PORTLAND BUSINESS **CONDITIONS SOUND**

Commercial Growth Has Pronounced Effect on Realty and Building Plans.

DEALS ARE CLOSED

Lot at Morrison and Eleventh Sells for \$175,000-Property Owners Opposed to Single Tax-Permits Make Good Showing.

The real estate situation in Portland is showing an upward tendency. The records for May in all lines of business indicate that the city is in a most healthy condition and is making spien. did progress. Building operations are brisk; there is an unusually large sup-ply of money for investments and mort-gage loans; industrial enterprises are making substantial advances, and the lumber industry is again in a flourish-

lumber industry is again.

Ing condition.

With a feeling of good times in the sity and throughout the state and with bumper grain and fruit crops in prospect, there is no good reason why great progress should not be made in all important lines of business this year. There is now everything in favor of investment opportunities, with the possible exception of the single tax bugaboo. That such a revolutionary measure will meet with a most decisive deaboo. That such a revolutionary measures will meet with a most decisive defeat, there is little doubt. Small property owners and faraces are almost a unit against single tax. It is freely predicted that 95 per cent of the people will vote against single tax. With this unjust and impracticable theory out of the way for all time, Oregon can be expected to forge ahead at a rapid rate in land development, public improvement projects and industrial enterprises.

Realty trading in both down-town property and residence property was active during the week. There were several good-sized deals closed in inside parcels which involve a total of nearly \$1,000,000. One deal of \$550,000 was completed, but details will not be announced until this week. Two sales involve over \$258,000. volve over \$250,000.

One of the important deals was the transfer of the Lincoln Hotel property at the northeast corner of Eleventh and Morrison streets, for \$175,000. The prop-Morrison streets, for \$175,000. The property was purchased by Portland and California investors from Max and George Loewenson. The lot has a frontage of 100 feet on Morrison street and 50 feet on Eleventh street. The property is under lease for about two years. At the termination of the lease, the new owners will remove the three-story brick building and orect a modern structure, it is announced. Loewenson brothers bought the lot nine years ago from the Lindslev estate for \$21,000 and later erected the three-story brick building on the site. The sale was negotiated by Goldschmidt's Agency.

Or, for a consideration understood to be \$15,000. There are five acres in the tract. Mr. Clifford will have the property subdivided and placed on the market in building lots, Everett & Himonds represented the principals in the transaction,

The record at the Building Inspector's office was satisfactory, inasmuch as there were but five business days during the week. There were issued 153 permits of a total valuation of \$189,596. The large percentage of permits was for medium-priced dwellings.

The aummary of the week's permits is as follows:

Totals 153 \$189,890

C. K. HENRY TO RETIRE JULY 1

Nestor of Portland Realty Dealers to Live in Pasadena.

C. K. Henry, for nearly \$2 years actively engaged in the reality business in Portland, announced at the meeting of the Portland Reality Beard Friday that he would retire from business July 1. Mr. Heary has long been identified with the development of the city and has to his credit the promotion of many important building prejects.

The Multromah Hotel stands as the chief achievement of his business cathlef achievement of his business cathlef achievement of his business cathleft.

chief achievement of his business ca-reer. Other structures which were built through his individual efforts are the imperial Hotel annex, the Wilcox buildimperial Hetel annex, the Wilcox building, the big structure of the John Deere
Plow Company on the East Side, the
Henry building, Mallory Hetel building, two Goods buildings and several
other substantial structures. In residence additions, Laurelhurst is the climax of his activities in that field of development.

the work.

Corbett street at present is paved as far south as Seymour street. It is interrupted there by a big fill across a gulch which is nearing completion, after about eight months of continuous work. The fill has replaced the old bridge which formerly accommodated street traffic and streetcars. The paving extension will begin at the lower end of this fill. The Portland Railway, Light & Power Company will probably extend double tracks over the street before the paving is laid, to facilitate service on the Fulton line, which is the only line running to Fulton and the Riverview Cemetery.

PRELIMINARY WORK STARTED

Retaining Walls for Pittock Home Now Under Construction.

A permit was issued last week for the construction of the retaining walls along the east brow of the hill above Kings Heights where H. L. Pittock will erect a beautiful home. The wall will extend several feet north and south and will serve as the east line of a wide boulevard leading from the house. Contractors are now at work in making

Contractors are now at work in making these improvements.

With the announcement of the construction of this fine residence, great interest is being shown in the development plans of that district. A short distance to the west is Westwood, the latest addition to be platted on the hills. This property is especially attractive for homesites, as it has no steep grades and is well protected. It is expected that work will be started soon in developing this property with all standard improvements. The Kings Heights carline runs through the center of the tract.

DRUG FIRM SPENDS \$300,000 IN NEW QUARTERS.

Modern Eight-Story Structure of Woodard, Clarke & Co. to House Twenty-five Departments.

The eight-story Wood-Lark building. erected at the northeast corner of West Park and Alder streets for Woodard, Clarke & Co., wholesale and retail druggists, is now nearly completed and will be occupied exclusively by this firm about July 16. The structure is of modern reinforced concrete construction, fully fireproof and is considered one of the finest buildings erected in the upper part of the retail district.

The building occupies ground 50x160, with a frontage of 50 feet on Alder street and 100 feet on West Park street. street and 100 feet on West Park street. The building, together with the site, represents an investment of over \$100,-000. The entire building will be devoted to the use of the firm. There will be 25 departments in the new store.

The firm was established by C. H. Woodard & Co., July 1, 1855. In 1879 C. H. Woodard formed a copartnership with Louis G. Clarke, Later Mr. Woodard end retired from the firm and with the firm and winder lease for about two years, and the termination of the lease, the research will remove the three-story structure, it is announced. Lowevariance of the fire story from the Lindeler estate for \$210,000 and later erected the three-story brick building on the site. The sale was negotiated by Goldschmidt's Agency.

R. R. Glitter, a Portland attorney, has purchased from P. B. Bowman & Ca beautiful from P. B. Bowman & Front and Alder streets. For a number of years that point was the center of the varieties of the large sales in acreage was the from P. B. Bowman & Ca beautiful from P. B. B

at West Park and Alder streets, which we consider an admirable location from every standpoint.

"This house was the first to carry dontal, surgical and photographic supplies in the Northwest. It has pioneered in a score of lines. The members of our firm have always been identified with the city's true growth, and in purchasing the site and erecting our own building along modern lines, we have shown material evidence in our greatest faith in Portland's future."

RESIDENCE PROPERTY BOUGHT

Several Sales in Lots and Acreage Closed by Goddard & Wiedrick.

Goddard & Wledrick last week sold for C. M. Dilley two lots at the southwest corner of Grand avenue and Prescott street to C. C. Williams and George Henry for \$12650. The property is vacant and will be held as a speculation. This firm sold a lot on Kerby street, between Jessup and Simpson streets, to Charles Klouchek for C. B. Sanderstone, the consideration being \$4500. The lot the consideration being \$4500. The lot is improved with a two-story frame residence. Mr. Sanderstone purchased through this firm a tract of 6.17 acres adjoining McMinnville for \$4250. The place is in cultivation and is improved with good buildings.

CENTRAL OREGON TO BE GREAT

G. S. Beeson, of Large Irrigation Project, Optimistic Over Possibilities of Deschutes Lands.

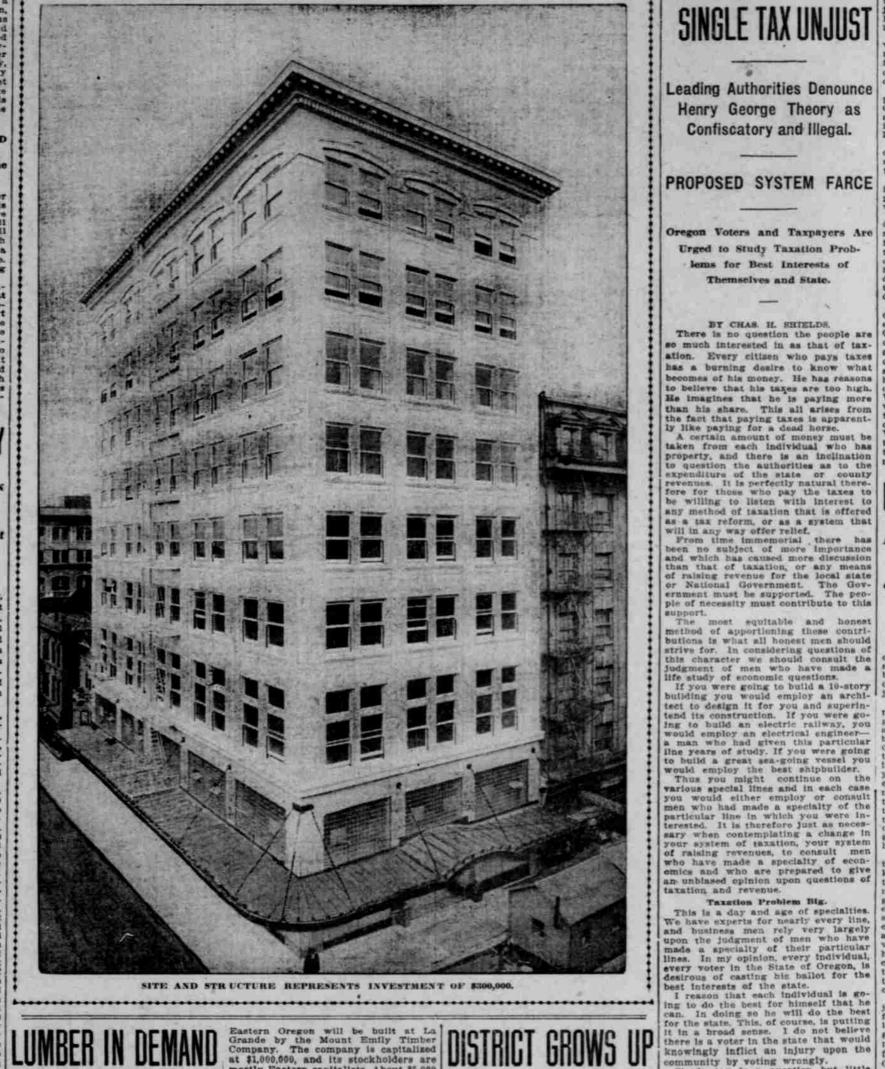
G. S. Beeson, secretary and treasurer of the Central Oregon Irrigation Com-pany, has returned from Columbus, Ohio, where the bonds of the company

of the celtities in that field of development.

Mr. Henry has purchased a beautiful homosite at Passdean, Cal, which he will improve with a costly residence, After July 1 the firm of C. K. Henry & Company will cease to exist and will he succeeded by Henry & Williams, for several years connected with Wakefield, Fries & Company, will be members of the land, after considerable capital which I represent had been invested in it, it was my impression that it was a will provement of Thoroughfare Will be Big Aid to South Portland.

Work will be begun this Summer on the park, a distance of about one Fullon Park, a distance of about two miles of competitions in the Middle West and on the Pacific Coast, with the company at the full properties of building construction of the newly about the properties of building construction of the newly and the properties of building construction of the full building materials bring, and the full construction and the full building materials bring, and the full construction and the full properties and full pro

VIEW OF NEW BUILDING OF WOODARD, CLARKE & CO.



Lumber Conditions Discussed.
"There is one feature of the lumber

business of the Pacific Coast that must

be overcome in some way before it

can be a real active competitor for business in the Eastern market," said Dr. E. A. Lawbaugh at the Portland

Tuesday, during a two days' visit to this city from Chicago, where the mais

office of his company. Brayton & Law-

baugh, is located. The company has

branches in all the large cities of the

been in The Oregonian building for the

"This one feature to be remedled is

a profitable disposition of the rough

lumber that cannot be shipped any

country, the Portland

past 11 years.

NEW MILLS IN OPERATION

Prosperous Condition of Country Gives Impetus to Industry-Foreign and Coastwise Shipping Makes Substantial Gains.

Lumber shipments by both rail and water from the Columbia River district were exceptionally large the past month. Lumber manufacturers report that the market for their products is growing better steadily, with prospects of reaching a most healthy condition

Recent orders placed by the Harri-man system for car materials include about \$0,000,000 feet of lumber, to be from the rallroads rates that will perabout \$0,000,000 feet of lumber, to be supplied by the mills in Oregon and Washington. A large part of this material will be supplied by the Columbia River mills. In addition to this business, the mills are making big shipments to points in the Middle West, where the demand for lumber has reached substantial proportions. Coastwise and foreign shipping has been increasing gradually, with the result that shipments by water are nearly as big where the demand for lumber has reached substantial proportions. Coast wile cannot compete, and I do not believe that the Panama Canal will shipments by water are nearly as big as at any time in the history of the industry. California is supplying a strong market, and it is probable that more lumber will be shipped to points in that state this season than ever before.

"Against such a condition the Pacine Coast mills cannot compete, and I do not believe that the Panama Canal will meet any differential that might exist. This may be considered a pessions that state this season than ever before.

Company. The company is capitalized at \$1,000,000, and its stockholders are mostly Eastern capitalists. About \$5,000 acres of timber land has been purchased in the Grand Ronde Basin by this company, aggregating several billion feet of saw timber.

In the districts in the upper Willamette Valley and in Southern Oregon loggers and lumbermen have been making extensive preparations for a steady business. Several new plants are to be installed, one at Monroe and one at the mouth of the Umpqua River. Reports from the Puget Sound district indicate a healthy movement in the lumber industry. All the big millis are in operation, many of them running both day and night shifts.

Lumber Conditions Discussed.

Mount Hood Railway Big Aid to

Pleasant Home, in Heart of Powell Valley, Attracts Settlers as Well as Investors From Portland and Elsewhere.

A section of the state that is making big strides in development iles in the Powell Valley along the Mount Hood Railway. Since this road was opened to traffic last year many large farms have been sub-divided into small "Progret tracts suitable for suburban homesites, book 8). and have proved exceedingly attractive to small farmers and investors. Between Gresbam and the Sandy

Between Gresham and the Sandy River, the district is making marked progress. The land lies almost level and is fertile, being particularly adapted to the growing of fruits and vegetables. Settlements are being estables as the various stations along the line. At Pleasant Home activity has been pronounced. A fine depot has been under way for the establishment of several business houses. Many tracts, ranging from one to five acres, have been sold to persons who will improve them and make their home there.

All the land holdings of the Mount Hood Railway were taken over a short time ago by a syndicate of Portiand investors organized by Umbdenstock & Larson and will be developed and placed on the market. The first development conducted by this company is at Pleasant Home. Virtually all the property there has been sold, the maniority of buyers being actual settlers. Other parcels will be opened up and placed on the market this Summer.

"It is expected that the line will be electrified soon and when this is done at the district of the care the selling value, thereby prace and property there has been sold, the maniority of buyers being actual settlers. Other parcels will be opened up and placed on the market this Summer.

"It is expected that the line will be electrified soon and when this is done mit them to flood the East with their rough lumber and market it at a price somewhat above the productive cost, with the real profit of the mills coming from the better class of lumber in different forms.

"Against such a condition the Pacific Costs with a connect company and I do

"At the same time, it is true that the price of all kinds of lumber in the East has advanced and it is unlikely that placed on the market this Summer.

"It is expected that the line will be electrified soon and when this is done the district will be given rapid car service into the heart of Portland," said J. Fred Larson yesterday. "With improved transportation facilities the district along the Mount Hood line will underlike the make great strides. It

undoubtedly make great strides. It will not be many months before the entire territory along this line between Portland and the Sandy River is settled up, as it is one of the most attractive and fertile districts near the

Chicago Teacher Buys Acreage.

J. O. Elrod has sold a 12%-acre tract J. O. Elrod has sold a 12%-acre tract in Webster Acres, between Clackamas and Gladstone, to Miss Wheeler, a retired Chicago school teacher, and her brother, the consideration being \$6500. The place will be improved and will be occupied by Miss Wheeler and her brother as their permanent home. The sale was negotiated by J. W. Crossley.

ECONOMISTS HOLD SINGLE TAX UNJUST

Leading Authorities Denounce Henry George Theory as Confiscatory and Illegal.

PROPOSED SYSTEM FARCE

Oregon Voters and Taxpayers Are Urged to Study Taxation Problems for Best Interests of

BY CHAS. H. SHIELDS.

There is no question the people are so much interested in as that of tax-

ation. Every citizen who pays taxes

has a burning desire to know what becomes of his money. He has reasons to believe that his taxes are too high. He imagines that he is paying more than his share. This all arises from the fact that paying taxes is apparently like paying for a dead horse. A certain amount of money must be taken from each individual who has property, and there is an inclination

to question the authorities as to the expenditure of the state or county revenues. It is perfectly natural therefore for those who pay the taxes to be willing to listen with interest to any method of taxation that is offered as a tax reform or as a system that as a tax reform, or as a system that will in any way offer relief. From time immemorial, there has been no subject of more importance and which has caused more discussion than that of taxation, or any means of raising revenue for the local state or National Government. The Gov-ernment must be supported. The peo-ple of necessity must contribute to this

The most equitable and honest method of apportioning these contri-butions is what all honest men should strive for. In considering questions of this character we should consult the judgment of men who have made a life study of economic questions.

If you were going to build a 10-story building you would employ an archi-tect to design it for you and superin-tend its construction. If you were go-ing to build an electric railway, you would employ an electrical engineer-a man who had given this particular line years of study. If you were going to build a great sea-going vessel you would employ the best shipbuilder.
Thus you might continue on the various special lines and in each case you would either employ or consult men who had made a specialty of the particular line in which you were in-terested. It is therefore just as necessary when contemplating a change in your system of taxation, your system of raising revenues, to consult men

who have made a specialty of econ-omics and who are prepared to give an unblased opinion upon questions of taxation and revenue. Taxation Problem Big.

knowingly inflict an injury upon the community by voting wrongly.

Single tax is a question but little understood at this time. More light on the subject of taxation is carnestly desired by the great majority of the people. The single tax theories of Henry George necessarily constitute the spirit of any single tax system. Hence without the Henry George theories the single tax proposals would be like the play of "Hamlet" with Hamlet left out. The local single tax proposals in sev-The local single tax proposals in several of the counties of Oregon is the Georgian system of single tax.

eorgian system of single tax.
Therefore the following testimony of Therefore the following testimoly of irst-class economic authorities with reference to the Henry George single tax theories is strictly pertinent. The basic principle of the Henry George theory is to confiscate compensation. It should be remembered that Henry George believes that private property in land is unjust—that land is a gift of the Creator of all individuals. Therefore private property in land is inconsistent with the divine gift and that it would be equally wrong to purchase or compensate the present owners of land. He holds they got it wrongfully and therefore confiscation is justifiable. In order to restore land to its right-ful owners — society — he proposes to tax all landowners out of existence. His own language is used. (See his "Progress and Poverty," chapter 1,

I offer a few of the authorities on taxa-tion, especially men of National and inter-national reputation on questions of politi-

Dishenest Features Shown.

While we may not all be political economiets and may not have given any study to economic questions, there is one thing certain—every honest man in the State of Oregon knows that it is dishonest to piace all the taxes upon land, permitting all other forms of wealth to escape taxation, when the result of the tax on land will be to destroy the selling value, thereby practically robbins the individual of his earnings, which are represented in the seiling value of his land. Such is single tax.

University, in his "Economics," says: "George's theory, if adopted, would be unjust, confiscatory and illegal."

Frederick Harrison, a profound thinker upon social and economic subjects, says in his "National and Social Problems:" "George's scheme would be monstrously unjust."

Frofessor Seager, of Columbia University, in his "Introduction to Economics," says: "Henry George failed to establish what is vital to his whole contention. His contention is directly contrary to the facts."

J. Laurence Laughlin, professor of political economy in the University of Chicago, says: "George's proposals are a treasure trove for a student of logical fallacies in economics." (See Laughlin's "Latter Day Problems").

Henry Holt, a distinguished member of the American Political Science Association, says in "On the Civic Relations";

sociation, says in "On the Givic Rema-tions":

"The very principle of sound taxation is that the taxes shall be paid by the property which produces the where-withal to pay them."

This, I consider, a very important declaration and one on which great stress should be placed, as it lays the

declaration and one on which great stress should be placed, as it lays the foundation for a just and equitable taxation and one which is directly in opposition to the theory of single tax Single tax permits innumerable producers of the wherewith to pay taxes, to escape taxation, and places the burden on but one—that of land.

Charles B. Spahr, in a masterly article, in volume 6 of the "Political Science Quarterly," characterizes Henry George's theory as absurd. In view of the testimony given by the men above referred to, together with our own experiences and analyses of the single-tax problem, it should not be a hard matter to arrive at an intelligent contracts, which single-tax question, when viewed from a logical point of view, there can be no question as to the illegality of repudiating private contracts, which single tax means, When viewed from a point of equity, there could be but one conclusion—that it is unjust and inconsistent and not a square deal.

ADVICE GIVEN TO SMALL BUY-ERS OF REAL ESTATE.

Care Should Be Taken Not to Assume Big Mortgages, Declares Cleveland Realty Expert.

In purchasing real estate, small buy-ers should exercise precaution in as-suming mortgages, is the advice given by R. P. Stoddard, a real estate expert of Cleveland, O. In discussing the sub-ject Mr. Stoddard says: "Unless you have other resources, do

of Cleveland, O. In discussing the subject Mr. Stoddard says:

"Unless you have other resources, do
not buy property with too large a mortgage on it. You think that you will be
able to pay off the mortgage when it
becomes due, but mortgages have a way
of coming due very quickly, and when
the time comes around instead of having the money to pay off the mortgage
you are very apt to find that you want
even a larger one. If you are satisfied
not to horrow more than one-half or
two-thirds of the value of the property,
there is a good chance that you can get
the same amount sgain from some
other lender when the present mortgage becomes due, if the present
holder is not willing to renew.

"When a man sells property he will

"When a man solls property he will take a large mortgage on it, because he knows all about it and is willing to take the chances of your being able to take the chances of your being able to meet your obligations when the mortgage becomes due. You will find, however, that another lender will not take so favorable a view of the same property, and will be unwilling to lend you, at best, more than two-thirds of the value of the property. Many people have lost their homes at foreclosure because they purchased real estate when they had little ready money and took the property with too large a mortgage on it.

on it. "Where you are buying property sub-"Where you are buying property subject to a second mortgage, he very careful that it contains a clause that if it is necessary to replace the first mortgage that the holder of the second mortgage will consent that the new first mortgage be placed ahead of his Otherwise you will be in the position of paying off the first and allowing the second thereby to become a first. This will make it impossible to put on another mortgage unless it, in turn, becomes a second mortgage, and second mortgages are very hard things to get and very expensive, unless they are put and very expensive, unless they are put on the property by the seller at the time that the property is changing

thands.

"If you are buying property that is occupied by tenants, make sure as to how long their leases run and the real rent they are paying. There is no way so good to get these facts as to go to the tenants personally and ask them these questions. The whole matter of leases is very technical and there are very often misunderstandings by which tenants can cause the new owner a great deal of trouble. This is particularly true where land is being bought for the purpose of erecting a new building and the old tenants must be disposed of before the building can be torn down.

"This advice seems hardly necessary in these days, when the title companies

in these days, when the title companies are advertising everywhere the dangers that come from possible defects in ti-tles. A good lawyer, who is familiar with title examination, can search your title for you, but there are not as many lawyers who are thoroughly familiar with the roal estate practice as there were in the days before the title companies practically monopolized this kind of business.

"If there are reasons why you want to use your own lawyer instead of a title company, insist that he secures for title company, insist that he secures for you the policy of title insurance. Most lawyers take the precaution nowadays to protect their clients by getting policies of title insurance. There are many troubles which cannot be discovered by any title examination. The title companies do not pretend to discover these troubles. They search titles as well as they can, and then take on their own shoulders the responsibility for the unknown risks." known risks."

City Buys Buick.

Among the buyers of Bulck cars out of the Portland branch of the Howard Automobile Company during the past week, were F. A. Silvernail, of this city, James Hicks, of Burns, and Nis Nilson, of Klatskanie,

LARGE AND COMPLETE STOCK.

TUALATIN VALLEY ACREAGE

Splendidly located near Portland, on United Railways; fast trains, week-end rates, commutation tickets. Near town of North Plains. Electric light, pure water, improved streets, modern buildings. Ideal location for

FRUIT FARMS DAIRY FARMS BERRY FARMS POULTRY FARMS ENCOURAGEMENT GIVEN SMALL INDUSTRIES

For literature write or call at office of **RUTH TRUST COMPANY**

235 Stark Street, Portland, Oregon.