don't you consider it extremely singular that if July 2d, 1912 was the last date or time at which you had anything to say or do with either Mr. Hansel or the Board with regard to the 1911 assessment, which was under review before the Board, that it should be as late as the end of September before the Board confirmed the assessment and sent it in to the Comptroller? A No.

Q In all your dealings with the Board, your experience has always been, has it not, that the Board sent its final assessments in to the Comptroller within a day or so after things were finished up? A That has been my understanding.

Q And it never was different from that in all the things that you have had with the Board, has it? A I am unable to state; I had no way of knowing of the times when the Board finished, my first information being a notice from the Comp-

troller that the assessment against the company's property had been made.

Q In all your experience with the Board, after the hearings before the Board, you were present and heard the arguments presented, the assessment was always made and sent in to the Comptroller within a very few days after that final meeting, wasn't it? A It certainly was customarily so; I am trying to recall exceptions but I do not recall any.

Q Therefore, it seems to me, Mr. Williams, that if you think July 2d was the last time you had ever anything to say to the Board relative to that assessment, it must seem unusual to you that it should be as late as September 24th or 25th before the Board made its final certification to the Comptroller? A No, on the contrary, Mr. Hendrickson; it seems to me not unusual at all; I can explain that to you very clearly.

Q I wish you would. A The assessment of 1910 on the franchise of the Long Dock of course technically was entirely separate and distinct a matter; now, the essence of all of this discussion this effort to get together, culminating in the interview of July 2d, was one of compromise, to end this otherwise endless litigation, a friendly spirit of compromise and getting together—collaterally was seeking—there had been litigation showing in my judgment that the Board had erred in making its assessment on the franchise of the Long Dock—I was seeking from the Board correction of what I thought was its manifest error in making that calculation, a calculation underlying that assessment. Now, my memory is that the Board's attitude was that while it was entirely a separate and distinct matter, yet the object of this was to clean up these negotiations, to clean up all this mass of

controversy, and that if we accepted these figures evolved at this meeting of the 2nd of July, which I told the Board of I would recommend for acceptance and which I did, the Board would give me the relief I sought upon this 1910 franchise valuation of the Long Dock Company, but that I thought it was so stated (my best memory is that it was so stated) to me by members of the Board, particularly yourself, that if the railroad refused to adjust this 1911 controversy you felt it was serving the interest of the State for the Board not to give what I sought for this 1910, you not admitting my position that the reduction sought was one which I should have of course, due to manifest error, you taking the view that it was one involving your discretion.

Q Didn't we agree on the 1910 franchise assessment? A Only to that assessment, you refused—

Q In October, 1912, didn't we agree on the franchise for 1910? A Yes, my recollection is that we did; I have not sought to refresh my memory on what took place upon that date.

Q When you agreed, when you were in the October meeting on that 1910 franchise, at that time you knew that the Board certified to the Comptroller the 1911 assessment as finally found by the Board? A I did.

Q So that the 1911 assessment had nothing whatever to do with the assessment of the 1910 franchise on October 1st, did it? A At that meeting it made my position very difficult—

Q (Last question read.) A No.

Q I show you Exhibit S-1 for the State of May 6th, 1915, which has the figures "3,514,400" on it in lead pencil figures, and which I had testified was the increase for the 1911 total assessment,

outside of the New Jersey & New York, over and above the total assessment on the same property for 1910. A That is, on the whole Erie system?

Q On the whole system except the New Jersey & New York. A Yes.

Q And stating that I showed you that paper at Mr. Record's office, and that you and the Board agreed on that figure as the total final assessment for 1911 as representing the increase on the same property over 1910; and ask you if you don't remember a meeting at Mr. Record's office at which you were present, when you agreed with the Board that that should be the final assessment settlement of all of the Erie matters for the year 1911, and if you do not remember stating that you asked us to strike off the $400? A Of course I do not recall this piece of paper (referring to photostat copy of Exhibit P-1); I think I do recall laughingly suggesting that the $400 come off.

Q You remember it? A I think so.

Q Don't you remember I said I could not conscientiously, and the Board could not conscientiously agree to that, as it was the resume of various agreements that we made with you? A Yes, I think that was true.

Q Don't you remember who was present at that meeting? A That was the meeting at which Mr. Record and you and Mr. Hansel and I had on the 2d of July, at which we got together upon these figures.

Q And we all understood when you went out of Mr. Record's office that that was the final settlement that both of us were looking forward to of all the controversies with the Erie Railroad for 1911, was it not? A I don't understand that question.

Q (Last question read). A I can tell you what I understood; I understood that it was the final consideration of the figures, that there could be no further adjustment or reduction of the figures which we had arrived at that day, and that I was to recommend to my company the acceptance of those figures as a basis of termination of the suits.

Q Don't you remember my saying to you that I thought you must have had a figure to agree on and that was higher than mine, and that the Erie put one over on me? A No, I do not.

Q Didn't you come to that meeting with a figure in your mind to offer as a final compromise and settlement with the State Board? A I not only had it in my mind but I had it on paper, what I was prepared to offer to the Board as my recommendation to the company in settlement of the litigation, and had already reached that figure in company with Hansel as the result of the numerous conferences in my office.

Q You did not show your paper, did you, that day? A Yes, Hansel not only showed it, but I think it had already been announced by Mr. Hansel, he was perfectly familiar with it; it was in the neighborhood of—it is hard to recall figures after those years—it was in the neighborhood of two or three million, less than what you put over on me when I finally left the office.

Q (Last question read). A I think the only paper that I recall was the figures which Mr. Hansel and I had split upon, what I wanted to recommend; I may have had a mass, I think I did have a lawyer's leather case of memoranda and calculations and all that sort of thing, I may have had it in there, but I presume I did not show everything that I had there to you.

Q There were not any papers shown at Mr. Record's office at that meeting except just that one memorandum? A I think there was, Mr. Hendrickson.

Q How long did this meeting at Mr. Record's office last? A That was a meeting—I was there quite some time, there was a period of informal discussion before we got down to these valuations, but I was in that that office for some time.

Q You were there before the Board got there, weren't you? A Mr. Hansel and I went there, I think, in advance of the others; I think, it seems to me, that we stayed there chatting about matters before the rest of you came in.

Q Weren't you there all alone, and didn't Mr. Hansel come in with you? A I do not so recall; I would not say it was not so, but I do not so recall.

Q Do you remember where you sat? A I have been trying to; we had a good many conferences together at one time and another, Mr. Hendrickson.

Q We had a lot of them in September and August, 1912. A No, sir; we did not; I was not seeking the help of the Board in August, 1912; Mr. Hansel saw me relative to a retainer in connection with certain other matters, I think that is about the only time I saw Mr. Hansel in August.

Q You do not think you had any consultations with Mr. Hansel either in August or September, 1912, about second class or the other assessments for 1911 of the Erie Railroad? A Of the Erie Railroad System, no, sir; not that I know of; I had nothing to discuss with him.

Q Don't you remember that he came in, we sat there just a few minutes, and I handed you a piece of paper and said that that was the figure

that we ought to agree on, and the figure that the Board was ready to agree on, and that you asked only to have the $400 stricken off to make it an even sum? A I do not recall it; I do recall some little pleasantly, it seems to me, that $400 was mentioned, purely as a matter of humor.

Q Don't you remember right away when you said that was satisfactory I said you must have another figure that is higher than that that you are authorized to agree on? A That I don't remember.

Q You don't remember? A No, sir; I do not.

Q You said that you had a figure in your pocket at the time? A If I said so I undoubtedly had; I think the figure that I said was—my memory on what I regard as immaterial things is not very clear, but if I made reference to figures I am quite sure that I always referred to the figures which had been the subject of discussions and dispute between Hansel and myself; after all our processes of comparing there still remained, as I have said, certain items which Mr. Hansel neither could nor would retire from or reduce, and that it was up to the Board, and I would not go up; and that was the purpose of this meeting.

Q Don't you remember that we met there at Mr. Record's office in response to your telephone call at the time? A No, I do not.

Q You don't know how that meeting at Mr. Record's office was arranged? A Which, this meeting of July 2d? A The one that you recognize, that meeting there when we had a figure such as on that paper when this $400 conversation occurred? A Whenever I talked about this meeting, this adjustment, I refer to the meeting which took place on the 2d of July.

Q But you may be just as well mistaken on that date, of July 2d, as I may be on the date being September 17th; isn't that possible? A I am absolutely certain I am not mistaken; I can explain that to you if you wish me to.

Q I thought you did. A Because I find my report, dictated by me, which was a matter of huge importance to me, dictated by me, I recognize the phraseology, entirely familiar with the latter, signed by me personally, to Mr. Brownell, vice-president of the road, on the 3d referring to the matter as a matter having immediately occurred; there is no shadow of doubt in my mind that that was either the second or third; I think it was on the second.

Q Have you got that letter here, to Mr. Brownell? A I haven't got a single letter with me.

Q Has Mr. Hobart got that letter to Mr. Brownell, which you say was your report, written on July 3d? A I surmise he has it, Mr. Hendrickson.

Q Can you locate it and let me look at it? A I have nothing to say about the Erie.

By Mr. Hobart.

Q (Showing witness carbon copy of letter dated July 8, 1912.) Please look at that and tell me if that is the letter that you referred to in answer to Mr. Hendrickson's question? A There was a letter of July 3d; I think that has the whole thing; I drew it up for Mr. Brownell; very frequently I would write a letter and then have a discussion with Mr. Brownell which would develop further things which he wanted me to cover in my report for submission to the president. There is a letter of July 3d.

Q And that letter that you have now looked at is a letter of July 8th, which purports to be a full report or recommendation? A A full report and recommendation of the conference at Mr. Record's office on the 2d.

Q Your recollection is that there was an earlier letter, of the 3d, which does not go into details so much? A Yes, sir; it has just got the figures.

By Mr. Hendrickson.

Q It is really on the basis of this letter that you fix that date as July 2d, rather than the conversation or comments on the rivalry between Clark and Wilson for the Presidential nomination? A I know that we discussed that matter; it was a matter of then current interest, fresh news matter.

Q You would not have said July 2d from your recollection if you had not seen this letter, would you? A I would not have said the very day, I would have said within a very few days either way; I have a number of things to fix it by; I know Mr. Brownell left for Europe before the middle of the month; I know I had conferred with him; I know that I had sought the company's decision before his leaving; and I know that that being so, there must have been a number of days before his going away.

Q Where are those letters subsequent to July 8th? A I don't know.

Q Your testimony this afternoon is based on this letter of July 8th and the recollection that brings to your mind, is it not? A Not entirely; no, sir. I have a very clear recollection of the main features of this, because of the importance which I attached to it, and also the matter had a great personal interest to me; I had intended to

resign for some time; I had felt it only fair to the road to bring this Jersey litigation to a conclusion before I did, of course with the bringing of it, left the way clear for me to sever my connection with the road.

Mr. Hendrickson. I would like to call for this letter of July 8th, 1912, for the purpose of offering it in evidence as explanatory of Mr. Williams' testimony, being a private letter written by him to the vice-president and general solicitor of the company at that time, to which he has referred.

Mr. Hobart. We object, on the ground that it is a confidential communication and that it is immaterial except as to the first paragraph, or the first sentence, which the witness says refreshes his recollection as to the date of the conference, and he has referred to the letter only for that purpose; there are certain matters in the letter which have nothing to do with the present controversy, and it has only been referred to by the witness and has only been shown to the members of the Board of Assessors to see whether the witness is accurate in his recollection of dates.

Mr. Hardin. The witness has also stated that he made recommendations to his superior officer; I have not any desire to go into confidential matters of the company, but so far as it confirms the fact that he had made a recommendation and what the recommendation was, it seems to me, we should have it.

Mr. Hobart. Cannot you put just that part with the figures in; the first or second paragraphs?

The Witness. I wish I could find that letter of the third; that does not go into so much detail as this; this was obviously written as a confidential communication.

Mr. Hardin. The first paragraph?

Mr. Hobart. We do not object to the first paragraph, the only ground of our objection was to the use of the entire letter, including the confidential part.

Q Will you read the first paragraph? A (Reading) "New York, July 8, 1912.

Mr. George F. Brownell,

Vice-President and General Solicitor.

Dear Sir:

As a result of a personal conference I had in Mr. Record's office on the 2nd instant, at which were present Mr. Record, President Hendrickson of the State Board of Assessors, and Mr. Hansel, and after a great deal of discussion, I have agreed to recommend the settlement of the 1911 tax litigation by all our companies against the State of New Jersey upon the following basis:

	1905 Assessm't	1910 Assessm't	1911 Assessm'nt	1911 Comp'mise
Erie System	$19,594,500	$23,704,328	$34,353,492	$27,218,000
N. Y. S. & W. System	7,292,571	7,633,021	7,734,116	7,512,629
	$26,887,071	$31,337,349	$42,087,608	$34,730,629

In the above table, for the purpose of comparison, I have shown the total Erie State assessments in New Jersey for 1905, for 1910, that for 1911, which is the subject of the great present litigation, and where I propose to settle the matter—and the same information for the New York, Susquehanna & Western Railroad Company."

Re-direct examination by Mr. Bain.

Q Mr. Williams, I observe, by looking at the minutes of the review of the assessments against the Long Dock Company for the year 1912, that you did appear upon that review; to refresh your recollection on that— A For the year 1912?

Q Yes. A I didn't understand that I was asked with regard to 1912; I thought I was asked with regard to filing returns for 1911, 1912 and 1913.

Q I think I asked whether you appeared upon the review of the assessments for the years 1911, 1912, 1913 and 1914 and you said you hadn't. A Maybe.

Q Refreshing your recollection, you see that you did appear upon the review of the assessment for the year 1912? A Yes.

Q I show you letter addressed to Irvine E. Maguire, Secretary of State Board of Assessors, Trenton, N. J., dated September 20th, which has heretofore been referred to in the testimony and offered as an exhibit; was that letter written by you? A Yes.

Q To what did that letter refer? A To the Long Dock 1910 franchise case.

Q There has been some suggestion that the re-assessment of the franchise of the Long Dock Company for the year 1910 was finally agreed upn by the State Board of Assessors at this meeting on October 1st, 1912; will you kindly refresh your recollection on that point and state what you can? A Apparently from this it was discussed, but I do not think I testified that it was agreed upon on that day, or that the State Board had announced its determination; I think that came subsequently.

Long Dock Co.'s Exhibit P. 2.

Long Dock Company's Exhibits.

EXHIBIT P.1.

Map showing Long Dock Company's property in Jersey City, prepared for Percy A. Gaddis and Thomas A. Ryer, Dec., 1912.

EXHIBIT P.2.

Description of Property	Acreage	Market Value, Stated by Corbin, Gaddis and Ryer	Assessed Valuation
Block 16, Plot B-6. Floyd Corbin—210′ on solid fill line running west 700′ at $350. per ft. on slip or depth line. 700′ x $350. = $245,000. (Area 700′ x 210′ 3,374 A.)	3.374	$245,000	
Gaddis & Ryer — West of 700′ line, 1,320 ft. frontage south side of Pavonia Ave. at $200. per ft., or $5,000. per lot; $264,000 for 3.030 acres. Remaining area —— 9.635 at $24,000 per acre, $231,240. Total, $264,000 and $231,240.	12.665	495,240	$1,098,480
Total for parcel		$740,240	
Block 17, Plot A-2. Floyd Corbin — 1037.5′ on solid fill line, 700′ deep at right angles and including land under water in front thereof to exterior line of piers, $1,800. per ft. on exterior line for solid fill = $1,867,500. Deduct value of land in main stem 100′ x 700′ at $1,141 per sq. ft. or $79,870, leaves appraised area and value	37.572	1,787,630	
Gaddis & Ryer — West of 700′ line, 1,170 ft. frontage on Pavonia Ave. at $200. per ft. or $5,000 per lot = $234,000 for area 2.685 acres. Remaining area of 24.515 acres at $20,000 per acre, $490,300. Total, ($234,000 plus $490,300)	27.2	724,300	$3,856,956
Total for parcel		$2,511,930	

Long Dock Co.'s Exhibit P. 2.

Description of Property	Acreage	Market Value, Stated by Corbin, Gaddis and Ryer	Assessed Valuation
Ft. of Pavonia Ave. (Ferry Plot). Floyd Corbin—130′ along exterior line for solid fill, including land under water in front thereof to Pier line, 2.09 A. at $46,173.60 per A. or $1.06 per sq. ft.	2.09	96,502	116,196
Block 16, Plot B-7. Floyd Corbin—Land 140′ along exterior line for solid fill, including land under water in front thereof to pier line, 2.498 acres, $46,-173.60 per acre or $1.06 per sq. ft.	2.498	$115,342	$138,878
Block 182, Plot C. Gaddis & Ryer—Land outside M. S. Southwest corner of Tenth and Provost Sts.	.176	2,625	13,812
Block 183, Plot A. (Portion). Gaddis & Ryer—Land outside M. S. between the southerly line of 11th St. and the northerly line of 10th St. and from the easterly line of Henderson St., to the center line of Provost St.	1.118	27,400	87,740
Block 218, Excess Land. Gaddis & Ryer—Land outside M. S. south of M. S., exclusive of land occupied by warehouse	.624	22,576	40,810
Block 323, Excess Land. Gaddis & Ryer—Land outside M. S., south of M. S.	.413	12,146	21,588
Block 360, Excess Land. Gaddis & Ryer—Land outside M. S., south of M. S.	.413	10,350	21,588
Block 395, Excess Land. Gaddis & Ryer—Land outside M. S., between the northerly line of main stem of Penhorn R. R. and the southerly line of M. S. Branch "A," Penhorn Creek R. R.	.362	4,620	10,426

Long Dock Co.'s Exhibit P. 2.

Description of Property	Acreage	Market Value, Stated by Corbin, Gaddis and Ryer	Assessed Valuation
Block 395, Excess Land. Gaddis & Ryer —Land outside M. S. south of M. S. Long Dock Company	.470	10,236	13,536
Block 421, Excess Land. Gaddis & Ryer —Land outside M. S., between the northerly line M. S. Penhorn Cr. R. R. main line and southerly line M. S. Branch "A."	.090	900	2,592
Block 421, Excess Land. Gaddis & Ryer —Land outside M. S. south of main line L. D. Co., between center line Brunswick St. and center line of Division Street	1,290	16,596	37,152
Block 547, Plot 4-A. Gaddis & Ryer— Land outside M. S. between center line of Division St. and easterly line of N. J. Jct. R. R.	1.090	5,450	17,004
Block 547, Plot 2-B. (Portion). Gaddis & Ryer—Land outside M. S. Excess south of M. S. Penhorn Creek R. R.	.250	750	3,900
Block 547, Plot 2-D. Gaddis & Ryer— Land outside M. S. Excess north of M. S.	.310	930	4,836
Block 961, Plot 1. Gaddis & Ryer— Land outside M. S., including Utica St.	3.957	11,971	28,015
Block 961, Plot 3. Gaddis & Ryer— Land outside M. S.	6.315	18,945	45,468
Block 961, Plot 5-B. Gaddis & Ryer— Land outside M. S.	2.180	7,630	15,434
Block 1200, Plot 12. Gaddis & Ryer— Land outside Main Stem	14.180	21,270	34,032
Block 1200, Plot 59-A. Gaddis & Ryer— Land outside Main Stem	32.180	32,180	57,925
Block 1200, Plot 57-A. Gaddis & Ryer— Land outside M. S., exclusive of M. S. Penhorn Creek Railroad	32.195	32,195	57,952
		$3,702,784	$5,724,320

Long Dock Co.'s Exhibit P. 2.

ANALYSIS OF LAND VALUES OF GADDIS AND RYER.

Block	16	Plot	B-6	Waterfront, etc., Floyd Corbin	$245,000
"	16	"	B-6	Pavonia Av.—frontage 1,320 ft. @ $200 per fr. ft.	264,000
"	16	"	B-6	Interior—9.635 acres @ $24,000 per acre	231,240
"	17	"	A-2	Waterfront etc.—Floyd Corbin	1,787,630
"	17	"	A-2	Pavonia Av.—frontage 1,170 ft. @ $200 per fr. ft.	234,000
"	17	"	A-2	Interior—24.515 acres @ $20,000 per acre	490,300
Ft. Pavonia Av.				Ferry plot—Floyd Corbin	96,502
Block	16	Plot	B-7	Waterfront, etc.—Floyd Corbin	115,342
"	182	"	C	Provost St.—2,625 sq. ft. @ $1.00 per sq. ft.	2,625

(Taking into consideration large reversionary, otherwise would be 80c per sq. ft.)

Block 183 Plot A-3	½ Block		Hend. St.—2 lots @ $2,400—	$4,800	
			" " 2 " " 1,800—	3,600	
			Tenth 8 " " 1,500—	12,000	
			Provost 2 " " 2,000—	4,000	
			" 2 " " 1,500—	3,000	27,400
Block 218—Excess Land	Outside M. S.—Grove St.—		68,000 S. F. @ $1.40—	9,520	
	27,200 sq. ft.	Hend. St.—	6,800 " " " .72—	4,896	
	.624 acres	Interior	13,600 " " " .60—	8,160	22,576
" 323—Excess Land	.413 acres	Jersey Av.	2,500 " " " 1.06—	2,666	
		" "	2,000 " " " .80—	1,600	
		Tenth St.	9,000 " " " .52—	4,680	
		Coles St.	2,500 " " " .80—	2,000	
		" "	2,000 " " " .60—	1,200	12,146
" 360—Excess Land	.413 acres	Monmouth	2,500 " " " .66—	1,650	
		"	2,000 " " " .50—	1,000	
		Tenth St.	9,000 " " " .50—	4,500	
		Coles St.	2,500 " " " .80—	2,000	
		" "	2,000 " " " .60—	1,200	10,350
" 395—Excess Land	.362 acres	Monmouth	4,000 " " " .48—	1,920	
		Interior	.270 A. @ $10,000—	2,700	4,620
" 395—Excess Land	.470 acres	Interior	20,473 sq. ft. @ .50—		10,236
" 421—Excess Land	.090 acres	Interior	.090 A. @ $10,000 per A.		900
" 421—Excess	1,290 acres	Interior	56,192 S. F.—less 14,700 sq. ft.		
			leaves 41,492 sq. ft. @ .40		16,596

Block	547	Plot	4-A	1.090	acres	@	$5,000	per	A.	$ 5,450
"	547	"	2-B	.250	"	"	3,000	"	"	750
"	547	"	2-D	.310	"	"	3,000	"	"	930
"	961	"	1	3.957	"	"	3,000	"	"	11,971
"	961	"	3	6.315	"	"	3,000	"	"	18,945
"	961	"	5-B	2.180	"	"	3,500	"	"	7,630
"	1,200	"	12	14.180	"	"	1,500	"	"	21,270
"	1,200	"	59-A	32.180	"	"	1,000	"	"	32,180
"	1,200	"	57-A	32.195	"	"	1,000	"	"	32,195

Total.....$3,702,784

Long Dock Co.'s Exhibit P: 2.

Appeal from State Board Assessments for year 1912 on land of Long Dock Company in Jersey City, N. J.

Sales and local assessments of adjacent property in Jersey City, N. J., lying between Seventh and Twelfth Streets and West of Erie Terminal. Also Market Value by P. A. Gaddis and Thos. A. Ryer, of same territory.

NORTH SECTION

See Map Introduced

	Area in Acres		Aggregate	Average Per Acre
Sales cover	22.665	Consideration	$435,065	$19,195
City Assmts. cover	65.343	Assessments	1,366,050	20,921
*Market Values cover	61.934	Value	1,284,739	20,743

SOUTH SECTION

See Map Introduced

	Area in Acres		Aggregate	Average Per Acre
Sales cover	7.847	Consideration	$188,300	$23,996
City Assmts. cover	52.116	Assessments	1,246,900	23,925
*Market Values cover	48.707	Value	1,183,016	24,288

*NOTE.—Park and property assessed by State Board excluded.

December, 1912.

NORTH SECTION

Block and Street	Dimension Blocks	Area Feet	Area Acres	Street Lot Value	Market Value	Assmts.
150						
Pavonia	11-12-13			166.66 ft.		
	B-A-20			$5,000	$33,332	
Provost	C			1,800	1,594	
9th. St.	J-K1-27A—					
	28A-29A-30A	52,654	1.208	1,800	11,853	49,200
					46,779	
181						
9th. St.				12@1,800	21,600	
Provost				4 " 1,800	7,200	
Pavonia				16 " 3,500	56,000	
Hend.	270x460	124,200	2.851	3,000	———	98,700
					84,800	

Long Dock Co.'s Exhibit P. 2.

Block and Street	Dimension Blocks	Area Feet	Area Acres	Street Lot Value	Market Value	Assmts.
182						
10th. St.	Less 15,000			8@1,500	12,000	
Provost	Sq. Ft.			7 " 1,500	10,500	
9th. St.				8 " 1,800	14,400	
Hend.	260x460	104,600	2.401	8 " 2,000	16,000	75,200
					52,900	
183						
11th. St.				1,500		
Provost	All R. R.			1,500		
10th. St.				1,500		
Hend.				1,800		
184						
12th. St.				8@1,400	11,200	
Provost				8 " 1,500	12,000	
11st. St.				8 " 1,500	12,000	
Hend.	260x460	119,600	2.745	8 " 1,600	12,800	56,200
					48,000	
216						
9th. St.				12@1,800	21,000	
Hend.				3,000	———	
Pavonia				16 " 3,500	56,000	
Grove	270x460	124,200	2.851	4 " 5,000	20,000	117,400
					97,600	
217						
10th. St.				8@1,500	12,000	
Hend.				4 " 2,000	8,000	
9th. St.				14 " 1,800	25,200	
Grove	260x460	119,600	2.745	6 " 3,500	21,000	66,600
					66,200	
218						
11th. St.				1,000	———	
Hend.				1,800	———	
10th. St.				14,000 sq. ft.		
				1,500	8,400	
Grove	65x460	29,900	.686	3,500	———	12,500
					8,400	
		674,754	15.487		$404,679	$475,800

Long Dock Co.'s Exhibit P. 2.

NORTH SECTION NO. 2.

Block and Street	Dimension Blocks	Area Feet	Area Acres	Street Lot Value	Market Value	Assmts.
Totals		674,754	15,487		$404,679	$475,800
219						
12th St.				8@$1,300	10,400	
Hend.				8 " 1,800	14,400	
11th St.				8 " 1,000	8,000	
Grove	260x460	119,600	2.745	8 " 3,500	28,000	60,250
					60,800	
251						
9th St.				12@1,800	21,600	
Grove				2 " 5,000	10,000	
Pavonia				16 " 3,500	56,000	
Erie	270x460	124,200	2.851	2 " 1,800	3,600	79,100
					91,200	
252						
10th St.				8@1,800	14,400	
Grove				8 " 3,500	28,000	
9th St.				8 " 1,800	14,400	
Erie	260x460	119,600	2.745	8 " 1,500	12,000	68,700
					68,800	
253						
11th St.				1,000		
Grove				3,500		
10th St.				12@1,800	21,600	
Erie	130x460	59,800	1.372	4 " 1,500	6,000	37,300
					27,600	
254						
12th St.				8@1,300	10,400	
Grove				8 " 3,500	28,000	
11th St.				12 " 1,000	12,000	
Erie	260x460	119,600	2.745	4 " 1,500	6,000	56,300
					56,400	
284						
9th St.	28,000 S. F.			2,500		
Erie	@ 96c			1,800		2500 S. F.
Pavonia				4,000		Assessed
Hamilton Pk	270x195	52,650	1.208	3,000	26,880	5,800
					26,880	

Long Dock Co.'s Exhibit P. 2.

Block and Street	Dimension Blocks	Area Feet	Area Acres	Street Lot Value	Market Value	Assmts.
285						
10th St.				8@1,200	9,600	
Erie				6 " 1,500	9,000	
9th St.				14 " 2,500 & 3,000	38,500	
Jersey	260x470	122,200	2.805	4 " 2,000	8,000	38,900
					65,100	
286						
11th St.				@1,000	———	
Erie				4 " 1,500	6,000	
10th St.				12 " 1,200	14,400	
Jersey	130x470	61,100	1.402	2,000	———	27,500
					20,400	
		1,453,504	33.360		$821,859	$849,650

NORTH SECTION NO. 3.

Totals		1,453,504	33.360		$821,859	$849,650
287						
12th St.	less 140x130			8@$1,250	$10,000	
Erie				8 " 1,500	12,000	
11th St.				8 " 1,000	8,000	
Jersey	260x470	104,000	2.387	4 " 1,600	6,400	36,400
					36,400	
321						
9th St.	28,000 S. F.			2,500	———	
Ham. Park	@ 96c			3,000	———	
Pavonia				2,500	———	
Coles	270x195	52,650	1.208	1,800	26,880	32,800
					26,880	
322						
10th St.				10@1,300	13,000	
Jersey				4 " 2,000	8,000	
9th St.				14 " 2,500 & 3,000	38,500	
Coles	260x470	122,200	2.805	4 " 1,500	6,000	65,700
					65,500	

Long Dock Co.'s Exhibit P. 2.

Block and Street	Dimension Blocks	Area Feet	Area Acres	Street Lot Value	Market Value	Assmts.
323						
11th St.	A... R. R.			1,300	———	
Jersey				2,000	———	
10th St.				1,300	———	
Coles				1,500	———	
324						
12th St.				10@1,200	12,000	
Jersey				2 " 1,600	3,200	
11th St.				1,300	———	
Coles	130x470	61,100	1.402	4 " 1,500	6,000	23,150
					21,200	
358						
9th St.				14@1,600	22,400	
Coles				4 " 1,800	7,200	
Pavonia				14 " 2,000	28,000	
Monmouth	270x460	124,200	2.851	1,500	———	68,000
					57,600	
359						
10th St.				8@1,250	10,000	
Coles				8 " 1,500	12,000	
9th St.				10 " 1,600	16,000	
Monmouth	260x460	119,600	2.745	6 " 1,500	9,000	54,000
					47,000	
360						
11th St.	All R. R.			1,100	———	
Coles				1,500	———	
10th				1,250	———	
Monmouth				1,250	———	
361						
12th St.				8@1,000	8,000	
Coles				4 " 1,500	6,000	
11th St.				1,100	———	
Monmouth	130x460	59,800	1.372	4 " 1,000	4,000	22,400
					18,000	
		2,097,054	48.130		$1,094.439	1,152,100

Long Dock Co.'s Exhibit P. 2.

NORTH SECTION NO. 4.

Block and Street	Dimension Blocks	Area Feet	Area Acres	Street Lot Value	Market Value	Assmts.
Totals		2,097,054	48.130		$1,094,439	$1,152,100
393						
9th St.				8@1,300	10,400	
Monmouth				4 " 1,500	6,000	
Pavonia				16 " 1,800	28,800	
Brunswick	270x460	124,200	2.851	4 " 1,250	5,000	62,800
					50,200	
394						
10th St.				10@1,250	12,500	
Monmouth				4 " 1,500	6,000	
9th St.				10 " 1,300	13,000	
Brunswick	260x460	119,600	2.745	8 " 1,250	10,000	47,300
					41,500	
419						
9th St.				8@1,250	10,000	
Brunswick				8 " 1,250	10,000	
Pavonia				12 " 1,000	12,000	
Division	270x460	124,200	2.851	4 " 1,000	4,000	39,400
					36,000	
420						
10th St.				8@1,000	8,000	
Brunswick				8 " 1,250	10,000	
9th St.				12 " 1,250	15,000	
Division	260x460	119,600	2.745	4 " 1,000	4,000	34,900
					37,000	
450						
9th St.				3@1,000	3,000	
Division				8 " 1,000	8,000	
Pavonia				5.6-1,000	5,600	
N. J. J'n'ct'n	270x270	72,900	1.673	1,000	———	19,050
					16,600	
451						
10th St.				1,000	———	
Division				8@1,000	8,000	
9th St.				1 " 1,000	1,000	
N. J. Junct.	260x155	40,300	.925	1,000	———	10,500
					9,000	
		2,697,854	61,920		$1,284,739	$1,366,050
				Per acre.....20,743		20,925

Actual area, 61.934 acres.

Long Dock Co.'s Exhibit P. 2.

RECAPITULATION

North Section

Area	Consideration	Buildings
161,150	$192,175	$ 69,625
63,538	136,055	93,650
101,541	157,800	103,700
48,406	71,100	49,750
53,576	110,036	76,700
533,072	174,869	22,695
26,000	23,650	14,500
987,283	$865,685	$430,620
Building value	430,620	
Land value	$435,065	

22.665 acres @ $19,195.00 per acre.

LIST OF PROPERTY SOLD IN THE TERRITORY BETWEEN THE CENTRE LINE OF PAVONIA AV. TO CENTRE LINE OF TWELFTH ST. AND WEST OF ERIE TERMINAL.

Block	Property and Description	Area	Consideration	Value of Buildings
150	Lots 1-10-Ninth, Barnum & Pavonia Av.—2-2 sty. br. bldgs., 6-1 sty. fr. stores—lumber shed 75-—x100—Mch. 23-03, O'Neill to E. L. & I. Co.	42,100	$63,000	$15,000
150	Lot 20—128 Pavonia Av. cor. Provost St.—Br. saloon covering lot. Oct. 5/06—Tower to Ringle	7,700	11,000	4,000
181	Lots 1-2 S. W. cor. Ninth St. & Provost—50x100—Vacant land. Nov. 1903. Anna V. H. Hervey to Wm. Obegfell	9,650	3,600	
181	Lots A-B-C. Provost St. Vacant land—50x100—Nov. 12/02. Hervye to Obegfell	6,500	3,600	
181	Lot 30—143 Ninth St.—25x100—3 sty. br. dwlg. Feby. 7/06—Hirschenstein to Silenger	3,250	5,825	4,025
181	Lots 11-12-13—Nos. 142 to 146 Pavonia Av.—75x100—3-4 sty. br. st. & dwlgs. Sept. 8/1911. Wagner to Cassidy	10,500	24,500	14,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consider-ation	Value of Buildings
181	Lot 31—141 Ninth St.—25x100 4 sty. br. tenement—June 25/06. Schluber to Magid	3,250	6,900	5,100
182	Lots 22-23—522-524 Henderson St.—50x100—2-4 sty. br. st. & dwlgs. Mch. 12/03. Smith to Swift Co.	6,500	11,250	7,000
182	Lots 7-8—175-7 Provost St. 50x-100—4 sty. br. st. & dwlg. & 4 sty. fr. br. front st. & dwlg. Mch. 23/1910. Desmond to A. J. O'-Neill	10,400	18,000	7,500
184	Lots 4 to 14 & 30 to 32—11th, 12th and Provost Streets—on lots 13-14—1 sty fr. warehouse 30x100—On lots 6-7-8, 3 sty. fr. bldg.— 40x75 — 1905 Eastern Granite Roofing Co. to Erie L. & I. Co.	51,650	35,500	10,000
184	Lots 23-24—S. E. Cor. 12th. Street & Henderson—50x100—fr. bldg. on front of lots and office, stable scales and fr. shed on rear—Mch. 1906—Rochford to E. L. & I. Co.	9,650	9,000	3,000
216	Lot 25—185 Ninth St.—25x100 4 sty. double br. flat—1907. John Betz to P. J. Kennedy	3,250	$11,000	$ 9,200
217	Lots V-W-X—175-7-9 Tenth St. 78.62x100—3-4 sty. br. tenements Mch. 1904. Traphagen to Lembeck & Betz Brewing Co.	10,205	14,000	10,400
217	Lot 3—521 Henderson St. —25-x100—4 sty. br. st. & dwlg.—Mch. 22/1910. Desmond to A. J. O'Neill	3,250	8,500	5,500
217	Lot C—188 Ninth St.—13x72.92. 3 sty. br. dwlg. Nov. 1905. Ligibel to Lembeck & Betz Brewing Co.	1,339	3,350	2,450
219	Lots 9-10—Vacant land —50x100 Apl./05. Kitchen to E. L. & I. Co.	6,500	5,000	
219	Lot 5—547 Henderson St.—25x 100. 4 sty. & extn. br. st. & dwlg. Shaughnessy to E. L. & I. Co., 1905	3,250	8,000	5,500

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
219	Lot 11—Vacant land —25x100. Apl. 1905. Billings to E. L. & I. Co.	3,250	1,400	
219	Lot 12—Vacant land— 25x100. Apl. 1905. Ross to E. L. & I. Co.	3,250	1,600	
219	Lots C-D—186/8 Eleventh St. lot C-22.10x50—lot D-25.08x43.25 186—3 sty. br. tenement—188-3 sty. fr. & dwlg. 1905 Turkel to E. L. & I.	3,477	12,000	8,000
219	Lot 19-550 Grove St.—25x100. 4 sty. br. tenement with 2 stores. 1905 Neil Campbell to E. L. & I. Co.	3,250	16,000	12,000
219	Lot G—548 Grove St. 25.93x-78.01 4 sty. br. tenement—May 15/05. Jacob Pein to Waldstein & Zurman	2,950	10,000	6,500
219	Lot 31—171 12th. 25x100—3 sty, fr. dwlg. Feby. 15/06—Kivitek to Kaska	3,250	3,900	2,500
219	Lot 13—178 Eleventh St.—25x-100 4 sty. br. st. & dwlg.—with 1 sty. fr. exten. & rear 4 sty. br. tenement. May 10/05. Condemnation sale — Snapper to Penhorn Creek R. R. Co.	3,250	10,100	9,100
251	Lots E-F—507 & 507½ Grove St. 40x50—2-4—sty. br. sts. & dwlgs. Nov. 3/1905. Meeres to Meeres	3,200	9,000	4,000
251	Lot H—194 Pavonia Av.—25x-100—4 sty. br. st. & dwlg.—Oct. 29/10. Madden to Lembeck & Betz Brewing Co.	7,700	17,705	16,000
252	Lot F—517 Grove St.—16.61x100 3 sty. & base. br. dwlg. Jany. 1906. Wild to Zurman	2,167	4,500	2,500
252	Lot B—523 Grove St.—16.67x-100—3 sty. & base. br. bldg. Aug. 1/1905—Marcy E. Thomas to Patk. Driscoll	2,167	$ 4,000	$ 2,000
252	Lot 13—212 Ninth St.—25x100. 4 sty. br. flat—Callahan to Feely	3,250	10,500	9,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
252	Lot 14—214 Ninth St.—25x100. 4 sty. br. flat—O'Connor to Cosgrove	3,250	10,000	8,500
252	Lot D—519½ Grove St.—16' 8"x100. 3 sty. br. dwlg. Nov. 24/03. Coe to Burke	2,184	3,500	1,800
254	Lots A-B—212-4 Erie St. 50x100. 2-4 sty. br. sts. & dwlgs. & 1 sty. fr. store—Aug. 13/04. O'Rourke to Gallagher	10,400	7,300	5,000
254	Lots 29-30-31-32—201 to 207 12th St.—100x100. Mch. 21/1900. Curby to Schroeder—Vacant land	13,000	6,000	
254	Lot C—210 Erie St.—25.38x100. 4 sty. br. tenement—July 11/04. Wm. D. Kelly, Exr. to Wm. Haley	3,300	4,000	2,800
254	Lots 1-2—S. W. cor. 12th & Grove Sts. 2-4 sty. br. sts. & flats — Mch. 1903. Hollins to Wallstein	10,400	18,000	12,000
254	Lot 5—551 Grove St.—25x100—4 sty. br. st. & dwlg.—June, 1905—O'Brien to Erie L. & I. Co.	3,250	17,000	13,000
254	Lot 6—549 Grove St.—25x100—4 sty. br. st. & dwlg.—June, 1905—Cosgrove to Erie L. & I. Co.	3,250	17,000	13,000
254	Lots 7-8—N. W. cor. 11th & Grove Sts. Vacant land—50x100. June, 1905. Cleary to E. L. & I. Co.	10,400	7,000	
254	Lots 9 to 12—Vacant land—130x100. Mch. 1900—F. J. Mathews to Safety Car Heating Co.	13,000	6,000	
285	Lot D—228 Ninth St.—16.5x50. 3 sty. br. dwlg.—Oct. 1901. Mathews to Case	1,335	3,000	2,000
285	Lot J—258 Ninth St.—16.8x50. 3 sty. & base. br. dwlg.—June, 1901—Snelling to Mathews	4,695	4,500	2,900
287—Lot N—736 Jersey Av.—16.8x60—2 sty. & base. br. dwlg.—Apl. 5/1905. Mary Slack to E. L. & I. Co.		1,680	3,500	2,600
287	Lot K—734½ Jersey Av.—16.8x60. 2 sty. & base. br. dwlg.—Dec. 4/05. O'Neill to Penhorn Creek R R. Co.	1,680	3,500	2,600

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consider-ation	Value of Buildings
287	Lots A-B-C-D (Á-B-&C—23x80) lot D—30x80— 199-201-3-5 Erie St. 4-4 sty. br. sts. & flats—1-2 sty. & base. fr. dwlg. & 1-2 sty. fr. stable. Apl., 5/05. Cleary to E. L. & I. Co.	14,300	33,000	26,500
287	Lots G-F—250-2 11th St.—40x-100—2 sty. br. dwlg.—Apl. 6/05. Rice to E. L. & I. Co.	5,200	$ 4,250	$ 2,650
287	Lot H—732 Jersey Av.—16.8x-60—3 sty. br. st. & dwlg.—Apl. 7/05. Thornhill to E. L. & I. Co.	4,666	6,500	3,500
287	Lot J—734 Jersey Av.—16′8″x-60—2 sty. & base. br. dwlg.—Apl. 8/1905. J. C. Land Co. to E. L. & I. Co.	1,666	2,750	1,850
287	Lot M—738½ Jersey Av.—16′-8″x60—2 sty. & base. br. dwlg.—Apl. 25/1905. McCormick to E. L. & I. Co.	1,666	4,750	3,850
287—	Lot L—734½ Jersey Av.—16′ 8″-x60—2 sty. & base. br. dwlg.—Apl. 8/1905. Egan to Erie L. & I. Co.	1,666	3,500	2,600
287	Lot T—748 Jersey Av.—20x60—4 sty. br. st. & dwlg.—Jany. 9/1905. Martin to Perkins	5,000	7,800	6,500
287	Lot R—744 Jersey Av.—20x60—4 sty. br. tenement. Mch., 1904. Hughes to Sherry	2,000	4,650	3,650
321	Lot S—164½ Coles St.—12.5x-65—2 sty. & base. br. dwlg.—May 1/1911. Russell to Gately	1,188	2,800	2,000
321	Lot D—40 W. Hamilton Pk.—12′6″x75—3 sty. br. dwlg.—Feby. 14/07. Adams to Kroll	1,250	4,500	3,000
321	Lot P—160½ Coles St.—12′6″-x75—3 sty. br. dwlg.—May, 1904. French to Woods	1,250	3,000	2,100
322	Lot X—S. side Tenth St., bet. Coles & Erie Sts.—1 vacant lot—25x100. Feby. 21/1905. Mathews to Corrigan	3,250	950	
322	Lot 16—282 Ninth St.—25x100—4 sty. br. flat—1907. Gilden to Byron	3,250	13,000	11,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
322	Lot 22—271 Tenth St.—25x100—vacant lot—Sept. 2/1910. See to Feeney	3,250	700	
322	Lot K—288½ Ninth St.—15x50. 2 sty. br. dwlg.—May 10/. Tappen to Ballan	1,260	3,500	2,500
322	Lot 27—Vacant lot—25x100—June, 1905. Clark to Mulligan	3,250	900	
322	Lot 30—Tenth St.—25x100—1 sty. fr. bldg.—25x100—for stable—front part is 2 sty. with living apartments on 2d floor. Apl. 1904. Waldron to Filbert	3,250	1,800	1,000
322	Lot N—178 Coles St.—16′8″x50. 2 sty. & base. br. dwlg.—June, 1905. Trempar to Scott	1,344	2,250	1,550
322	Lot V-2—180 Coles St.—51.18x-51.12—2 sty. br. stable. Dec., 1905. Ross to Betz	4,000	3,500	2,000
322	Lot 3—709 Jersey Av.—25x100. 5 sty. br. tenement. June, 1906. Dinkel to Jaeger	3,500	$19,000	$16,500
324	Lot N—735½ Jersey Av.—12′6″-x50—3 sty. br. dwlg. Apl. 6/1905. Healy to E. L. & I. Co.	1,227	1,800	1,200
324	Lot 20—210 Coles St.—25x100. 3 sty. fr. tenement. Apl. 10/1905. Currie to Erie L. & I. Co.	3,250	8,500	7,000
324	Lots 13-14—274-6 11th St.—2-4 sty. br. tenement.—Apl. 8/1905. Heitman to Erie L. & I. Co.	6,500	12,000	9,400
324	Lot 15—278 11th St.—25x100—4 sty. br. tenement.—Apl. 10/05. Loeven to E. L. &. I. Co.	3,250	6,000	4,700
324	Lot 16—280 11th St.—25x100—4 sty. br. tenement.—Apl. 7/05. Means to E. L. & I.	3,250	6,000	4,700
324	Lots 21-22—212-14 Coles St.—50-x100—2-4 sty. fr. flats—Apl. 6/05. Hall to Erie L. & I. Co.	6,500	11,500	9,500
324	—Lot A-1—286 11th St.—20.83x-22.92—4 sty. br. dwlg. Apl. 10/05. Coleman to Erie L. & I. Co.	1,375	6,000	3,500
324	Lot E—743½ Jersey Av.—12.5x50—3 sty. br dwlg Sep. 22/05. Koster to Sherry	1,227	2,200	1,600

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
324	Lots L-M — 737-737½ Jersey Av.—25x50—2-3 sty. brdwlgs.—Apl. 6/05 Coles to Erie L. & I. Co.	2,454	3,100	2,000
324	Lot O—735 Jersey Av.—12'6"x-50—3 sty. br. dwlg.—Ap. 11/05. Jaeger to Erie L. & I. Co.	1,227	3,500	1,600
324	Lot P—733½ Jersey Av.—12'6"-x50—3 sty. br. st. & dwlg. Apl. 11/1905. Gerkins to Erie L. & I. Co.	1,227	5,000	1,600
324	Lot R—733 Jersey Av.—12'6"x-50—3 sty. br. st. & dwlg.—Apl. 11/1905. Gerkins to Erie L. & I. Co.	1,227	5,000	1,600
324—	Lots U-V—262-4 11th St.—42x-100—2-3 sty. fr. flats. Apl 6/1905 Muirhead to Erie L. & I. Co.	5,460	6,500	4,300
324	Lots W-C-&Z—Lot W—22'6"x53—lot C—22x100—lot Z—30.4x55—No. 282 11th St.—3 sty. br. dwlg. lot C vacant land—206 Coles St.—3 sty fr. flat—Apl. 7/-1905. Vanderbeek to Erie L. & I. Co.	7,277	12,000	7,500
324	Lot E-1—281 12th St.—54.96x25—3 sty. fr. flat. June 1906. Cloonan to Egan	1,375	836	
324—	Lot 29—fronting on 12th St.—25x100. Heppenheim to Perry (vacant lot)	3,250	1,100	
358	Lot H—165½ Coles St.—12.5x-50—2 sty. & base. br. dwlg.—Sept. 17/1900. Mathews to Dittman	1,000	$ 2,750	$ 2,000
358	Lot M—161½ Coles St.—12.5x-50—2 sty. & base. br. dwlg.—Feby. 2/1910. King to Sheely	1,000	2,800	2,000
358	Lot Y—301 Ninth St.—2 sty. & base. br. dwlg.—Aug. 1911. Ratti Estate to McCarthy—lot 18.75x100	2,438	2,650	1,800
359	Lot C—294 Ninth St.—2 sty. & base. br. dwlg.—Mch. 2/1911. Hanks to Blake, 16.67x50	1,334	2,800	2,000
359	Lot 5—177 Coles St.—Vacant lot—25x100—Jan. 24/1912. Judge to Prove	3,250	900	

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
361	Lots 9-10—Eleventh St. —Vacant lots. 50x100—1906—Crouter to Ross	6,500	3,000	
361	Lot 11—302 Eleventh St.—25x100—3 sty. fr. dwlg.—1905. Hefferman to Erie L. & I. Co.	3,250	4,350	2,500
361	Lots 23 to 26—S. E. cor. 12th & Monmouth. Vacant lots. 100x100 1905. Billings Est. to E. L. & I. Co.	16,900	5,250	
394	Lot L—N. W. cor. 9th & Monmouth Sts. fr. bldg.—lot 12½x50. Nov. 13/1912. Egan to Cleary	3,400	2,600	1,600
394	Lot Z—329 Tenth St.—3 sty. fr. dwlg. Jany. 25/1906. Jones to Egan. Lot 15x100	1,950	925	600
394	Lots 17-18-19-20—N. E. cor. 9th & Brunswick Sts.—100x100. Vacant land—Sept. 25/1905. Church to Kean & Hughes	16,900	5,125	
395-A	Block bought by Erie L. & I. Co. in 1901	365,250	101,219	10,195
419	Lots 9 to 16 Inc. lots A, B, C, D, & 21 to 24 inclusive—16 lots on Pavonia Av., Division & 9th Sts.—Vacant land. Jany. 1909. Ross to Wolfe	63,100	16,000	
420	Lots 7-8—N. W. Co. Brunswick St. & 9th.—50x100. Vacant land. Dec. 22/1900. Mathews to Hewitt	10,400	2,000	
420	Lots 13-14—N. side Ninth St. 50x100. Vacant land. Jany. 25/-1900. Mathews to Mangus Metal Co.	6,500	2,500	
420	Lots 15-16-25-26 N. side 9th St.—50x200. Vacant land—sold Jany. 24/1906. Ross to Mangus Metal Co. (property runs through to 10th St.)	13,000	9,000	
420	Lots 21 to 24 inc. 10th St.—cor. Division—100x100. Jany. 24/-1906. Ross to Mangus Metal Co. (vacant)	16,900	11,000	
359	Lots 25 to 28—Tenth St.—100x100—1 sty. fr. Cor. iron bldg.—May, 1907. Ransome to Horton	13,000	$10,000	$ 6,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
359	Lot W—185 Coles St.—cor. 10th —20x100—4 sty. br. st. & dwlg. June, 1907. Riehl to Gold	6,500	8,650	6,500
393	Lots 29-30—335-7-9 Ninth St.— 50x100—lot 30—vacant—lot 39 2 sty. fr. dwlg. with extn. June 9/1909. Bower to Kantrowich	6,500	5,000	2,000

RECAPITULATION.

South Section.

Area.	Consideration.	Buildings.
72,435	$137,400	$ 87,700
55,189	149,600	109,250
55,791	121,575	88,500
50,703	106,450	73,300
67,112	44,800	25,000
40,579	30,125	17,900
341,809	$589,950	$401,650

Building value..... 401,650

Land value.....$188,300

7.847 acres @ $23,996 per acre.

LIST OF PROPERTY IN THE TERRITORY BETWEEN THE CENTER LINE OF SEVENTH STREET AND THE CENTER LINE OF PAVONIA AVENUE, WEST OF THE ERIE TERMINAL.

Block	Property and Description	Area	Consideration	Value of Buildings
149	Lot D—123 Pavonia Av.— 25x75—4 sty. br. st. & dwlg. 1905.—Douglass to Mathews	2,750	9,000	6,000
149	Lots 17, 18, 19, 20—Provost St. 3 sty. & extn. br. factory bldg., covering entire plot. 1905. Tower to Ross	16,900	24,000	12,000
179	Lot C—464 Henderson St.— 21.33x58—4 sty. br. st. & dwlg. December 11/1905. Dekuslki to Donaleski	4,517	7,500	5,500

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
179	Lot B—156 Seventh St.—21x75—4 sty. br. tenement. July 9/06. Alpert to Perkowski	2,205	6,000	5,000
179	Lot 30—141 Eighth St.—25x100—4 sty. br. tenement. 1906. Kaminski to Lannon	3,250	8,500	6,700
179	Lot 31—139 Eighth St.—25x100—4 sty. br. tenement. January, 1908. Bruer to Elfenbein	3,250	9,100	7,300
179	Lot A—154 Seventh St.—20.67x75—4 sty. br. flat. May, 31/06	2,170	6,000	5,000
179	Lot F—467 Henderson St.—27x79—4 sty. br. st. & dwlg. June, 1907. Last to Jacobs	2,943	13,000	8,000
180	Lots 9, 10—138-40 Eighth St.—50x100—lot 10—4 sty. double br. flat. November, 1910. Goldberg to Beach Land Co.	6,500	9,200	7,000
180	Plot B—147-9 Provost St.—50x100—3 sty. br. bldg. December 22/09. N. J. Ice Co to D. E. Cleary	6,500	8,900	5,900
180	Lot 27—147 Pavonia Av.—25x100—3 sty. br. st. & dwlg. 1906. Dalton to Fischer	3,500	5,000	1,800
180	Lots 3, 4—129-31 Pavonia Av.—Cor. Provost St.—2-4 sty. br. st. & dwlgs. 50x100. January 26/1906. Sheriff to Whitmore	11,200	17,000	10,000
180	Lot 28—145 Pavonia Av.—25x100—3 sty. br. st. & dwlg. June, 1908. Armstrong to Kostowitz	3,500	7,200	2,500
214	Lot 32—169 Eighth St.—25x100—4 sty. br. flat. May 18/1903. Nugent to Kittovik	3,250	7,000	5,000
214	Lot L—186 Seventh St.—29x50—4 sty. br. flat. December 29/03. Sheriff to Goldrich	2,320	10,000	8,000
214	Lot 14—180 Seventh St.—25x100—4 sty. br. tenement with 2 sty. br. house in rear. September, 1905. Ross to Goldstein	3,250	10,000	8,200

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
214	Lots F, G—463-5 Henderson St. 50x66—2-4 sty. br. sts. & flats. 1905. Rhode to Waldstein	7,680	18,000	14,000
214	Lot 4—471 Henderson St.—25x100—4 sty. br. st. & dwlg. & 3 sty. rear fr. bldg. January 4/06. Duberstadt, Exr., to Goldman	3,250	11,800	9,800
214	Lot 21—474 Grove St.—25x100—3 sty. br. st. & dwlg. March 15/1906. Scheider to Britton	3,250	13,000	10,000
214	Lot 6—467 Henderson St.—25x100—4 sty. br. st. & flat. Decem 1/1909. Moriarty to Goldman	3,380	14,000	12,000
214	Plot U—187 Eighth St.—18x75—3 sty. br. bldg. March, 1911. Meineke to Bacreski	1,890	4,000	2,500
215	Plot N—174 Eighth St.—20x100—3 sty. br. dwlg. May, 1908. Treacy to Shapiro	2,600	2,575	1,500
249	Lot X—217 Eighth St.—28.16x100—3 sty. & base. br. bldg. September, 16/04. Josephine T. Weaver to Ella W. Smith	2,340	5,000	3,700
249	Lot 5—25x100—471 Grove St.—4 sty. fr. st. & dwlg. June 15/04. Leonard H. Rich to Isaac Sonnenblick	3,250	7,250	3,250
249	Lot V—219 Eighth St.—18.16x100—br. dwlg. June 30/04. Wm. F. Laughlin to Annie L. Percy	2,360	4,000	2,600
249	Lot A—210½ Seventh St.—18.5x100—3 sty. br. dwlg. May 1/07. Dellmore to Lippert	1,777	4,100	3,000
249	Lot 7—467 Grove St.—25x100—5 sty. br. st. & dwlg—(flat). October 26/1910. Rehill to Slbert Losel	3,250	15,500	11,500
250	Lot B1—213 Pavonia Av.—25x100—3 sty. & base. br. dwlg. 1906. Purcell to Hammond	3,500	5,800	2,500

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
250	Lot T—140 Erie St.—18.79x75—2 sty. & base. br. dwlg. February 19/1910. Conolly to Conolly	1,973	1,575	1,000
250	Lot 8—481 Grove St.—25x100—Cor. 8th St.—br. bldg. with fr. extn. January, 1910. O'Brien to O'Connor	7,150	17,500	11,900
250	Lot S—138½ Erie St.—18.75x75—br. bldg. with fr. extn. July 12/1911. F. P. Benedict to Chas. F. Olwell	1,969	5,500	3,800
250	Lot M—220 Eighth St.—18.1x100—br. dwlg. September 5/1912. McGuinness to Mullaney	2,340	4,725	3,000
282	Lot S—244 Seventh St.—16.75x100—3 sty. & base. br. dwlg. 1901. Forster to Lewis	2,178	5,500	4,000
282	Lot T—246 Seventh St.—16.5x100—3 sty. & base. br. dwlg. 1901. Forster to Mitchell	2,145	5,500	4,000
282	Lot U—248 Seventh St.—16.75x100—3 sty. & base. br. dwlg. 1901. Forster to Ward	2,178	5,500	4,000
282	Lot A—239 Eighth St.—22x100—3 sty. & base. br. dwlg. 1902. Post to Horton	2,860	6,750	5,000
282	Lot D—Pl. & E.—231 Eighth St.—lot D—22x100—lot Pl.—25x100—lot E—20x100—5 sty. br. dwlg.—1 sty. fr. store & No. 125 Erie St.—1½ sty. fr. dwlg. 1907. Feeney to Stewart	12,610	18,000	13,000
282	Lot A1—652 Jersey Av.—16.67x80—3 sty. & base. br. dwlg. January 31/05. Caroline Doremus to Jos. D. Boylan	2,000	5,000	3,600
282	Lot Y—648 Jersey Av.—16.86x80—3 sty. & base. br. dwlg. March 28/04. Wm. B. Force to Nellie J. Beggs	5,600	6,000	4,000
282	Lot 24—257 Eighth St.—25x100—5 sty. br. apartment house. Spotts to Connelly on November 27/09	3,250	22,000	17,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
283	Lot J—17 E. Hamilton Pk.—15x69—4 sty. br. dwlg. June, 1901. Snelling to F. J. Mathews	5,170	3,500	1,800
283	Lot G—13 East Hamilton Pl.—20x80—3 sty. & base. fr. dwlg. 1903. Schmidt to Connelly	2,100	13,000	10,500
283	Lot C—234 Eighth St.—18x75—3 sty. & base. br. dwlg. 1907. Driscoll to Muller	5,040	6,800	4,800
283	Lot B—236 Eighth St.—17.33x-75—3 sty. & base. br. dwlg. November 7/04. Jos. Anderson to Margt. Saffar	1i820	5,000	3,500
319	Lot 12—274 Seventh St.—25x100—2 sty. br. dwlg. June, 1905. Jennie Ashenbach to Catherine Brosnan	3,250	2,800	1,300
319	Lot 26—291 Eighth St.—25x100—4 sty. double br. flat. Ogle to Kennedy	3,250	11,500	9,000
319	Lot V—292 Seventh St.—25x70—3 sty. br. st. & dwlg. & 2 sty. fr. rear dwlg. January, 1904. McKeen, Exrx., to Hy. Runde	5,500	9,000	7,000
319	Lot 28—287 Eighth St.—25x100—4 sty. double br. flat. Bradley to Cussack	3,250	17,000	14,000
319	Lot S—286 Seventh St. 18′ 9″x-100—3 sty. fr. dwlg. January 6/06. Yerrington to Cohen	2,437	3,650	2,150
319	Lot H—657 Jersey Av.—20x-81.65—3 sty. & base. br. dwlg. August 11/1910. Smith to Donohue	2,433	4,500	2,550
320	Lot W—Vacant lot—25x70—Beekman to Craven	2,500	1,800	
320	Lot J—16 W. Hamilton Pl.—12.5x70—3 sty. & base. br. dwlg. Rosenkranz to Garoz	1,250	6,000	4,500
320	Lot C1—18½ W. Hamilton Pl.—12.5x70—2 sty. & base. br. dwlg. December 12/05. Rosenkranz to Chase	1,250	5,500	4,000
320	Lots C, A-1, B1—285 Pavonia Av.— 16.67x50 & 152-4 Coles St.—25x70—3-2 sty. & base. br. dwlgs. 1906. Rosenkranz to Brown	4,000	12,000	9,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
320	Z, A & B—150 Coles St.—18.79x70 and 287-9 Pavonia Av.—63.34x50—3-2 sty. br. dwlgs. Rosenkranz to Brown	7,575	12,000	8,000
320	Lot N—6 W. Hamilton Pl.—18.67x60—3 sty. & base. br. dwlg. Bradley to Donelly	1,500	6,000	4,000
356	Lot 15—314 Seventh St.—25x100—4 sty. br. st. & dwlgs. September 3/03. Reidy to Gloistein	3,250	8,000	6,500
357	Lot 14—Vacant land—25x100—April 8/1902. Mathews to Wells Fargo Co. (Eighth Street)	3,250	2,250	
357	Lot 20—Monmouth St.—Vacant land—25x100. May 10/1906. Blomer to Wells Fargo Co.	3,250	1,800	
357	Lot 11—318 Eighth St.—25x100—4 sty. fr. st. & dwlg. November 18/11. Decking to Tennant	3,250	6,000	4,000
391	Lot 12—340 Seventh St.—25x100—2 sty. fr. st. & dwlg. May 27/1909. Leori to Imbriglio	3,250	6,000	4,300
392	Lot L—340½ Eighth St.—16.8x52—2 sty. & base. fr. dwlg. March 6/1906. Boyd to Alpert	1,379	2,400	1,600
392	Lot K—340 Eighth St.—16.8x52.7. April 23/1906. Lewis to Gloistein	1,379	2,550	1,750
392	Lots 23, 24—Pavonia Av.—Vacant land—50x100. August 18/1908. Mathews Est. to J. C. Land Co.	6,500	3,000	
392	Lot F—495 Monmouth St.—16.67x50 — br. bldg. March 18/1911. Alliane to Wolcott	1,334	2,000	1,200
418	Lot 32—363 Pavonia Av.—25x100—fr. shop. June 19/1909. Coleman to Scott	3,250	1,525	300
418	Lots 17, 18, 19, 20—N. E. cor. 8th Sts. and Division—100x100—2 fr. dwlgs. December 22/1909. Mathews to Craven. (Including lot 11, blk. 448)	20,100	4,250	1,400
417	Lot H—207 Brunswick St.—12.5x50—2 sty. & base. fr. dwlg. September 27/07. Wm. L. Andrews to Jas. M. Johnson	1,000	1,500	1,000

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
417	Lot 16—380 Seventh St.—25.04x100—3 sty. fr. dwlg. June 24/1905. Henry Litenkamp to Benj. Serels	3,302	5,800	4,600
417	Lot V—382 Seventh St.—25x100. Vacant land. January 25/1902. Martin Dowd to Filtoni Florentino	3,250	700	
417	Lot J—205 Brunswick St. 25x50. September 8/1905. Barbara Tietzen to Jos. Balestiene	2,000	4,075	3,000
417	—Lot B—213 Brunswick St.—12.5x50—2 sty. & base fr. dwlg. February 1/1908. W. L. Andrews to Wm. A. Naughan	1,000	1,500	1,000
417	Lots 7, 8—362—4 Seventh St. 50x100—3 sty. fr. bldg. May 1/1904. D. E. Cleary to Michael Kreps	6,500	5,500	3,600
417	Lot P—366½ Seventh St.—16.67x100—3 sty. fr. dwlg. October 18/1905. Christian F. Gembel to Thos. J. Weaver	2,167	3,500	2,200
417	Lot N—366 Seventh St.—16.67x100—3 sty. fr. dwlg. October 7/1905. Barbara Tietzen to John Michalski	2,167	3,400	2,200
417	Lots 25, 26—387-9 Eighth St.—50x100—Vacant land. December 7/1901. F. J. Mathews to Everett W. Keeney	6,500	1,100	
417	Lot 28—383 Eighth St.—25x100—1 sty. fr. bldg. & 2 sty. rear fr. stable. June 1/1906. John S. Menagh to Chas. J. McCormack	3,250	1,200	500
417	Lot M—360 Seventh St.—25x75—3 sty. fr. dwlg. November 20/02. Spencer M. Rice to Randolph Conger	2,625	2,750	1,800
417	Lot T—370 Seventh St.—16.67x100—3 sty. fr. dwlg. December 10/1906. Jacob Hansen to Pietro Salerno	2,167	3,000	2,200

Long Dock Co.'s Exhibit P. 2.

Block	Property and Description	Area	Consideration	Value of Buildings
417	Lots R, S—368-368½ Seventh St.—33.34x100—2-3 sty. fr. dwlgs. February, 1907. Kate Markley to Pasquale Pandolfi	4,334	8,200	6,600
417	Lot L—358 Seventh St.—25x75—3 sty. fr. st. & dwlg. May, 1901. Jas. Driscoll to Edward Russ	5,775	5,000	3,500
417	Lot Y—388 Seventh St.—25x—100—Cor. of Division St.—1 sty. fr. shop. May 16/1901. Henry Vogel to Eliz. Vogel	7,150	1,150	300
282	Lot H—249 Eighth St.—27x100 fronting on Hamilton Park—4 sty. & base. br. dwlg. DeWitt Tappin to M. T. Connelly	3,570	10,000	7,500
418	Lot 32—363 Pavonia Av.25x100 fr. bldg. June, 1909. Coleman to Scott	3,500	1,525	
418	Lots 17, 18, 19, 20—Eighth St.—100x100. December 22/1909. Mathews to Craven	13,000	3,400	
418	Lot 11—Seventh St.—Vacant land—25x100. December 22/1909. Mathews to Craven	3,250	850	

EXHIBIT P.3.

Map showing Long Dock Company's property in Jersey City prepared for Percy A. Gaddis and Thomas A. Ryer, Dec., 1912, with new pierhead line added.

EXHIBIT P.1—May 18, 1915.

ASSESSMENTS IN SECTIONS TESTIFIED TO BY MR. DUNHAM.

Hoboken.

Blks. 1, 22, 34, 165, 175, 176, 177, 178, 186, 187, 188, 189, 198, 200, 201, 210, 211, 212, 213, 222, 223, 224, 225, 229, 230, 231, 232.

Assessment $6,407,300
3,020,000 sq. ft. area assessed.
1,180,675 " " street area

4,200,675 sq. ft.

69,329 acres assessed
27,105 street area.

96,434 acres.

Including Exempt and Street acreas.
4,200,675 sq. ft. @ $1.52 per sq. ft.
96,434 acres @ $66,442 per acre.

Jersey City.

Blks. 2, 3, 4, 5, 6, 7, 8, 33, 34, 35, 36, 37, 38, 65, 66, 67 68 69 70 71 97 98 99 100 101 102 103.

Assessment $4,277,750
2,715,200 sq. ft. acrea assessed.
1,290,300 " " street area.

4,005,500 sq. ft.

62,332 acres assessed.
29,621 street area.

91,953 acres.

Including Exempt and Street acreas.
4,005,500 sq. ft. @ $1,067 per sq. ft.
91,953 acres @ $46,521 per acre.

ASSESSMENT ON LAND.

Jersey City.

Blks, 11, 12, 42, 73, 74, 75, 76, 77, 105, 106, 107, 108, 109, 139, 140, 141, 142, 171, 172, 173.

Assessment $1,762,400.
1,239,375 sq. ft. area assessed.
719,260 " " street area.

1,959,635 sq. ft.

28,452 acres assessed.
16,516 street area.

44,968 acres.

Including Exempt and Street areas.
1,959,635 sq. ft. @ .899c per sq. ft.
44,968 acres @ $39,192 per acre.

State's Exhibit S. 2.

State's Exhibits.

EXHIBIT S.1.

Map entitled "Map showing waterfront between South Street pier, Jersey City, and 5th Street, Hoboken, together with pierhead line, Engineering Department, State Board of Assessors, Trenton, N. J., March, 1914. Scale, 1 inch to 200 feet. Bearings given refer to true north. Revised to September, 1914." (Being also exhibit S.1.—May 12, 1915).

EXHIBIT S.2.

(Mr. Dunham's Tabulation.)

Parcel No.	Block.	Lots.	Area Sq. Ft.	Consideration.
1	184	4 to 14 & 30 to 32 sold 1905 Eastern Granite Roofing Co. to Erie L. & I. Co.	35,000	35,500.00
2	184	23-24-sold Mch. 1906 Rochford to Erie L. & I. Co.	5,000	9,000.00
3	219	9-10-sold Apl. 1905, Kitchen to Erie L. & I. Co.	5,000	5,000.00
4	219	11-sold Apl., 1905, Billings to Erie L. & I. Co.	2,500	1,400.00
5	219	12-sold Apl., 1905, Ross to Erie L. & I. Co.	2,500	1,600.00
6	219	C D-sold 1905, Turkle to Erie L. & I. Co.	2,220	12,000.00
7	219	19-sold, 1905, Neil Campbell to Erie L. & I. Co.	2,500	16,000.00
8	219	13-sold May 10, 1905, condemnation sale Snaper to Pennhorn Creek R. R.	2,500	10,000.00
9	254	5—sold Apl. 1905, O'Brien to Erie L. & I. Co.	2,500	17,000.00
10	254	6-sold Apl., 1905, Cosgrove to Erie L. & I. Co.	2,500	17,000.00
11	254	7-8-sold Apl., 1905, Cleary to Erie L. & I Co.	5,000	8,000.00
12	287	Lot N—sold Apl. 5, 1905, Mary Slack to Erie L. & I. Co.	1,00	3,500.00
13	287	Lot K—sold Dec. 4, 1905, O'Neil to Pennhorn Creek R. R.	1,000	3,500.00
14	287	Lots A, B, C, D—sold Apl., 1905, Cleary to Erie L. & I. Co.	8,000	33,000.00

State's Exhibit S. 2.

Parcel No.	Block.	Lots.	Area Sq. Ft.	Consideration.
15	287	Lots G, F—sold Apl. 6, 1905, Rice to Erie L. & I. Co.....	4,000	4,250.00
16	287	Lot H—sold Apl. 7, 1905, Thornhill to Erie L. & I. Co.....	1,000	6,500.00
17	287	Lot J.—Sold Apl. 8, 1905, Jersey City Land Co. to Erie L. & I. Co.....	1,000	2,750.00
18	287	Lot M—Sold Apl. 25, 1905, McCormick to Erie L. & I. Co.....	1,000	4,750.00
19	287	Lot L—Sold Apl. 8, 1905, Egan to Erie L. & I. Co.	1,000	3,500.00
20	324	Lot N—Sold Apl. 6, 1905, Healy to Erie L. & I. Co.	625	1,800.00
21	324	Lot 20—Sold Apl. 10, 1905, Currie to Erie L. & I. Co.	2,500	8,500.00
22	324	Lots 13-14—Sold Apl. 8, 1905, Heitman to Erie L. & I. Co.	5,000	12,000.00
23	324	Lot 15—Sold Apl. 10, 1905, Loeven to Erie L. & Co.	2,500	6,000.00
24	324	Lot 16—Sold Apl. 7, 1905, Means to Erie L. & I. Co.	2,500	6,000.00
25	324	Lot 22—Sold Apl. 6, 1905, Hall to Erie L. & I. Co.	5,000	11,500.00
26	324	Lot A1—Sold Apl. 10, 1905, Coleman to Erie L. & I. Co.	483	6,000.00
27	324	Lots L-M—Sold Apl. 6, 1905, Coles to Erie L. & I. Co.	1,250	3,100.00
28	324	Lot O—Sold Apl. 11, 1905, Jauger to Erie L. & I. Co.	625	3,500.00
29	324	Lot P—Sold Apl. 11, 1905, Gerkens to Erie L. & I. Co.	625	5,000.00
30	324	Lot R—Sold Apl. 11, 1905, Gerkens to Erie L. & I. Co.	625	5,000.00
31	324	Lots U-V—Sold Apl. 6, 1905, Muirhead to Erie L. & I. Co.	4,200	6,500.00
32	324	Lots W-C-Z—Sold Apl. 7, 1905, Vanderbeek to Erie L. & I. Co.	5,061	12,000.00
33	219	Lot 5—Shaughnessy to Erie L. & I. Co.	2,500	8,000.00
		Totals	188,714	$289,150.00
		Average price per sq ft., $2,435.		

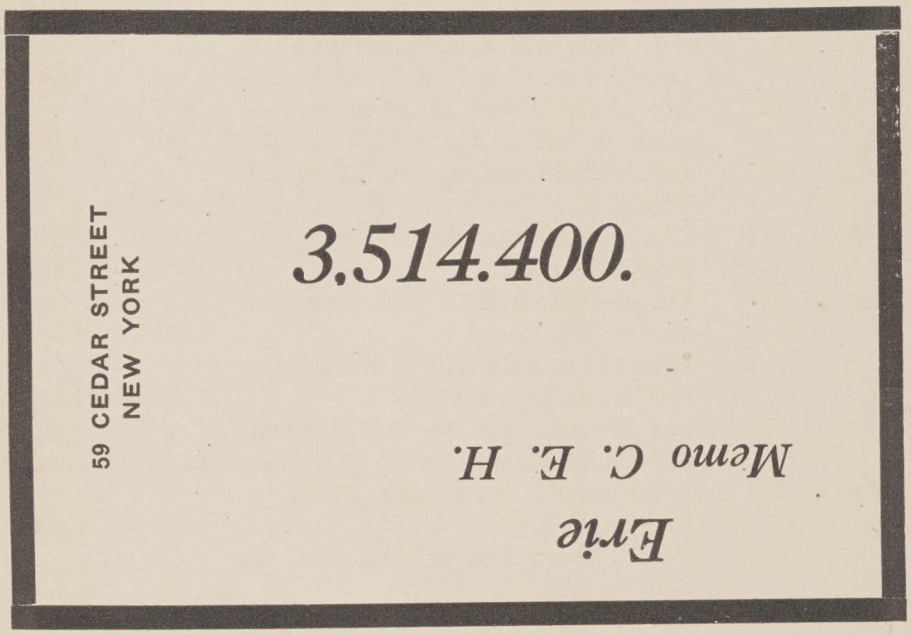
EXHIBIT S.3.

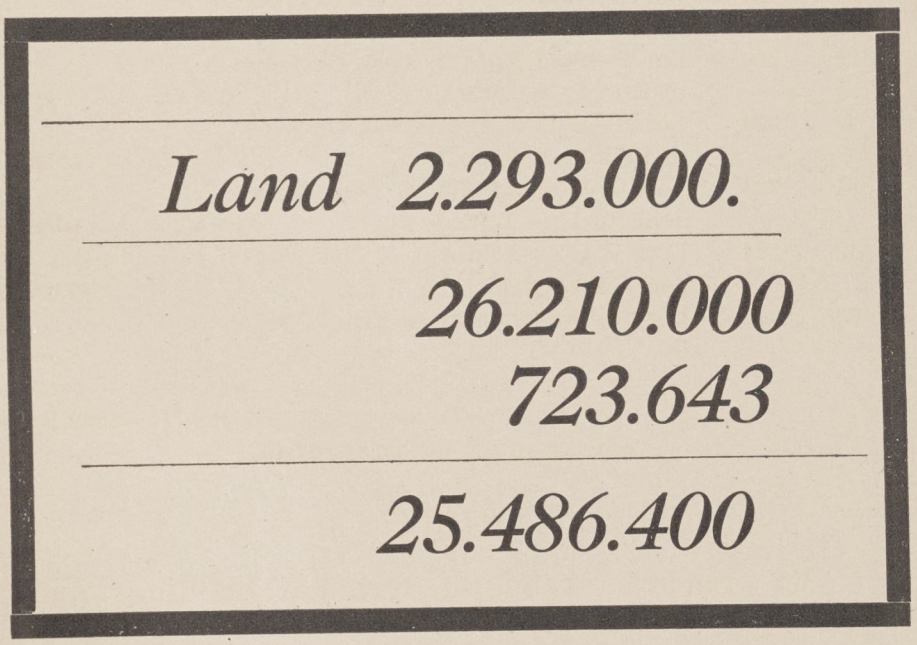
Mr. Focht's sketch of terminal buildings and structures.

State's Exhibits.

EXHIBIT S.1.—May 6, 1915 (for identification).

EXHIBIT S.1.—May 13, 1915.





State's Exhibits.

EXHIBIT S.2.—May 6, 1915 (for identification.)
EXHIBIT S.2.—May 13, 1915.

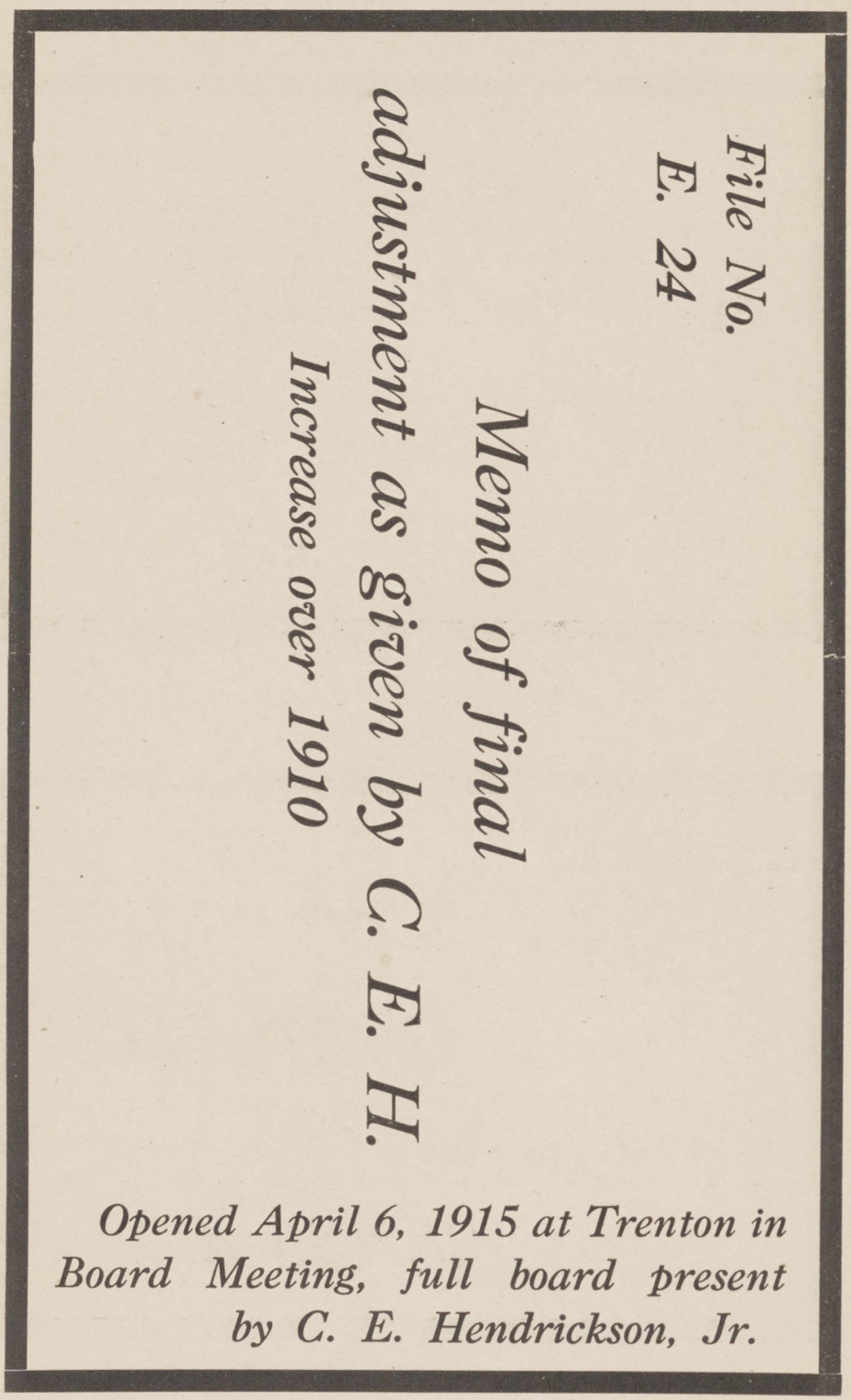


EXHIBIT S 6—May 11, 1915.

February 9th, 1915

ASSESSED VALUES OF TERMINAL TRACTS, JERSEY CITY, FOR 1913 AND 1914.

Description	Frontage on Bulkhead Line Ft.	Area In Acres 1913	Area In Acres 1914	Average Depth In Feet Back of Pierhead Line 1913	Average Depth In Feet Back of Pierhead Line 1914	1913 ASSESSMENT Amount	1913 ASSESSMENT Rate Per Acre	1913 ASSESSMENT Rate Per Sq. Ft.	1914 ASSESSMENT Land to Old Pierhead Line Area Acres	Rate Per Acre	Rate Per Sq. Ft.	Amount	1914 ASSESSMENT Land between old & new Pierhead Lines Area Acres	Rate Per Acre	Rate Per Sq. Ft.	Am't.	1914 ASSESSMENT Total To New Pierhead Line Area Acres	Rate Per Acre	Rate Per Sq. Ft.	Amount
United New Jersey R. R. & Canal Co.																				
Main Terminal Tract	867	28.096	28.951	1410	1460	$2,225,204	$79,200	$1.818	28.096	$79,200	$1.818	$2,225,204	0.855	$43,560	$1.00	$37,244	28.951	$78,147	$1.794	$2,262,448
Ferry Property, foot of Exchange Place	240	3.439	3.621	620	650	288,000	83,745	1.922	3.439	83,745	1.922	288,000	0.182	43,560	1.00	7,928	3.621	81,725	1.876	295,928
Harsimus Branch, Terminal Tract	1781	93.980	96.908	2300	2370	5,612,799	59,723	1.371	93.980	59,723	1.371	5,612,799	2.928	43,560	1.00	127,544	96.908	59,234	1.359	5,740,343
Plot Fronting on Exchange Place (Green Street to Ferry House)	....	1.056	1.056	....	....	380,347	360,177	0.826	.....	.....	....	.....	....	.....	...	.....	1.056	360,177	0.826	380,347
Long Dock Company																				
Terminal Tract, South of Pavonia Ave.	....	16.039	16.039	....	....	1,098,480	68,488	1,572	.....	.....	....	.....	....	.....	...	.....	16.039	68,488	1.572	1,098,480
Terminal Tract, North of Pavonia Ave.	1031	64.772	67.451	2740	2850	3,856,956	59,547	1.367	64.772	59,547	1.367	3,856,956	2.679	43,560	1.00	116,697	67.451	58,912	1.352	3,973,653
Ferry Property, Foot of Pavonia Ave.	130	2.090	2.394	840	940	116,196	55,596	1.276	2.090	55,596	1.276	116,196	0.304	43,560	1.00	13,242	2.394	54,068	1.241	129,438
Ferry Property, South of Pavonia Ave.	140	2.498	2.836	830	930	138,878	55,596	1.276	2.498	55,596	1.276	138,878	0.338	43,560	1.00	14,723	2.836	54,161	1.243	153,601
Morris & Essex Railroad																				
Terminal Tract, Jersey City	2319	125.838	129.717	3080	3200	6,892,564	54,773	1.257	125.838	54,773	1.257	6,892,564	3.879	43,560	1.00	168,969	129.717	54,438	1.249	7,061,533
" " Hoboken		37.926	40.175	3080	3200	2,357,169	62,152	1.426	37.926	62,152	1.426	2,357,169	2.249	43,560	1.00	97,966	40.175	61,111	1.402	2,455,135
Average Entire Terminal, Jersey City and Hoboken		163.764	169.892	3080	3200	9,249,733	56,482	1.296	163.764	56,482	1.296	9,249,734	6.128	43,560	1.00	266,935	169.892	56,015	1.285	9,516,668
Lower Ferry Property	350	8.164	10.315	780	930	880,000	107,790	2.474	8.164	107,790	2.474	880,000	2.151	43,560	1.00	93,697	10.315	94,396	2.167	973,697

STATE'S EXHIBIT.

March 3rd, 1915.

COMPARISON OF VALUES PLACED BY THE STATE BOARD OF ASSESSORS UPON RAILROAD TERMINAL TRACTS, JERSEY CITY.

DESCRIPTION	1911 ASSESSMENT Avg. Depth Front. on Bulk-head Line Lin. ft.	Back of Pier-head Line Lin. ft.	Area in Acres to Old P. H. Line	Amount	Rate Per Acre	Rate Per sq. ft.	1912 ASSESSMENT Avg. Depth Front. on Bulk-head Line Lin. ft.	Back of Pier-head Line L. F.	Area in Acres to Old P. H. Line	Amount	Rate Per Acre	Rate Per sq. ft.	1913 ASSESSMENT Avg. Depth Frnt. on Bulk-head Line L. F.	Back of Pier-head Line L. F.	Area in Acres to Old Pier-head Line	Amount	Rate Per Acre	Rate Per S. F.	1914 ASSESSMENT Avg. Depth Frnt. on Bulk-head Line Lin. ft.	Back of Pier-head Line L. F.	Area in Acres to New Pier-head Line	Amount	Rate Per Acre	Rate Per sq. ft.
U. N. J. R. R. & C. Co.																								
Entire Main Terminal, Exchange Place, Jersey City	1,107	1,280	32.591	$2,893,551	$88,783	$2.038	1,107	1,280	32.591	$2,893,551	$88,783	$2.038	1,107	1,280	32.591	$2,893,551	$88,783	$2.038	1,107	1,325	33.628	$2,938,723	$87,390	$2.006
Terminal, Harsimus Yard	1,781	2,300	93.842	5,607,999	59,760	1.371	1,781	2,300	93.842	5,607,999	59,760	1.371	1,781	2,300	93.980	5,612,799	59,723	1.371	1,781	2,370	96.908	5,740,343	59,234	1.359
Long Dock Company																								
(*) Entire Terminal at foot of Pavonia Ave., Jer. City	1,301	2,860	85.399	5,210,510	61,013	1.400	1,301	2,860	85.399	5,210,510	61,013	1.400	1,301	2,860	85.399	5,210,510	61,013	1.400	1,301	2,970	88.720	5,355,172	60,360	1.385
Morris & Essex R. R.																								
Entire Terminal, Jersey City and Hoboken	2,669	2,805	171.928	9,879,703	57,464	1.319	2,669	2,805	171.928	10,129,733	58,918	1.352	2,669	2,805	171.928	10,129,733	58,918	1.352	2,669	2,940	180.207	10,490,365	58,212	1.336

(*) NOTE.—Area given in assessment for the Terminal Tract of the Long Dock Company, lying North of Pavonia Avenue (43.872 Acres), extends only to the Bulkhead Line. In order to make the Long Dock Terminal comparable with those of the other railroads, the area of this tract has been extended to the Pierhead Line.

EXHIBIT S.5.—May 11, 1915.

February 18th, 1915.

ASSESSED VALUES OF TERMINAL TRACTS, JERSEY CITY, FOR 1911 & 1912.

Description	Frontage On Bulkh'd Line Lin. Ft.	AREA IN ACRES TO OLD PIERHEAD LINE 1911	1912	Average Depth In Feet Back of Pierhead Line	1911 ASSESSMENT Amount	Rate Per Acre	Rate Per Sq. ft.	1912 ASSESSMENT Amount	Rate Per Acre	Rate Per Sq. ft.	REMARKS
U. N. J. R. R. & C. Co.											
Main Terminal Tract	867	28.096	28.096	1,410	$2,225,204.	$79,200.	$1.818	$2,225,204.	$79,200.	$1.818	
Ferry Property, foot of Exchange Place	240	3.439	3.439	620	288,000.	83,745.	1.922	288,000.	83,745.	1.922	
Plot fronting on Exchange Place (Green Str., to Ferry House)	....	1.056	1.056	....	380,347.	360,177.	8.268	380,347.	360,177.	8.268	
Harsimus Branch, Terminal Tract	1,781	93.842	93.842	2,300	5,607,999.	59,760.	1.371	5,607,999.	59,760.	1.371	
Long Dock Company											
Terminal Tract south of Pavonia Avenue		16.039	16.039	....	1,098,480.	68,488.	1.572	1,098,480.	68,488.	1.572	Area for Assessment, 43.872 Acres to Pierhead Line. For comparative purposes, area in this statement given to Bulkhead Line.
Terminal Tract north of Pavonia Avenue	1,031	64.772	64.772	2,740	3,856,956.	59,547.	1.367	3,856,956.	59,547.	1.367	
Ferry Property, foot of Pavonia Avenue	130	2.090	2.090	840	116,196.	55,596.	1.276	116,196.	55,596.	1.276	
Block 16, Plot B-7, south of Pavonia Avenue	140	2.498	2.498	830	138,878.	55,596.	1.276	138,878.	55,596.	1.276	
Morris & Essex Railroad											
Terminal Tract, Jersey City	2,319	125.838	125.838	3,080	7,142,564.	56,759.	1.303	6,892,564.	54,773.	1.257	
" " , Hoboken		37.926	37.926	3,080	2,107,169.	55,560.	1.275	2,357,169.	62,152.	1.426	
Average Entire Terminal, Jersey City and Hoboken	2,319	163.764	163.764	3,080	9,249,733.	56,482.	1.296	9,249,733.	56,482.	1.296	
Lower Ferry Property	350	8.164	8.164	780	630,000.	77,168.	1.771	880,000.	107,790.	2.474	

EXHIBIT S.2.—May 12, 1915.

Map used by Mr. Hendrickson while testifying.

EXHIBIT S.1—May 18, 1915.

VANDERBEEK PURCHASE AND SALE.

Block 11.	Lots 5-6-7-8-9-10-11-12-13-14-15-16-17	Apl. 22, 1891. Edward Wood, William Jay and Wilmer S. Wood, as executors of and trustees under the last Will and Testament of Silas Wood, deceased, to Isaac I. Vanderbeek, Francis I. Vanderbeek, William E. Pearson, and Isaac P. Vanderbeek, trading under the name, style and firm of Vanderbeek & Sons. Con. $150,000.	2,641 acres @ $56,800 per acre. Morgan St.
Block 42.	Lots 1 to 23 alt. 93-94-95-96		
Block 11.	Lots 5-6-7-8-9-10-11-12-13-14-15-16-17	Nov. 19, 1903. Francis I. Vanderbeek, and Louisa M., his wife, William E. Pearson and Anna Van Winkle, his wife, and Isaac P. Vanderbeek and Sarah F., his wife, and Francis I. Vanderbeek, William E. Pearson, Isaac P. Vanderbeek, Jr., Executors of the last Will and Testament of Isaac I. Vanderbeek, deceased, to The Manor Real Estate and Trust Co. Con. $375,000.	2,641 acres @ $141,-991. per acre. Morgan Street.
Block 42.	Lots 1 to 23 alt. 93-94-95-96		

NORTH OF PENN. R. R. AND EAST OF HENDERSON STREET. WEST OF P. R. R. TERMINAL.

Block 76.	Lots 42-44-46-48	July 24, 1905. Lembeck to Lambert (Hudson Companies). Con. $10,000.	N. side Bay Street, bet. Washington and Greene St. 100 x 100, including buildings, @ $2,500 per lot.

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Block 76.	Lots 25 to 45 alt.	Aug. 29, 1905. Hillger to Lambert. (Hudson Companies. Con - $55,000.	S. W. cor. Greene and First Streets, and running west. 225 x 120, 113 m/1, 12.76 lots, including buildings, @ $4,300 a lot.
Block 106.	Lot B	June 15, 1904. Brewster Cocoa Mfg. Co. to Truslow & Fulle Company. Con. $26,000.	S. W. cor. Washington and Morgan Streets. 50x100. 4-sty. and base. brick factory building, covering entire plot. Assess. 1909, Land $6,750, Bldg. $17,250, Total $24,000.
Block 107.	Lots 140-148, 150-152 and 49 to 72, inc.	Feb. 29, 1904. Fowler to Butler Bros. Con. $78,000.	Morgan, Warren, Bay and Washington Sts. Entire block, excepting Plot A—100 x 100. N. W. cor. Morgan and Washington Sts. 28 lots @ $2,785 per lot.
Block 139.	Lots D and E.	Jany. 15, 1909. Salvation Army to Great Atlantic & Pacific Tea Co. Con. $16,000.	135 to 143 Morgan St., vacant plot. 129.50 x 81.21. 4.2 lots @ $3,800 per lot.
Block 141 and 142.	Entire Blks.	March 15, 1901. Winarts to Willis. Con. $90,000.	2 blocks bounded by Provost, Second, Warren and Bay Streets. About 38.8 lots. Containing frame buildings. $2,319 per lot.
Block 177.	Lots C-D-E	Nov. 4, 1911. Hewlett to United N. J. R. R. & Canal Co. Con. $16,000.	444 to 446½ Henderson St. S. E. cor. Sixth and Henderson Sts. 60 x 100. 3-4-sty. brick tenements, frame stable in rear. Assess. 1909, Land $4,800, Bldgs. $10,200, Total $15,000.
Block 172	Lot 121.	Apl. 16, 1914. Elizabeth Crawshaw et al., to Great Atlantic & Pacific Tea Co. $7,500.00. Deed July 15, 1914.	155 First Street. 25 x 90. 2-sty. fr stable.

EAST OF HENDERSON STREET.
BETWEEN SEVENTH & TWELFTH STREETS.
WEST OF ERIE TERMINAL.

Block 179. Lot F.	June 18, 1903. Last to Jacobs. Con. $13,000.	476 Henderson Street. 25 x 79. 4-sty. br. st. and dwlg. Assess. 1909, Land $2,600, Bldg. $10,400. Total $13,000.
Block 179. Lot C	Dec. 11, 1905. Mekulski to Donalenski. Con. $7,500.	464 Henderson Street. 21.33 x 58. 4-sty. br. store and dwlg. Assess. 1909, Land $2,100, Bldg. $5,500, Total $7,600.
Block 179. Lot 30.	1906. Kaminski to Lannon. Con. $8,500.	141 Eighth St. 25 x 100. 4-sty. brick tenement. Assess. 1909, Land $2,000, Bldg. $6,500, Total $8,500.
Block 179. Lot A.	May 31, 1906. Laser to Snaper. Con. $6,000.	154 Seventh St. 25.67 x 75. 4-sty. brick flat. Assess. 1909, Land, $1,300, Bldg. $5,000. Total $6,300.
Block 179. Lot B.	July 9, 1906. Alpert to Perowski. Con. $6,000.	156 Seventh Street. 21 x 75. 4-sty. brick tenement. Assess. 1909, Land $1,300, Bldg. $5,000. Total $6,300.
Block 179. Lot 31.	Jan. 1908. Brauer to Elfenbein. Con. $9,100.	139 Eighth St. 25 x 100. 4-sty. brick tenement. Assess. Land, $2,000, Bldg. $6,500. Total $8,500, 1909.
Block 180. Lot 27.	Mar. 8, 1906. Dalton to Fischer. $5,000.	147 Pavonia Avenue. 3 sty. brick st. and dwlg. Assess. 1909. Land $3,700, Bldg. $1,800, Total $5,500

Block 181.	Lot 1 & 2.	Nov. 1903. Hervey to Oberfell. Con. $3,600.	171 and 173 Provost St. cor. 9th St. 50 x 100. Vacant.
Block 181.	Lot 30.	Feb. 7, 1906. Hirschenstein to Silenger. Con. $5,825.	143 Ninth St. 25 x 100. 3-sty. br. dwlg. Assess. 1909. Land $2,000, Bldg. $4,500. Total $6,500.
Block 181.	Lot 31.	June 26, 1906. Schluger to Magid. Con. $6,900.	141 Ninth St. 25 x 100. 4-sty. br. tenement. Assess. 1909, $2,000, bldg. $4,500, Total $6,500.
Block 182.	Lots 22 and 23.	Mch. 12, 1903. Smith to Swift & Co. Con. $11,250.	522-524 Henderson St. 50 x 100. 2-4-sty. br. sts. and dwlgs. 1909. Assess., Land $4,000, Bldg. $7,000, $11,000.

EAST OF HENDERSON STREET. 12th TO 16th STS.
WEST OF D., L. & W. TERMINAL.

Block 185.	Lots 1 to 10, and 32.	Oct. 21, 1902. Natalie Jarvis to Jarvis Terminal and Cold Storage Co. Con. $21,000.	Provost St., 12th and 13th Sts. 11 lots. Frame sheds @ $1,900 per lot.
Block 185.	Lot 31.	Apl. 17, 1908. Matthews Co. to Provost Realty Co. Con. $4,500.	139 Thirteenth Street. 25 x 100. 3-sty. fr. bldg. Assess. 1909, Land $1,200, bldg. $500, Total $1,700.
Block 185.	Lot 11.	May 23, 1910. Matthews Co. to Provost Realty Co. Con. $5,000.	142 Twelfth St. Vacant. 1909 Assess. Land $1,200.
Block 185.	Lot 19.	June 20, 1910. Killen to J. C. Bogert Co. Con. $5,000.	562 Henderson Street. 25 x 100. 3-sty. fr. st. and dwlg. Assess. 1909, Land $2,500, Bldg. $1,500, Total $4,000.

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Block 185.	Lot 30.	Dec. 2, 1910. Conklin to Provost Realty Co. Con. $5,500.	141 Thirteenth Street. Frame stable. 25 x 100. 1909 Assess., Land $1,200, Bldg. $200. Total $1,400.
Block 186.	Entire Blk.	Feb. 1905. Newton to Hudson Companies. Con. $60,000.	13th, 14th, Henderson and Provost Sts. 32 lots @ $1,875 per lot, inc. corners.
Block 186.	Entire Blk.	Aug. 1, 1912. Hudson Companies to National Carbon Co. Con. $60,000.	Same as above.
Block 187.	Lots 29 to 32.	July 19, 1902. Church to Marine Metal Co. Con. $9,000.	137 to 143 Fifteenth St. 100 x 100. Lot 29. Frame and brick bldg. Lots 30-31. Br. bldg. Lot 32, vacant. 1909 Assess. $4,000, Bldg. $5,000, Total $9,000.
Block 187.	Lot 28.	Sept. 7, 1910. Feeney to Marine Metal Co. Con. $2,650.	145 Fifteenth St. 25 x 100. Vacant lot. 1909 Assess., Land $1,000.
Block 187	Lot 19.	Aug. 26, 1910. Parnell to Fengado. Con. $9,300.	594 Henderson Street. 25 x 100. Brick bldg. 1909 Assess., Land $2,300, Bldg. $8,000, Total $10,300.
Block 188.	Lot 15.	Mar. 10, 1908. Burke to Eastern States Ref. Co. Con. $2,000.	150 Fifteenth St. 25 x 100. 1-sty. fr. bldg. 1909 Assess., Land $1,000, Bldg. $300, Total $1,300.
Block 188.	Lot 17.	Nov. 2, 1912. N. J. T. G. & T. Co. to Camparo. $6,500.	606 Henderson St. cor. 15th Street. 25 x 100. 5-sty. brick st. and dwlg. 1909 Assess., Land $1,800, Bldg. $6,500, Total $8,300.