

W. E. BAKER
ENGINEERS

W. E. BAKER & CO.
ENGINEERS
27 WILLIAM STREET
NEW YORK

March 31, 1904.

Mr. W. W. Cole,

Elmira, N. Y.

Dear Sir:—

Answering your letter of the 28th, we take pleasure in confirming our previous statement that our estimate on the present physical value of the New Orange & Four Junction R. R. conservatively appraised, and making allowances for depreciation since construction, is \$65,000.00.

This estimate it should be understood concerns only the present physical value of the property and contains no allowances for franchises, rights, etc.

The right of way is estimated at \$400.00 per acre, which based on information obtained in our attempts to purchase right of way for the extension to Summit, we think reasonable.

We have at different times in the past gone carefully into the subject of the extension to Summit and reviewed estimates of the increased earnings likely to be realized therefrom, and we were led to the conclusion that earnings would be sufficient to pay interest on the proposed issue of \$210,000.00 of bonds. This was without taking into consideration the present prospects for increased earth and crushed stone business.

The probabilities are strong, that with the increased demand which has developed for earth filling in the meadows in the vicinity of Newark and Jersey City and for crushed stone which we understood can be landed at tide-water from points on your line at a less cost per ton than from other points; that the earnings of the property (including extension to Summit) will be ample to take care of the interest on the bonds and leave a comfortable surplus.

Yours very truly,

(Signed) W. E. BAKER & CO.

WEB/BPM