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REALTY'S LEAN YEARS GONE; GOOD TIMES COMING TO REMAIN

Splendid Outlook for Investment With Rentals High and Space Limited. Says Robert E. Dowling, Calling Attention to Present Opportunities

"From the standpoint of the investor I will say that not in my years in real estate have I seen stronger market bases. I think that income properties are in better shape than in many years. I believe that rentals will go even higher than they are to-day."

It is a long time since Robert E. Dowling has expressed himself so decidedly and enthusiastically on real estate conditions. Coming from him, for twenty years or more one of the biggest men in the realty field, buyer of millions and millions of dollars worth of real estate, builder of the gigantic City Investing Building on lower Broadway and the nearly as great Adams Express Building, one may feel satisfied that there is ample reason for such optimism because Mr. Dowling is not the type of man who is given to extravagant talk. He is one of the most conservative of the market's leaders and weighs well his public expressions for fear of giving a wrong impression on market conditions. It was this conservatism that caused his views on the market in the boom days before the panic of 1907 to be accepted with greater consideration than those of any other of the big men in the field. As he is still one of the luminaries, his views on the market are received with the same deference as ten or fifteen years ago.

In his terse phrasing Mr. Dowling has issued a most significant message to investors and speculators. It is the most reassuring advice to those with money awaiting investment opportunity that has been heard in a long time. Men in the market who know Mr. Dowling will heed his words as they would those of few others.

His optimism, one may rest assured, is the result of a close watch on the course of events in the market and his ability to estimate correctly the significance of developments which might have escaped the attention of a man less experienced in the ways of real estate. It was his ability to estimate market movements that made Mr. Dowling a very successful pioneer and operator. Real estate has brought him fortune.

In referring to the strong bases which should attract investment in real estate Mr. Dowling said that the great scarcity of business and residential space must have been brought to the attention of a good many people in this city in the last eighteen months.

"It is my belief," he said, "that it will be ten years before construction will have caught up with the requirements of the city for homes and business premises. Rentals are much higher than they were, but I am of the opinion that they will go even higher. We must remember," Mr. Dowling said, "that New York's population is growing every day. Peace will, perhaps, increase the flood of humanity and trade to this city. Accommodations are limited now; what shall they be a few years from now with building operations limited as they are by the requirements of a war? It means nothing less than higher rates for the accommodations available."

Peace will revolutionize the real estate business, Mr. Dowling said. Building movements such as marked the ten years from 1904 to 1914 will never be seen again. The building up of an over-supply of space, whether business or residential, will never be permitted for obvious reasons. Investments will never be jeopardized as before the panic by wholesale construction, as leaders have learned a lesson, which in the future will have the effect of preventing unlimited construction. Builders will not be given

if the business in one section should show an inclination to move owners should try to stop the inclination or prepare for the reception of a new business. Many owners have given little attention to their property, taking the income and doing nothing in return. The welfare of the source of the income should not be overlooked. The tenant should not be expected to pay rent and attend to the owner's property at the same time. Carelessness on the part of owners has had the effect of depreciating values and driving away business."

Mr. Dowling referred to the old mercantile district and the Sixth Avenue shopping district. It is a notable fact that many of the owners in these sections, he said, did nothing to hold their tenants. Buildings were not kept in the best of condition and no heed was paid to complaints. Finally, threats of tenants to leave fell on deaf ears, because being a recognized trade district it was the belief of owners that tenants would have to remain in the section as a business necessity. To such ownership are like the low values between Chambers and Twenty-third streets west of Broadway. But Mr. Dowling pointed out that the depreciation is nothing like that which has occurred in some railroad and financial stocks. He maintains that, regardless of temporary fortunes made in other fields of investment, none is as safe as real estate. Real estate has always retained its value.

"We are at the end of the movement which started in 1908. It will be noticed that there were two periods in this movement. The end of the Spanish war was followed by good business, high values and considerable building. The panic halted the good period and the poor period then started. We are at the end of that poor period."

"My advice to investors and speculators is to deal with established and responsible real estate men or concerns. Irresponsible brokers have been harmful to real estate, and it is well that many of them have retired from the field. Those who have properties should have the advice of experts in order to hold up the value of the investment. Money is known in real estate as in other things."

The enactment of the Gilchrist bill, Mr. Dowling said, was a good thing for real estate. It has broadened the mortgage market, making it possible for small and large funds to be invested in mortgages on the best of property through the division of loans into many small mortgages. This will permit the entrance of a lot of money into the real estate market, money which was dieried investment before.

A general speculative market, Mr. Dowling said, could not be expected until mortgage money was more free, which will not be until the war is over. But he did not express any doubt that the real estate market will be well supported when that time comes if not by lending institutions then by other interests. He was forceful in his opinion that present conditions are wonderful from the standpoint of investment.

New Transit and Building Improvements Make Grand Central Section Big Factor in City Life



Coordination of property interests in the Grand Central district has resulted in a wonderful aesthetic and commercial betterment of the locality to the end that greater rentals, higher values and wider publicity have been attracted to the blocks bordering the terminus of the New York Central Lines than ever before. No section of the city can show such harmony of purpose. The city authorities had a similar plan in mind when they took property north-west of City Hall Park, but the development of the civic center stopped with the building of the nucleus, the Hall of Records and the Municipal building, and the city beautiful idea has stopped as far as the municipal authorities are concerned.

Development of the Grand Central district, which is the work of a semi-public corporation and individual owners, is therefore worthy of praise. The Pennsylvania Railroad Company erected a fine station on Seventh Avenue which might have been the centre of an attractive district, but the spirit of co-operation was not there.

The New York Central has encouraged development of the highest class by supporting the improvement of its surplus property. The directors of the company knew that its operations would be enhanced by owners of adjacent property, so they made sure that the buildings erected on the company's holdings were of good architecture and harmonized with the railroad terminal, creating a distinct section around the station building. Civic pride took root as the railroad men thought it would and properties adjacent to the railroad blocks, to the north, south, east and west, have

been developed with the view of making prominent the Grand Central district.

The aims of the railroad and the owners have been accomplished in a great measure as may be seen by the above reproduction of a perspective made of the Park Avenue and Forty-second street station. Values and business reputation have come to the entire district as a result. The perspective shows what a wonderful section this is, with its surface and sub-surface development. It gives an idea of the subway tunnel, with three subway levels now in operation.

The surface development is more impressive because of the revolutionary change in the entire character and appearance of the district in the last ten years. The massive building at the left of the reproduction is the new Murray Hill Hotel, which is to be erected just as soon as the War Department lifts the ban on building material. It will replace the present Murray Hill Hotel on the west side of the avenue from Fortieth to Forty-first street. On the right of the picture is the Hotel Commodore, which is to be ready for use by the end of this year. It was to have been finished months ago, but the restrictions placed on material held up the building and work was not resumed on an extensive basis until last summer. It is on New York Central property and the erection of the building is financed by New York Central interests. The low building to the left is the Grand Central Terminal. The drawing shows the viaduct as it will look when connected with the street around the terminal building. The viaduct will be in use within a few months, as the last of the big supporting spans will be swung into place tomorrow connecting the structure with the railroad station.

Back of the terminal is the Hotel Biltmore, John McK. Howman's original operation in the Grand Central district. This was financed by the railroad company. Between it and the new Murray Hill as shown in the picture are the Manhattan Hotel and the Hotel Belmont. Every development in the district has been guided by an effort on the part of the promoters to harmonize with neighboring developments.

An attempt is being made to have the section shown in the above reproduction named Pershing Square after the commander of the American Expeditionary Forces. The plan is to include in the square the site of the old Grand Union Hotel on the east side of Park Avenue, which the city purchased to help the connection between the Lexington Avenue subway and the old subway through Fourth Avenue. The old subway now turns east instead of west on Forty-second street.

C. G. MOSES IN SERVICE.

Charles Griffith Moses, vice-president of the J. Rossignol Brown Company, has been commissioned Captain in the Troop Division of the Ordnance Department, and is now in Washington pending details to a permanent post.

BANKER SELLS IN NEWARK.

Louis Schlesinger has sold for William L. Cooper, president of the National State Bank, the dwelling on plot 30x22 feet at 118 Orchard street through Camp Alley to P. Taccoa, who will remodel it.

RENTS COMPARATIVELY LOW.
Increases in Other Things Far Greater, Say Realty Men.

The feeling that legislation should be enacted to control the rental situation in this city and in every section of the country is not the disposition of real estate owners individually or organized. The Real Estate Board of New York in a pre-election statement said that legislators now in office or those entering the Legislature for the first time should know that the increase in rentals is far less proportionately than that in the price of food or clothing or wages or interest or building materials or cost.

Interest formerly 4 1/2 is now 5 1/2 and 6 per cent; taxes increased 60 per cent in twelve years; janitors' wages, 70 per cent; to 30 per cent; hall boys and elevator men, 25 per cent; to 40 per cent; materials, 100 per cent; to 200 per cent; mechanics' wages, 50 per cent; to 60 per cent; rent according to department reports has only increased 10 per cent.

INVESTOR BUYS 70TH ST. HOUSE
Ernest K. Baldwin has sold his property, the four-story American basement dwelling at 26 West Seventieth street, to a buyer, who will occupy the house. Pose & Hillman arranged the deal. The house covers a lot 17x100.

W. 82D ST. HOUSE FOR TRADE.
The three-story stone dwelling at 121 West Eighty-third street, on lot 16 x 102, has been bought by an investor from the Lawyers Mortgage Company. The new owner, a client of the Duroso Company, plans to alter the property for business use.

The Safest Investment

Robert E. Dowling, president of the City Investing Company says, "There is no safer form of investment than property on Manhattan Island, and there is no doubt whatever that New York city real estate will retain its value. Regardless of temporary fortunes made in other investments none has the stability of real estate."

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