

A Word With You

By ROBERT CLANCY

Did any one say land values don't count any more, that they're an insignificant fraction in present-day economy? According to what I've been reading lately, there's lots going on in this department.

Out in California (but then, all sorts of things happen there) merchants—and maybe some real estate men—were worried about all the express highways being built. With through traffic bypassing towns, maybe business would decline, and worse yet—land values would drop. But the Division of Highways has recently put out a reassuring report. Business, they say, has increased 50 per cent and more in many of the places affected, and as for land values—why, in many places they've increased 300 per cent! So all is well (for a while).

But the "freeway," as they call it, is a piker when it comes to land values as compared to air transport. Land values around the Los Angeles airport are humming—and another worry flies away—i.e., the former fear that airports destroy land values. One operator is quoted by The Wall Street Journal: "Back in 1948" (get that—*back* in 1948) "we paid \$4,000 an acre for 96 acres of bean field." His firm, says the Journal, is "developing" the land into an industrial tract across the street from the Los Angeles airport. Says the developer, "I recently was offered a strip of raw land adjacent to our tract for \$30,000 an acre." He himself is holding out for \$43,500 an acre for his developed tracts.

All this is dazzling but here in midtown Manhattan some of the land within three blocks of the UN is being held for \$65 a square foot.

Out in Long Island, where population is growing, we're getting samples of how fancier buildings than the slaughter-houses which surround the UN site, still aren't fancier than the land. The former J. P. Morgan 57-room country mansion is going begging. The 220-acre estate on which it stands, in Glen Cove, was bought by a speculator. All the land was split up into plots and offered for sale, except the 3-acre plot on which the mansion stands—which went to the city for delinquent taxes. The city may have to spend \$30,000 to demolish it.

Don't let anybody fool you. Land is pretty important and land values come to a pretty figure while population increases and improvements are made. And they come to an ugly figure when land speculation gets into the picture.