

The Commercial

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WINNIPEG REAL ESTATE.

To mention Winnipeg real estate may sound to some people like disturbing the spirit of the departed, so silent have those who once sounded its praise been about it of late. But Winnipeg real estate, while it has been wonderfully quiet for the past three years, cannot yet be counted among the things that are dead and beyond resurrection. Three years ago many were prepared to bury it, and write upon its tomb, "Died from an over-dose of boom." Such people might live to say of it as Brick Pomroy said of the Democratic party in the United States, when it seemed as if it was doomed to destruction, namely, that it was the liveliest corpse in Christendom. And so it may yet prove, for already it is beginning to show signs of returning life, and but for a few influences which are trying to galvanize it into a more active and higher state of existence, than its present vitality will stand, its recovery might be astonishingly rapid.

A feeling of utter disgust at real estate speculation set in with the summer of 1882, and not without good cause for the spread of such a feeling. Efforts were made to perpetuate the boom across our western prairies, as the C.P.R. made its way rapidly onwards, but the force of the speculative wave had spent itself, and now when the iron bands have almost pierced the ranges of mountains west of us, the wave is scarcely felt on the "Golden sands of the Pacific shores."

Other waves of real estate speculation have risen and are fast subsiding in eastern cities, and the feeling is after all gaining ground, that in the province of Manitoba itself, the field for safe and remunerative investment in real estate is fully as good as anywhere else, if such investments can only be made at reasonable figures.

For nearly three years most of us felt rather unkindly to the boomers of 1881, and not a few people of a rather vindictive nature fervently prayed, that they were all hopelessly bursted, and that real estate all over the Province was once more down in price to where purchasers would take hold of it as a permanent paying investment. We certainly do not rank the prayer among those of the righteous. But righteous or unrighteous, the

first portion of it has been pretty nearly answered in full. Our boomers of four years ago are, with very few exceptions, hopelessly bursted, and their imaginary wealth has steadily crumbled away under the pressure of unpaid and overdue mortgages. Their property has passed away from their hands, and many of their number, who might prove useful and energetic members of society, are held bound in a forced idleness by a tangled web of real estate encumbrances, which effectually sap their energies, and take away any incentive they might have to make a fresh start on the upward path. Yes, we have seen the collapse of nearly all of our real estate boomers, and their first auxiliaries, the banks which encouraged their speculations, have nearly all realized their folly also, and written off as lost money the hundreds of thousands of dollars, the security for which was composed mainly of second and third mortgages. But if we have seen the total collapse of our boomers, and heavy losses to the banks which supported them in their speculations, we have by no means got Winnipeg real estate down to figures at which safe and paying permanent investments can yet be made. Our boomers and the banks which lost money by them were not the only parties who lost their heads during boom times. Another class of institutions which have accomplished much good for this and all other new countries, namely, the loan companies, have got more or less mixed in the muddle, and it is safe to state, that there is not one of those companies which did business here in boom days, but made more or less foolish investments. We do not say but the loan business carried on here was, as a rule, conducted on safe principles. But the city business shows scores of instances of investments, which any clear and cool-headed business man would shun, and which even a loan company could not now be persuaded to touch. Only those who have made careful inquiry into the matter are aware of how many of these investments have ended in the company having to take the land for payment of what was on it, and how many elephants are now on the hands of such companies. There is probably one-third of all the real estate of the city offered for sale either held thus by loan companies, or so hopelessly mortgaged to them that they have only a nominal and irresponsible owner between them and actual possession.

Loan companies do not burst so easily as boomers, Neither do they make sacrifices, to loosen up capital invested so readily as banks do. They are too ready to hold for years until a rise in the price of property lets them out with their principal, and in this manner many of them are now holding Winnipeg property far above its normal value, and acting as obstructionists to a healthy state of the real estate market being reached. It may be that by so doing they will eventually come out whole on most of their foolish investments, although we are certain that on some they never will. But it is questionable if they are acting on a wise theory, even for their own profit. Quite a few strangers with means have been in the city of late, who would have invested in city property could they have obtained it at anything like moderate figures. But in almost every case the inexorable loan company stood in the way of a transaction. It would not take many such transactions to again awaken interest in city real estate affairs, and bring about a state of affairs which would soon make activity in real estate circles. But after allowing for all the good which loan companies have done for the development of this Province, we must assert that many of them are now actual blocks to a healthy recovery in city real estate, which is closer at hand than most people can imagine, and only waiting for a reasonable opening to make a start.

C. P. R. LABOR CENTRALIZATION.

As long as the work of constructing the C. P. R. was being carried on at different places in the Dominion, the funds of the company were widely scattered, and benefited numerous districts in different Provinces, by locating a laboring population, which, if not permanent, was at least a benefit in the way of money circulation, so long as it was located there. In this manner many people lost sight to some extent of the great burden the Dominion was undertaking in the construction of this great highway, and of the load of taxation which it must necessarily entail, and saw only the temporary benefit secured by the money circulated in the work of construction. But we have now reached a point, where the benefits from construction are almost at an end, the work being completed from the Province of Quebec to British Columbia, and by the close of the present year it will cease in the latter