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stucco on brick and the High Commissioner suggests, if the building is purchased, to reface it with stone, similar to that adjoining, which belongs to the Royal College of Surgeons, and in the same manner as the facade of Buckingham Palace was treated. The cost of the alterations required to fit up the building for the purposes of the High Commissioner's and other Dominion Government offices has not yet been fully determined, but it is estimated that it will amount approximately to £75,000;

That the building in question stands on a site owned by the Crown, as represented by the Government of Great Britain, which ground is held under a Crown lease for a period of 60 years from January 5, 1905, having therefore still 39 years to run approximately; the rental is £2,000 per annum;

The price asked by the Union Club for the property is £225,000. As to the reasonableness of this price, the following extract is taken from the report above mentioned of the Estate Agents of Knight, Frank & Rutley, a firm generally recognized as being especially well informed upon property values in the City of London:

"Having regard to the improbability of being able to acquire any other site of this character and importance in such an exceptional position, and to the fact that the premises were not in the market, we are of the opinion that £200,000 (two hundred thousand pounds) would be a fair price for the lease to anyone who must have an important building in this immediate vicinity, indeed, a higher figure might have to be paid to secure such a property."

(full copy of report annexed).

The High Commissioner in a report on the matter, states: "I think that the price ..... is very materially less than the property is worth".

The

W.L. Mackenzie King Papers  
Memoranda & Notes

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