

Q Do you consider any cost to maintain and look after this property?

A It is worth 10% of the rentals for collection, and looking after the property.

Q Then there are some months idle?

A Not only some months are idle, but some months it is impossible to collect the rents. At least I find it with the properties I have.

Q (The Court) In the case of a property like this, Mr. Mercer, where the apartments have been rented regularly and rent has been paid apparently, to what extent would those facts affect your judgment?

A I would base that upon the judgment of other properties - not upon a certain property. I base it upon the general knowledge of all properties that I have been in touch with. I couldn't base it upon any single property. I have been very fortunate in having good tenants and collect the rents.

Q Mr. Mercer, in the case of an apartment house do you estimate the rental for five months would be required to pay taxes, water rent - I guess that would apply to an ordinary property?

A I apply that to a single house. I have never just figured that out on an apartment house, but on the properties that I have of my own it would take about five months.

Q You added the items of rent and taxes and other expenses, repairs and insurance, I suppose, when you estimated?

A Of other properties. I haven't figured the income or the general expenses on this particular property.

Q You knew what the rent was when you made your estimate of \$5700 though? A. Yes, sir.

Q \$77.00 a month? A. Yes.

(Ralph F. Wachter) That back building is built up against the frame. It is leaning away from the building.

(Mr. Harp) Somebody told me, Mr. Rice I think, it would take \$500 to fix that up. You said you thought \$300 or \$400.