



(L. to r.) Mrs. Mina Olson, Arleigh Chute and Glenn Hoover under the flag of freedom enjoying the boat ride; Joseph A. Stockman, Louise McLean and James A. McNally in front of the school's headquarters at 1536 7th Avenue, San Diego; a conference group at the entrance of the Lafayette Hotel where the conference was held.

STOP BEING COZY

P. I. Prentice, editor of *House & Home*, an authoritative magazine in the field of home building, again made a plea in the June, 1958 issue, to price the product "back into the market."

"Let's not pocket all our savings from smaller discounts," he wrote, and "Let's really get after our building costs." His third main point is what interests us especially, and we quote it in full:

LET'S STOP BEING SO COZY WITH LAND SPECULATORS

Let's not pay 1968 prices for 1958 lots. Let's listen to Frank Cortright's warning: "It gets harder and harder to make a building profit on top of the profit the land-seller takes." Let's recognize the land price speculator as our public enemy No. 1, the enemy who sits and takes his big profit first while the developer, the builder, and the realtor do all the work; the enemy who did more than anyone else to price our product out of the market last year.

It just plain is not true that land for home building is getting scarce. What is true is that land speculators are making land scarce by holding millions of acres off the market to get higher prices (or pricing those acres out of today's market, which is the same thing in different words).

Census says there were 12,688,900 vacant building lots on the assessment rolls in 1956. Now the \$50 billion highway program is opening up millions of acres more that should be cheap (even if they aren't), and new earth-moving giants are making it easier and cheaper to build better on hundreds of close-in hills we bypassed in our first rush to cover the flat potato fields and fruit orchards with little houses.

The one best way to stop land price inflation and perhaps squeeze out some of the past inflation is to get together and fight to put more of the tax load on land and less of the tax load on improvements. The shift might make it too costly for speculators to hold good home sites idle hoping to squeeze us for still higher prices later on.

Higher taxes on land would hurt no one but the land speculators. Higher taxes on land would permit lower taxes on houses and other improvements. Higher taxes on land are the only taxes that would help bring prices down instead of pushing prices up. Higher taxes on land are the only taxes that would stimulate production instead of discouraging it.

Our industry has to live closer to the land speculator than any other industry. We have a closer view of the harm land speculation is doing our economy, so we should be first to tell the tax planners and the tax collectors that higher land taxes are the one way to raise more revenue without hurting anyone except our public enemy No. 1.