

“Assuming that the company is entitled to a reasonable share in the general prosperity of the communities which it serves, and thus to attribute to its property an increase in value, still the increase so allowed, apart from any improvements it may make, cannot properly extend beyond the fair average of the normal market value of land in the vicinity having a similar character. Otherwise we enter into the realm of mere conjecture. We, therefore, hold that it was error to base the estimates of the value of the right-of-way, yards and terminals upon the so-called ‘railway value’ of the property. The company would certainly have no ground of complaint if it were allowed a value for these lands equal to the fair average market value of similar land in the vicinity, without additions by the use of multipliers, or otherwise, to cover hypothetical outlays.”

The Court in this decision may be correct in stating that market value should be determined without the use of multipliers. Nevertheless the fact that rights of way are actually costing from 25 to 200 per cent more than lands of similar character in the same vicinity will have an unquestioned effect upon the market value of lands required for other rights of way and this effect cannot well be ignored when such lands are to be valued.

Right-of-Way Value in the Georgia Railway Case. — Special Master Thorington, in the Georgia Railway Case (Central of Georgia Railway Company *vs.* Railroad Commission of Alabama, U. S. Dist. Court, Middle Dist. of Ala., Northern Division, Report of Wm. S. Thorington, Special Master, Jan. 8, 1912), after stating that the fact that the railroad company is compelled to pay in addition to its market value a further sum due to damages or because it is a railroad company making the purchase adds nothing whatever to the actual acreage value, says:

“It is, however, proper to add that right-of-way values, including estimates for damages to property not taken, or excess cost that railroads are compelled to pay in order to acquire right-of-way property needed by them for railroad use, have been recognized by some courts, and some railroad commissions, and such excess cost was held to properly constitute part of the