

Leaving them, in return for an investment of \$300, a clear income of \$9 a month, for ten years, the "present value" of which, at 8 per cent., would be \$750.

EXAMPLE No. 2.

A four-roomed, painted wooden cottage, of 17 feet frontage, and detached, can be built complete for \$350, on a 30 ft. lot, costing say \$5 a foot, and could be rented for \$6 a month, or sold for say \$100 cash and \$8 a month for ten years.

Company's outlay would then be, for house and lot, - -	\$500	
Less cash payment by purchaser, - - - - -	\$100	
" borrowed on mortgage, - - - - -	300	400
		<hr/>
		\$100

And the returns from the investment would be

A monthly payment of - - - - -	\$8.00	
Less required to pay off mortgage per month, -	\$3.60	
" " for expenses per month, say, .	.80	4.40
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Leaving a monthly income for ten years of - - - -	\$3.60	
present value of which would be \$300.		

In practice, the sums borrowed by the Company would probably not be repaid in monthly instalments, but the result would be the same, provided the rate of interest did not exceed eight per cent.

The purchaser of a house would receive an agreement for a deed, to be given him when a certain number of payments had been made, by which time the Company would have paid off the amount borrowed by them on the property; or if the purchaser wished a deed at time of sale, he could assume the Company's mortgage, give them a second mortgage on the property, paying off both at the same time.

Subscriptions will be received, or further information given, by

BAKER & HEBERT,

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