

LEASES SHOW HOW PROPERTY GROWS

History of Risley Lot at Seventh and Morrison Is Interesting.

HALF BLOCK COST \$1000

Ground Now Worth \$750,000 Purchased in 1858 From His Father by Jacob S. Risley, Who Disposed of All but One Lot.

There has been a distinctly more optimistic tone to the real estate market the last week, and while large sales have been few, there has been a healthy inquiry. Dealers expect activity to become more marked with every week and predict a very lively movement in all kinds of property from the beginning of spring.

One phase of the situation is the reluctance of owners of downtown business property to dispose of their holdings at any price. The general desire seems to be to make building leases on as favorable terms as possible and thus derive a good-sized profit and at the same time not lose the increment, which at Portland's rapid rate of growth is becoming fabulous.

An instance of this kind was recorded a week ago when the heirs of the late Jacob S. Risley leased the lot at the northwest corner of Seventh and Morrison streets to the Morrison Trust Company for a term of 50 years. At a bidding rate calling for payment of \$987,500 net for ground rent alone during the term. The heirs and present owners are John P. Risley, Charles W. Risley and Mrs. Alice M. Starkweather, of Risley's Station, on the Oregon City electric line.

The monthly rate of rental for the first 10 years is \$1125; for the next 10 years it is \$1375; for the third 10 years, \$1625; for the fourth 10 years, \$1875, and for the last decade it is \$2000. Mrs. Dan McAllen and E. A. Lundberg are the principal stockholders of the Morrison Trust Company, and they will proceed with the erection of a 12-story building as soon as the lease of present tenants expires. The tenants hold until September 31, 1912.

The owners refused a bona fide offer of \$200,000 for this property recently, declaring they did not wish to sell at any price. The ground rental was figured on this valuation. The lot is 50 by 100 feet, the same size as the property on the like corner at Park and Morrison, which was purchased two weeks ago by Rev. Herbert Spencer Johnson from E. W. Hart and associates for \$210,000. The Risley lot was the advantage of position, as the 100-foot frontage is on Morrison street, while the long frontage of the Johnson lot is on the side street. The difference in value probably is correctly stated in the difference between the purchase price of the Park street corner, \$210,000, and the estimated value of the Seventh street corner, \$300,000.

It is difficult to figure a basis of front-foot values on Morrison street for these two deals, because one block has a frontage of 100 feet and a depth of 50, while the other has a frontage of 50 feet and a depth of 100. Thus the more valuable piece shows a front-foot value of \$3000, while the cheaper one has an apparent front-foot value of \$2000. Reversing the basis of calculation, the Risley property would be valued at \$6000 a front foot on Seventh street and the Johnson lot would be worth \$2100 a front foot on Park.

As showing the rapid rise in value of Portland real estate, the history of the Risley property, which is described as at 4 block 112, original city of Portland plat, is interesting. Musty old records in the County Recorder's office show the half-block on the north side of Morrison street, between Seventh and Park, comprising lots 1, 4, 5 and 6, block 112, was conveyed from Orville Risley to Jacob Susan Risley on September 8, 1858. The consideration was \$1000 for property now worth at least \$750,000. Jacob Risley was the son of Orville Risley, who was an early pioneer and was known as George Risley. The conveyance was made before A. G. Walling, Justice of the Peace for the County of Clackamas, Territory of Oregon. At that time the part of what is now Multnomah County lying on the east side of the river was in Clackamas, and the west side was in Washington County.

Jacob Risley disposed of the two inside lots, 50 by 100 feet each and fronting on Seventh and Park streets, before the property had advanced much in value. He held lot 5, the northeast corner of Park and Morrison, until June 23, 1885, when he sold it to A. F. Bennett for \$2000. He evidently used this money to build the 50 by 50 two-story frame building on the corner of Seventh and Morrison, which was completed in 1887. Three years later, in 1890, Mr. Bennett sold the property to the County of Clackamas, Territory of Oregon. At that time the part of what is now Multnomah County lying on the east side of the river was in Clackamas, and the west side was in Washington County.

Both buildings had stores below and rooming-houses above. The stores were rented to transient tenants for what they would bring and were seldom occupied. The charges for rent were extremely modest. During the flood of 1893, Harris & Watkins, who were agents, occupied the store now held by the Jewel restaurant, and paid \$20 a month, which the landlord regarded as magnificent. In 1897 J. E. Kelly leased the corner for the Mascot saloon, paying \$65 a month, and later took the entire building, including the store on Morrison street and the upstairs, for two years, at \$150 a month. This lease was renewed for three years at an advance to \$250 a month, and was subsequently twice more renewed by Mr. Kelly for three-year terms at an advance each time.

Clayton Fallow bought the saloon and lease some three years ago and took a new lease for three years, in October, 1908, paying \$300 a month for the whole building. This lease is still in force and will expire with September next year. Mr. Fallow is subletting to J. R. Tozier, a cigar dealer on the corner, and to Day Bros., proprietors of the Jewel restaurant, and a lodging-house keeper upstairs. The Risley part of the Bennett building is leased to L. Fisher for \$400 a month, and this lease can be terminated on six months' notice. Fisher sublets to W. C. Reed, who has a delicatessen store, and to a saloon and a chop-house, and there is a lodging-house above.

That Portland is in a better position, financially, than any other city on the Pacific Coast is the conclusion of A. D. Willoughby, of the Lawyers' Abstract & Trust Company, who returned last week from a business trip to cities on Puget Sound.

"I met many traveling men and representatives of business firms," said Mr. Willoughby, "and they all declared that Portland merchants are the only ones

OFFICE STRUCTURE AT FOURTH AND WASHINGTON TO BE OF FIRST-CLASS CONSTRUCTION



ARCHITECT NELSON'S PERSPECTIVE VIEW OF SYNDICATE BUILDING AS IT WILL APPEAR WHEN COMPLETED.

who are meeting all obligations promptly. Even in Seattle, they admitted, that Portland is the best city on the Coast from a business standpoint. "Kasey, Humason & Jeffery have completed plans for subdividing the 30-acre tract in Vancouver, Wash., purchased by them from the Balcom estate a week ago for \$20,000. The plan shows that the acreage has been cut into pieces from one-half acre to an acre and a half in size. Two streets will be run through the property. The land is covered with fruit trees, which will be left standing except where they interfere with the improvements. The land will be sold on easy terms to railroad employees, many of whom work at the roundhouse of the North Bank Railroad, which adjoins the tract. Houses will be built for purchasers who lack money to build for themselves. City water mains will be laid to all the lots. Laborers will be put to work on the improvements in a week or two.

Plans and specifications are being prepared by Architects Roberts & Roberts for a three-story frame apartment-house to be built on East Fourteenth and East Yamhill streets for E. A. Hale. The cost is estimated at \$20,000. It will be 50 by 50 feet, and will contain 18 apartments of three rooms each, provided with kitchen, bathroom and modern conveniences. The building will be heated with steam, and will have a large laundry room. Contract will be let by January 15.

T. E. Biedsoe has purchased the two-story eight-room home of William Cannaday for \$8000. It is one of the most attractive homes of Mount Tabor. The grounds are on East Fifty-third street between Belmont and East Morrison streets. Mr. Biedsoe purchased the property a home, and will take possession of the property this week.

McCharger, Bates & Lively report two important sales made last week. They sold the E. B. Shields home, a quarter-block on East Nineteenth and Tillamook streets, to L. Geringer, for \$1400. Mr. Hoffman and family will occupy it as a home. John A. Lehner purchased a highly improved 24-acre tract at Orchards, Wash., four and a half miles east of Vancouver, from A. Coffin. Carlton Bamberger purchased from J. J. Attridge a 10-acre fruit tract at Orchards, Wash., for a consideration of \$5000.

Man Dead in Woods.

MONTESANO, Wash., Jan. 7.—(Special.)—Reclining against a stump, with his arms folded across his lap and his chin resting on his breast, was found the body of Perry Weir in the woods about two miles east of this place. It is supposed death came several weeks ago. Some silver and a letter were found in his pockets. The letter was mailed at Martinsburg, N. Y., and began "Dear Brother" and was signed by Mrs. Mary McLean.

COST IS ANNOUNCED

Syndicate Building Will Require Outlay of \$300,000.

FIREPROOFING IS FEATURE

Safe Deposit Co. will Occupy Basement, Store Will Take Ground Floor and Upper Stories to Be Constructed for Offices.

Architect W. E. Nelson yesterday completed a perspective view of the Syndicate office building, now under construction at the northeast corner of Fourth and Washington streets, as it will appear when completed. The building is shown in the accompanying illustration. Designs previously prepared by another architect were discarded by the owners, the Association of Business Property Owners.

The building is to have a frontage of 100 feet on Washington street and 50 feet on Fourth. It will be 12 stories high, of reinforced concrete construction and will cost \$300,000.

The facing of the building will be of gray pressed brick, and the trimming will be of cut stone for the three lower stories and gray terra cotta for the remaining nine stories.

Large Store on First Floor.

The first floor has been designed for exclusive occupancy by a large store and the owners are now negotiating with a number of applicants for the lease. There will be large entrances on both Washington and Fourth streets. The Portland Safe & Deposit Company has leased the basement for its safe deposit business and the vaults are being constructed as an integral part of the building. They will be made absolutely fire and burglar proof.

The main entrance for the building will be on Washington street, and the lobby will be of marble with tile floors. The stairways throughout will be of marble. There will be two high-speed electric elevators.

"Absolutely fireproof" is the way the architect describes the construction of the building, and he declares that the owners directed him to make the edifice first class in every respect, and to take nothing on the character of materials.

A typical floor plan shows that there will be 17 offices to the floor above the first story, or 187 in all. All the corridors will have tile floors and marble wainscot and all the interior woodwork finish will be of mahogany.

Faith Held in Portland.

The Association of Business Property Owners is composed of a number of investors who have great faith in the present and future of Portland. They have leased the property from Mrs. Caroline A. Trimble, the owner, for \$2500 a month, at an average rental of about \$1000 a month. The rent starts at \$1250 a month and is gradually increased until it reaches \$2500 a month.

Construction is now well under way and the described footings have been established on a firm bed of gravel in a strong binding formation, 28 feet below the street level. The basement floor and walls will be started this week. The basement is to be 14 feet deep in the clear.

Mr. Nelson, the architect, impressed with the rapid growth of the city, moved here from Texas four months ago. In Texas he was manager for the Houston branch of Sanguinetti & Staats, who do most of the architectural work in the state. He designed the Y. M. C. A. building in Houston, the First National Bank, the Carter building, 19 stories, Houston Land & Trust, the Hall and several others.

Astoria Chief Assumes Duties.

ASTORIA, Ore., Jan. 7.—(Special.)—Thomas Linville, who was appointed last night by the Council as chief of police, assumed his position today. Gustaf Ziegler succeeds Harry Rinn, as desk sergeant.

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BURLINGAME

The Only Close-in Subdivision on the West Side

The West Side Company are now improving and preparing for the market Burlingame, an addition extending along the crest of the hills this side of the fashionable River and Riverdale districts. Burlingame is located on the Oregon Electric Railway and the Fourth Street branch of the Southern Pacific, both of which pass through the center of Burlingame and but 12 to 14 minutes' ride from the city. This particular district has been for a long time the subject of much wonder as to why there has not been more activity and development in this district, which is of great natural beauty.

People who have made a study of Portland and prophesied its wonderful growth, say that the hills in South Portland are by far the most beautiful part of the city and will in time be improved by a most desirable class of residences.

The present owners years ago realized the value of this property, in the above respects, and instead of selling it for platting purposes, bought large tracts so that when the time came there would be enough of this property to assure protection to the purchaser, by building restrictions and the construction of boulevards and parks.

The electrifying of the Fourth Street line and the extension of the Oregon Electric Line down town to Tenth and Washington streets, for which they now have a franchise, will of course make Burlingame of much easier access to the business part of the city.

The prices of lots in Burlingame are \$650 to \$1000, with a special 10 per cent discount for the next 30 days.

TERMS—10 per cent down and 2 per cent per month.

COME OUT TODAY AND MAKE YOUR RESERVATIONS, AS THIS PROPERTY AT THE ABOVE PRICES WILL NOT LAST LONG

To reach Burlingame, take the Oregon Electric car at Front and Jefferson streets; get off at Fulton Park Station and walk two blocks west. Our salesmen are always on the ground to show you over the property.

The West Side Company

15-16 Madison Bldg. Phones A 4747, Marshall 980 Third and Madison St.

COST WILL BE \$100,000

HAWTHORNE COURT TO EMBODY ATTRACTIVE FEATURES.

Fine Apartment-House to Be Erected on East Side Will Have Frontage of 200 Feet on Avenue.

Permit for the erection of a \$100,000 apartment building, to be erected at the northeast corner of Hawthorne avenue and East Twenty-first street, was taken out the past week. It will be known as Hawthorne Court, and will be the largest structure of the sort erected on the East Side.

This site is at the corner in Hawthorne avenue between East Twentieth and East Twenty-first streets and the building will cover about one block. It will be three stories high and will be of brick construction, with a frontage of 200 feet on Hawthorne avenue.

There will be a central court which will be entered by a broad driveway. In the center there will be a circular garden. One wing will be 80 feet wide and every department will be well lighted and ventilated.

There will be no long hall or corridors, and there will be seven separate entrances leading to the 14 apartments on each of the two upper floors. The apartments are of three and four rooms each, besides the reception hall. For fire protection there will be standpipes and fire hose.

Arrangements are made so that garages will be cared for every day, there being separate lifts for each apartment so that the market man can send his produce up from the basement. Division walls will be fireproof as will the walls and ceiling of the stairways. On the first floor facing Hawthorne avenue there will be stores. A system of Summer gardens has been worked out at the west side of the building. The location selected for Hawthorne Court is excellent, it being on Hawthorne avenue and near the fine residence addition of the Leach tract. Cars are passing on Hawthorne avenue every few minutes.

KILGAVER TAKES ON NEW LIFE
New Homes Being Built and Varied Activities Are Reported.

The district just east of Kilgaver on the Section Line road, five miles from the Courthouse, is making excellent progress and is considered one of the progressive suburbs on the East Side. On petition of Mrs. M. E. Buckley the crossroad extending north and south just east of Kilgaver for a distance of six miles, starting at the Sandy and ending at the Foster road, has been named Buckley avenue. A new schoolhouse has been built near here called the Buckley schoolhouse, the money having been donated by Mrs. Buckley.

The new site of the Crystal Springs Sanitarium between the Base Line and Section roads is rapidly being put into shape. Old buildings have been moved from the former site and new ones erected. Wires have been strung for electric lighting for the buildings and grounds. The latter will be beautified.

William Sorenson, formerly of Wisconsin, has changed in a short time the appearance of the place he bought on Buckley avenue into one of the most beautiful suburban homes of the district. He has modernized the buildings and cleaned up the orchard. Samuel McCarty has built an attractive home on his 10-acre tract on Everglade avenue.

The territory between Section and Base Line roads is rapidly becoming a prosperous suburb. Ground is being cleared and houses are being erected.

Prosecuting Witness Missing.

OREGON CITY, Jan. 7.—(Special.)—Officer Miles and Justice Samson are seeking as a prosecuting witness Mrs. Bonnie Nelson, in the case of Lucas Broadbent, who is charged with assaulting Mrs. Nelson.

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OF PORTLAND, OREGON

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