

quoting certain street locations in Montreal. Certain people in the real estate game promptly put my name in four-foot letters with the intention of showing how valuable their property was.

The intersection of Peel and St. Catherine represents the peak of assessed valuations in the City of Montreal, as \$70 a square foot, in the uptown section. Our Central Station area is within a thousand feet of that; and as a matter of fact, the St. Catherine values directly opposite our station are \$50 a square foot.

On land worth \$50 a square foot you can develop aerial rights, because that represents a rental value of about \$3 to \$5 a square foot; and on a basis such as that you can develop aerial rights. Aerial rights, of course, cannot be developed on low class real estate, that would be folly; and even to claim that aerial rights would develop, for instance, down in our Bonaventure area, where land values run somewhere in the neighbourhood of \$3.50 to \$4 a square foot, would be ridiculous.

Hon. Mr. EULER: Just what do you mean by aerial rights, because we do not use that term up our way?

Mr. FAIRWEATHER: That is a right to construct a building over railway facilities.

Sir HENRY THORNTON: Perhaps I can make it quite clear, Mr. Euler, by this statement: We were obliged to buy a large area for the purpose of constructing railway facilities beneath the street level. It is quite feasible to impose above that street level buildings of any height that might be desired.

Hon. Mr. EULER: Like the New York Central Station?

Sir HENRY THORNTON: Precisely what the New York Central did in New York and possibly in Cleveland and other places. In other words, if you have to buy the property, you use what is underground for railway purposes and develop what is above ground for building purposes. That is a fair way of putting it.

Mr. FAIRWEATHER: In other words, you have to have high land values before you can have these aerial rights.

Sir HENRY THORNTON: High land values are indicative of desirability of location.

The CHAIRMAN: What was the area you mentioned?

Sir HENRY THORNTON: About 550,000 square feet.

The CHAIRMAN: According to that you have something about \$35,000,000 of aerial rights.

Mr. HANBURY: Mr. Fairweather, is that assessed value the assessment of the Corporation?

Mr. FAIRWEATHER: No, that is the assessed value of the property. I am informed that they assess at approximately two-thirds of the actual value.

Hon. Mr. EULER: If it is not asking too much, could the committee have what it cost per square foot for this land?

Mr. HEAPS: Could the committee have that, if it would not cost too much?

Mr. FAIRWEATHER: If you examine values in large cities, you will find that contiguous to high-class retail and financial districts, there are what are technically known as blighted zones, zones where because they have been neglected they have depreciated in value. The land, if it is made available by proper development, will become just as valuable as the better land.

Mr. DUFF: As adjoining lands?

Mr. FAIRWEATHER: As the property which is adjacent to it and which has value. I can give one instance of it to my own knowledge from Detroit. The