

BUSINESS SITES HELD BY OWNERS

Investors Find Difficulty in Securing "Bargains" in Central Locations.

FAVOR SUBURBAN TRACTS

Growth of Portland Not Confined to Any Particular Locality, but Spreads in All Directions. Along Carlines.

Because no sales of property in the business district, involving large amounts, have been reported in the last few weeks, some dealers, whose business has in the past been confined almost exclusively to handling that class of transactions, are inclined to believe that there is a temporary lull in the Portland real estate market.

Other dealers, who are content with handling so-called small deals in the absence of big ones, find the market about as good as it ever was, and the records show that view to be correct. They explain that the only reason big transfers of business blocks do not figure just now in daily reports is because, in the heart of the city, there is nothing offered for sale. Whether or not values are held too high in that district, they say, is outside the question just now, for if holders won't sell at a figure less than ruling prices for that class of realty, it does not prove values to be excessive, but does prove that owners are satisfied with their holdings and will only let go at considerable advance over present quotations. They point out that ruling rentals for store or office buildings bring in a revenue much higher in Portland than anywhere along the Coast, and investments in this city produce a higher percentage than most cities of the country of similar importance. It is pointed out on this showing that values can safely be advanced rather than lowered, a proceeding not favored by buyers who can hope to start a movement in this direction.

Wait for Opportunity.

Several real estate firms report orders for investments in inside property, with funds ready to put into the deals as soon as suitable pieces can be secured, but that it is found impossible to find the sort desired, regardless of valuations. Some of the dealers, on the other hand, say they had inquiry for investments in Portland realty before the late flurry in financial circles, but that recently the matter had been dropped by their Eastern clients, who explained that their funds were tied up in stocks and similar investments, which they find difficult to dispose of at present without sacrifice. With improved conditions in the East, it is every likelihood that these inquiries will be resumed, for it is explained that values here are still attractive to outside buyers, as compared with those of other cities, and that percentage of revenue is higher on the basis of present valuations than elsewhere along the Coast.

In San Francisco, for instance, owners of rentable property are satisfied with 3 or 4 per cent on their investments, whereas here 2 or 3 per cent higher than that is not considered unusual. It was a well-known fact that before the fire the owners of one of the big San Francisco buildings noted that 3 per cent on his investment, and he has rebuilt, or is rebuilding, his block on larger lines. The owner of the property referred to is an Eastern capitalist who has millions invested on the Pacific Coast, and the fact that he renews his investments is proof that larger returns are received here than in the East, with more certainty of advancing valuations.

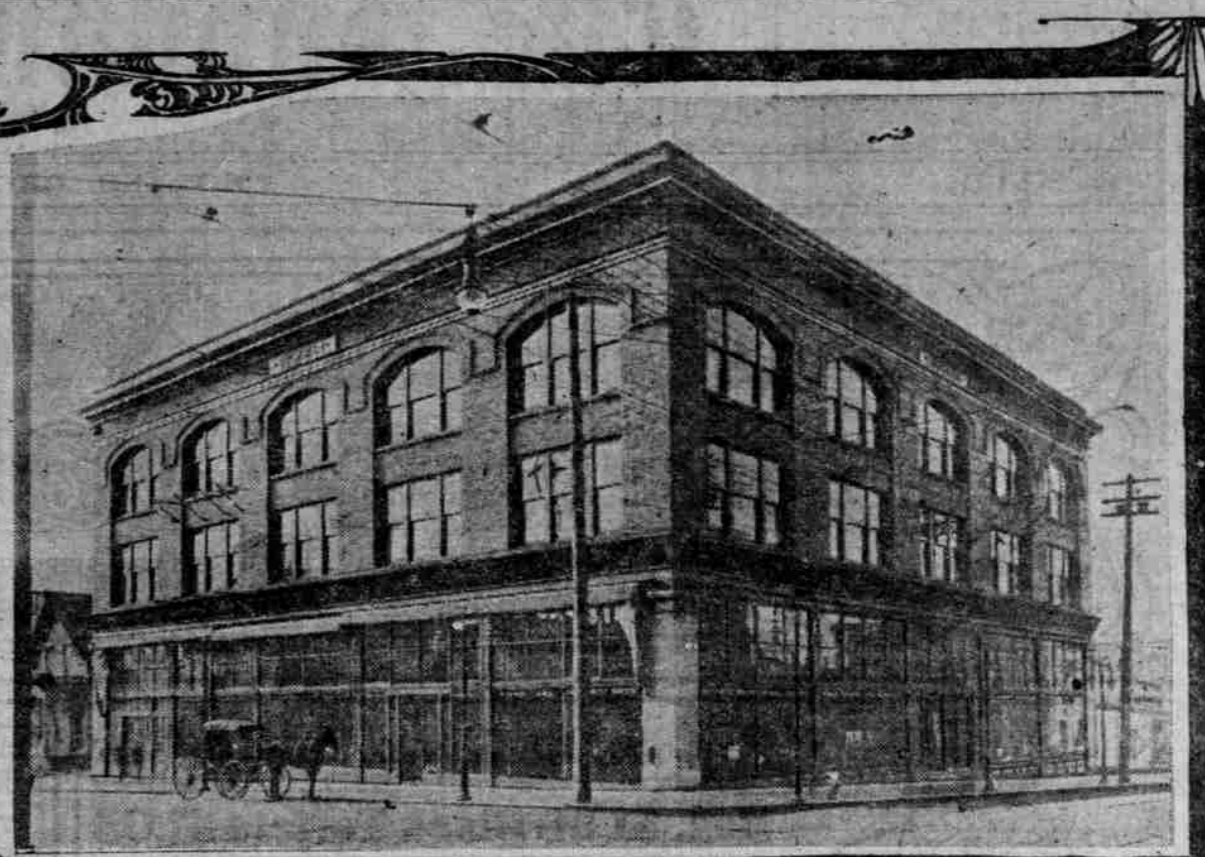
Already there are enough new building projects proposed to make this year's operations assume respectable proportions. Observers note that Presidential years heretofore have brought more or less dullness in real estate transactions, but the start, already made, and the peculiarly favorable outlook for continued growth of this city, lead these same observers to believe that no material falling off in comparison with last year's business will occur in this state. As a matter of fact, every dealer seen during the past week makes identically the same report on conditions of the real estate market—that values are not only being maintained, but that, if anything, are stiffening perceptibly, especially as to inside property.

Many Small Tracts Sold.

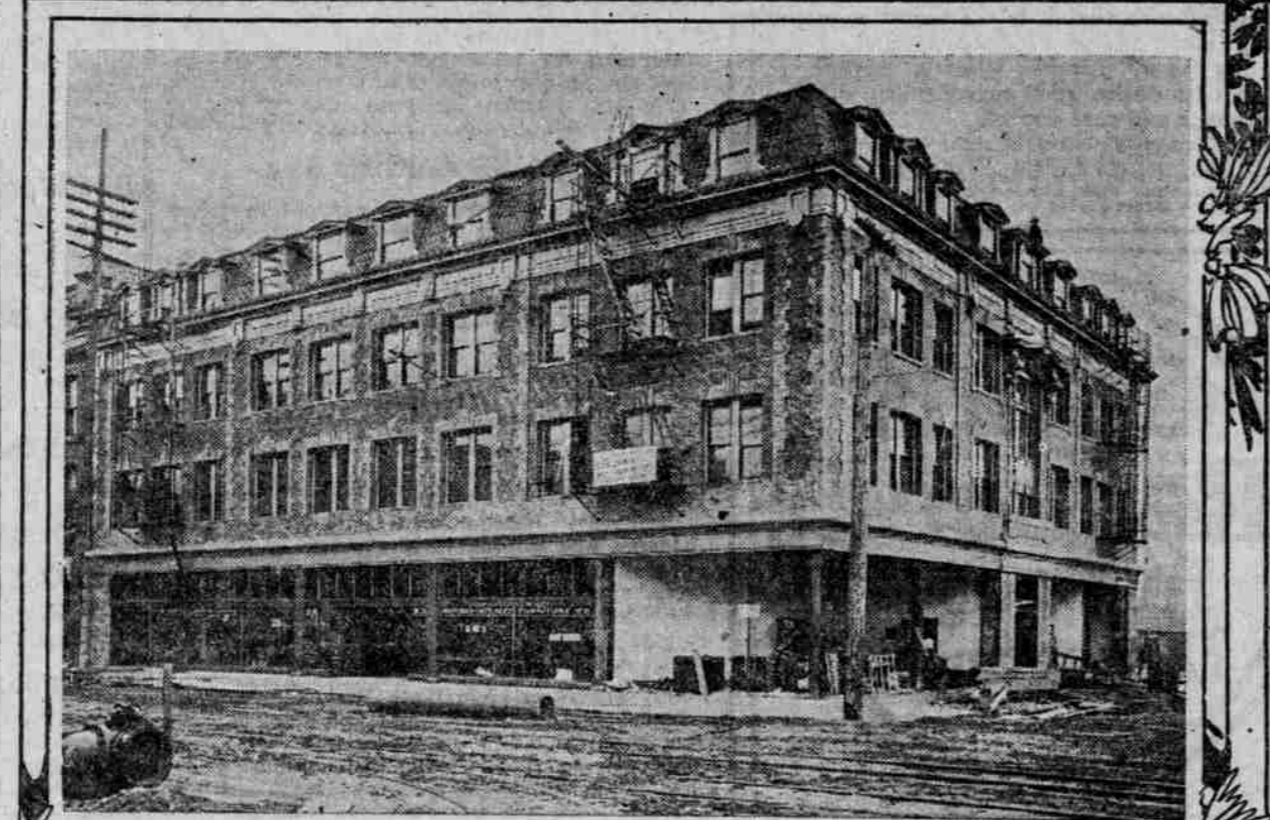
This leads up to reports on acreage in the suburbs and farm lands in Western Oregon. Probably more small tracts of, say, 10 to 25 acres each, were purchased during the past few weeks than in any period of the same duration in the history of Portland. Off to the southeast, reaching over into Clackamas County, these tracts, bought by people who intend to



HEALY BUILDING - EAST MORRISON AND GRAND AVENUE.



BUCKMAN BUILDING - UNION AVENUE & EAST BURNSIDE.



MORGAN BUILDING - GRAND AVENUE AND EAST STARK.



PROUDFOOT BUILDING - EAST THIRD AND EAST BURNSIDE.

cultivate the ground and raise fruits and vegetables for the Portland market, have been changing hands at a rapid rate lately, and others are still in prospect. In the territory back of the tracts plotted to the north and east of the settled parts of the East Side, reaching out toward the Columbia, is also situated admirable acreage which is being taken up by the same class of buyers. These little market gardens will not long remain in the hands of present owners, for it is but a matter of a few years until the land will be too valuable to be devoted to gardening and will bring the owners a nice advance over present valuation when needed for building lots.

In the meantime dwellings are going up at a remarkable rate in the plots already on the market, the permits of the past week footing up nearly \$20,000, representing houses costing from \$1500 to \$4000, and located principally along the lines of streetcars. No locality seems to lead in these building operations, as there is a gradual spreading out in all directions.

The East Side is nearing the time when that large portion of the city will demand a higher class of business structures, indications of which already exist. Predictions are made that by another year one or more of the principal streets will boast much larger retail stores than the present ones. A theater is projected and hotel accommodations are improving so that the claims of the section, now largely devoted to residences, will attract attention of merchants, who will figure that where most people live is the best locality for establishing business.

Reaching Out to North.

Down the peninsula work is progressing on the big Swift plant, which will employ hundreds of workmen who will desire to live near their work. That fact attracts

the attention of buyers to the tracts in that neighborhood. The Swift plant, besides its slaughtering and packing features, will attract auxiliary enterprises, some of which are projected now.

Demand is improving for farm lands in this part of the state, and the newspapers of Eastern Oregon continue to report sales in that section as well. One of the firms in this city reported yesterday that several inquiries had been received during the week from the East for improved lands in the Valley. The same concern made the statement that more business had come into its hands during the week than for several weeks previously.

PROJECT PENINSULA TANNERY

Auxiliary to Swift Plant by New Process Company.

Among the new enterprises that will be attracted to the peninsula district when the Swift plant gets into operation is a tannery. F. J. Catterlin is said to be organizing a company to manufacture leather in the vicinity of the plant under a new process, and that the company will in addition erect a factory for the manufacture of shoes and other goods to be made of this new-process leather.

The company is reported to be raising a capital stock of \$200,000, and when under operation will employ at least 100 men. A tannery using the process is now in operation in Los Angeles.

Lower Taxes in Douglas.

ROSEBURG, Or., Jan. 11.—(Special.)—Before adjourning today the County Court fixed the levy for county, state and state school taxes at 8 mills, which is one mill less than that of last year.

TRANSFERS SHOW NORMAL NUMBER

Acreage in Outskirts Attracts the Largest Number of Buyers.

WILD LANDS BEING TAKEN

Progress in Building Operations on East Side Compels Extension of Street Improvements to Reach New Localities.

So far as acreage and residence property is concerned, the transfers the past week nearly reached normal conditions. The home-building movement on the East Side has resumed its march, the same as it was in the early Fall, and its effects will be seen in all suburbs. In some directions being more pronounced than others, and has started up in suburbs which had been dormant. Along the Woodstock and Richmond railways there has been a better movement. In the Waverleigh Addition, the owner announces that 20 lots have been sold since December 1, and during November 23 lots were sold, the average price being \$375 per lot. Improvement of the streets in the Ladd Addition with hard pavement has stimulated the whole of the southeastern section, and property owners are preparing to make extensive street improvements, many contracts having already been let for this class of work. It is estimated that south of Hawthorne avenue, including work to be done and now under way in Richmond-Waverly and Kentworth, and in the Williams tract, streets improvements costing \$250,000 will be undertaken this year. These include an extensive system of water and sewer mains in the Waverleigh Addition. Gladstone street, the main thoroughfare, is being widened at once. The former will run from the Southern Pacific carshop to Ivanhoe, a distance of nearly two miles, reaching a fine home-building section. The latter streets south of Powell street out to Ivanhoe have been changed to conform to those in the Waverly-Richmond tracts, so that improvements may be made along harmonious lines. Looking south from the new dormitory of the Odd Fellows' Home, it can be seen that in the home-building line Portland is extending in that direction in a most satisfactory manner. On the high ground in Ivanhoe and Woodstock an excellent class of residences are being built. This building area is rapidly extending south to Johnson Creek and the Gresham branch of the O. W. P. Railroad.

Build Near Country Club.

Toward the grounds of the Country Club, along the Sandy Road, through Rosamere and Rose City Park Additions, there is substantial progress. The Rose City Park Improvement League has adopted a unique plan to promote home-building that promises results. It has a committee at work communicating with

owners of lots regarding erection of dwellings, the object being to promote a general building movement in the Spring. This committee reports that replies have been received from its owners of lots, and most of these say they will build. The league also has undertaken to secure loans for men who own lots and have not enough ready cash for the purpose, so that the question of money will not stand in the way of lotowners putting up dwellings. This step is in advance of any yet taken by any Portland civic club. At the last meeting of the league it was announced that a lotowner with \$500 wanted to erect a \$2000 residence. Following the announcement came the reply, "We will see that all such men get the money to build."

It is proposed to open several streets to the grounds of the Country Club, and a special committee has been appointed to confer with the directors of the Country Club on this matter. It is desired to have two or three streets opened to connect with Tillamook, Hancock and Thompson, or some of the other streets through Holladay Addition. It is probable that if the Sandy Road be changed to a street, it will be named Rose City avenue, as it is destined to become an important highway. Tom Richardson, of the Portland Commercial Club, said in his talk before the league last Monday night that he liked the spirit shown by the people of that suburb, and he was sure it would result in substantial growth. He particularly commended the decision to promote home-building in the neighborhood as one of the best means of securing substantial progress. Seven months ago a purchaser bought an acre on the peninsula

wild lands is being cleared. At the present time the Reed estate is having 70 acres cleared, a Japanese syndicate, 20 acres; Lember-Whitmer Company, 20 acres; Reed, Fields & Trann Company, 10 acres; C. N. Ronkin, 20 acres; C. McDonald, 20 acres. Part of this land is being cleared with two donkey engines, which pull out the stumps and roots with a powerful hook; the Japanese clear by hand. The land cleared will be used for growing fruit and vegetables. This land before it was cleared and in the wild state, readily sold for from \$150 to \$250 per acre. It costs between \$40 and \$60 an acre to clear. There is no heavy timber, the land being covered mainly with brush and logs. Cleared the land sells for \$50 an acre.

Extend Down Peninsula.

The march of improvement is nowhere so marked as on the peninsula through St. John to the confluence of the Willamette and Columbia Rivers. The Swift Packing Company is making constant progress in excavating Columbia slough for a ship channel to its ground. During the week the company placed an order for eight more pontoons with the Supple shipyard. Originally the company had 25 pontoons built, but as the work has advanced it has become necessary to carry the material a longer distance. Good progress is being made by the dredger. As one result of the operations of the Swift Packing Company there has been a constant forward movement on the peninsula, and no backsets. Seven months ago a purchaser bought an acre on the peninsula

for \$1000 and last week received \$1500 for it, showing a 50 per cent increase. Sibary & Hart, real estate men at University Park, say: "We notice a steady improvement in conditions on the peninsula. It has been more pronounced the past few weeks. We have recently made several sales, one of \$1500, three of \$1200, several of \$250 and have one in prospect of \$500. There is no reduction of real estate values at University Park, but on the contrary there has been some advance. A piece of property sold for \$1100 a few weeks ago was resold for \$1200 this week, and this is the way things are going all over the peninsula. There is considerable building in progress, and much more in prospect in this neighborhood. I expect to build on the corner of Dawson and Peake streets, if the arrangements can be made. The upper floor may be used for a branch Y. M. C. A. The best of feeling and confidence prevail in this neighborhood and the impression is that we shall have a good year on the peninsula in spite of the backset of the last three months."

Transfers All Directions.

The most important residence sales range up to \$5000, and are widely scattered, there being scarcely a suburb that cannot show transfers the past week. At University Park, Rebecca A. Sherer sold four lots to A. S. Narney for \$2500. Five lots in Patton avenue in North Albina were sold by Stephens Shoberl to Minnie Bratchi for

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NEW RESIDENCE OF A. L. MILLS, TWENTIETH AND JOHNSON STREETS.



RESIDENCE OF LEWIS MONTGOMERY, EAST TWENTIETH AND SALMON STREETS.