

Salt Lake Will Be One of the Three Great Cities of America -- E. H. Harriman.

A Prophecy In It's First Fulfillment.

By
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It is generally maintained that there are but two real parties to a real estate transaction—a seller and a buyer.

There is probably no city in the country where a man, advocating and practicing this method of purchasing and disposing of property, could wind up in a bankruptcy court quicker than in Salt Lake, for not in years has there existed in any western city the situation that today confronts the prospective investor in local realty. There is no disloyalty in the statement that, for the man who, in purchasing property, sees only the seller and his price, Salt Lake is anything but the right place—a declaration that stands good in the face of the fact that the market is only now emerging from the hardest sixteen months ever given a western real estate market to withstand.

With cashiers' certificates in evidence twelve months ago, there has been spent within the confines of Greater Salt Lake since January 1, 1908, over five millions of dollars for building improvements alone, and responding thereto the property values of the commercial district of the city are from 50 to 200 per cent higher than before the panic of 1907, with residence property from 10 to 30 per cent higher, the immediate improvements on properties having forced a development of higher values of the same character in greater or less degree for contiguous land, depending upon the manner in which the use and occupation of the adjacent improvements have affected development and rental values.

Land values are based on the fixed principle of use and demand, and local property quotations today represent the most remarkable year in the city's history.

Not so remarkable because of any great advance in values since January, 1908, but more for the manner in which the market has survived the financial depression that followed the panic and hung upon the election. Had Salt Lake's property values been established eighteen months ago, following the Newhouse purchases on lower Main street, on a boom basis or even on a speculative basis, there would be no market existing today that would in the least appeal to the far-sighted investor, either local or out of town.

It is rather difficult to realize that in October, 1907, practically the entire Main street frontage of the block between Third and Fourth South streets was on the market for \$850 a foot, and no buyers. That property cannot be bought today for \$3,000 or \$3500 a front foot. There is a piece of property on Post Office place which two years ago was sold, as the records will show, for \$175 a front foot. Three weeks ago a jury composed of out of town men, acting as a federal jury, declared that property worth \$1250 a foot.

Two years ago the block between Main, State, Third and Fourth south street had scarcely four or five hundred feet of what could be termed modern building improvements. There is today on that block more taxable building improvements than on any other business block in Salt Lake. Yet this is but the preface of the story.

In the retail and wholesale section of the city there is at present in the process of construction a passenger station for the Harriman lines that will cost in the neighborhood of \$750,000; a similar station for the Denver and Rio Grande and Western Pacific lines that will cost approximately \$800,000; a seven story office building for W. G. McIntyre; a fire proof store building for the glass-ware firm of Callaway, Hook & Francis; a six story structure for the offices of the Mormon church; an immense warehouse for the Paris Millinery company and Jennings-Worthington company; on West Temple; a huge warehouse for the

Smith-Bailey Drug and Fairbanks-Morse concerns at First West and Second South streets; a warehouse of reinforced concrete at Third West and North Temple streets, 280 feet by 165 and five stories high for the Salt Lake Hardware company; the Newhouse eleven story buildings on lower Main, costing nearly two millions; the seven story Salisbury building just north of the Newhouse buildings; on Sixth East and Fifth South new car barns for the city electric railway, that will cover ten acres, and cost Mr. Harriman a million and a half dollars; on Third South the new Colonial theater building, and on State street the new Lyceum theater building; the splendid Commercial Club building on Exchange place and the new Mining Exchange building, across the street. Every building of this list is in some stage of construction, the majority nearing completion. The Judge office building, seven stories high, is not included, as it is practically complete. Nor does the list include some twenty big apartment houses that are being erected, nor ten big buildings of this class which

increased values or improvements twelve months will bring. Two years ago reputable business men laughed at the idea of the property on Main and adjacent streets below Third South street being utilized for large office buildings or any other enterprise that required a heavy outlay of money.

There is too great a metamorphosis taking place swiftly and surely in Salt Lake for even a conservative prediction not to sound visionary, though it come from men who are striving with all their experience and money to keep abreast the change that is upon the city.

Two and a half years ago Mr. Harriman said: "There will be three great cities in the United States—New York, Salt Lake and San Francisco." That Mr. Harriman has considerable faith in his prediction has been pretty well manifested in his purchase of the street railway system here and the erection of his new passenger depot and street car barns, a series of moves that represent a little over a two million dollar investment.

Rapidly as has the business section of the city



The New Building for The Commercial Club, upon which work is now progressing rapidly

ment houses going up, and these latter are so great in number at the present time that there is scarcely a block in the residence sections of have been completed within the past four months. It does not include the new residences and tenements city where but from one to twenty new homes are being erected.

In the downtown district the coming year is largely problematical. This much is known positively. The Auerbach interests will erect an immense department store building on Main street on the site of their present store. This move has been definitely decided upon, and plans are in preparation. Mr. Newhouse has accepted plans for a magnificent hotel at Main and Fourth south, and work will be started within a very short time. He will also erect a very large department store on State street, and probably one on Main.

The city is forcing itself to the front too rapidly for predictions as to what changes, in-

advanced the past twenty months, it has scarcely outstripped the east and south bench residence section. Property in these districts has advanced in value from 10 to 30 per cent. Unquestionably as significant an undertaking as has ever been attempted of its kind in the city is Federal Heights. At an investment of probably close to \$100,000, A. M. Wrench, with a number of wealthy associates, a year and a half ago purchased the Heights, and in the intervening months has spent as much again in improving the subdivision. The elaborateness of their plans and the thoroughness with which they have been carried out will unquestionably draw a very fine class of people to Federal Heights and make the district an exclusive residence section. The fact that Mr. Wrench and his associates carried the work at the Heights on through the financial depression of last year is decidedly indicative of their faith in the city's

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