

"Why Buy a Home? We May Not Be Here Long"

By WALTER ROBB

This little review is titled with a dubiety that has no doubt been the greatest single source of the individual mere marking of time in the Philippines of all that might be readily called to mind: "Why buy a home? We may not be here long." By extension, of course, why associate one's self with a joint stock company developing a plantation, since one may not remain here long; so that this second common default of prudence must be attributed to the first. Month after month the rent falls due and is paid; the bills of a casual, uncharted life pile up and are paid; and meantime the city keeps growing, the demand for Philippine plantation products keeps increasing, and no advantage is taken of these circumstances by many American families in Manila—as well as

prices charged were insignificant when compared with the present value of the land. They made few if any improvements, built few thoroughfares; and yet their enterprise was a big step forward from Spanish times, when lands were kept in large tracts on which ground rents were charged for little plots on which to build huts and shelters.

Passay has a long period of development still ahead of it, but it is now a town of many beautiful, comfortable and valuable homes which the owners could turn into cash at great profit over what the cost has been. The credit, too, if need arose to resort to it, of every one of these home-owners, is far above that of the renter; acquiring a home and settling down to contentment with one's neighbors takes a family

on the alert in the future, it is eminently Americans and American initiative that have brought the means of owning his own home to the Filipino of the salary and wage class. In this field right now, two companies, one American, are selling off tracts on the easy-payment plan to workmen whose monthly installments are but little if any more than they formerly paid in ground rents for the places where they camped in thatch huts. These old ground-rent schemes were a kind of monopoly; they were therefore the convenient means of usury; they are still a stain upon the town's good character.

Instead of a tinder coop in which his family is likely to be incinerated while he is away at work, the Manila laborer today, if drawing anything more than a living wage, can have a comfortable home of strong materials, decently fitted out and standing upon well drained land, at installments he is able to meet; and if misfortune overtakes him, his equity remains to him. The companies, of course, cannot thrive



Manila Suburban Homes

other families, too, with less reason—because, in the case of the American families, things are so uncertain, they may soon go home.

But they don't go home after all. Manila comes to be their home, while in that same Manila, or nearby it, they have no home. They merely have a place to continue camping in, on which they continue to pay rent.

Yet from the very inception of the American régime, home-buying on easy terms has been doubted, just because a politician said so—Taft, with his Philippines-for-the-Filipinos doctrine—that under the American flag a city with all the splendid advantages of Manila would not be a first rate place in which to acquire real estate holdings? On Taft avenue alone, how many families might have acquired a competence from buying early and holding for a few years.

The term *Manila* is extended to the suburbs, it is not confined to the districts embraced in the charter of the metropolis at present; for Manila is bound to broaden, for one thing, while the building of streets and highways brings the suburbs into the purview of the main city town.

Now when the American occupation occurred, August 13, 1898, Passay was an hacienda belonging to the Augustinians. Negotiations for these estates began, and Passay passed into the hands of Warner, Barnes and Company, who organized the Passay Real Estate Company. Dividing their holdings into residence sites, they began selling them off on the easy-payment plan. They no doubt made money, but the

out of the casual category and places it in the *substantial* list. There is more than the property difference; formerly the cases of neediness among Americans came regularly to my attention, and I believe nearly all of them were renters: the most distressed were, certainly; when jobs were gone, all was gone.

After Passay came the Jones subdivision of a large tract in west Paco, in the neighborhood of calles Colorado and California and Pennsylvania avenues. This began selling at P2 the square meter. The period must have been about 1903-04. P. D. Carman, then an American youth of Manila, now one of the city's widespread real estate men, sat down four years ago, and figured what would have been made on just 5,000 meters of this land, had it merely been bought and held. After deducting for taxes and money at 10 per cent, the net was P62,000.

In 1907 or thereabouts, the district south of calle Herran from Paco to calle Dakota could have been had at 25 centavos the square meter. Today an average price of P12 the meter would perhaps be the market. Many Americans, including the writer, live in that district between Ermita and Malate. Most of them, including the writer (though he does own a home site elsewhere), are renting. The increase shown in an available list of real estate values in Manila districts developed prior to 1912, was, between 1912 and 1922, 34.4 per cent annually.

But while Americans as a whole community have let many obvious realty opportunities slip by them, and might well resolve now to be more

without a satisfied clientele; their interests are best served by fair treatment of the purchasers.

This is an advance in one direction, and of immense value. In a somewhat different direction, several years ago, a number of companies acquired tracts adjacent to Manila on main thoroughfares and, when subdividing them into lots, improved them with roads, avenues, bridges, water mains and light and telephone lines. The San Juan Heights company was, it is believed, the first of these companies to develop tracts to be sold in lots on the installment plan. It was, however, soon followed by a number of others. There are possibly variations in the methods of these several companies, but they all resort to a common principle. In these companies a moderate number of Americans and a great number of Filipinos are buying their own homes in districts where transportation into Manila is reliable and the surroundings pleasant and healthful.

Some of these tracts are parts of old friar estates, as in the case of Passay, and some of them, like San Juan del Monte and San Francisco del Monte, were selected by the friars precisely because of their topography. They lie well up on the hills, have adequate natural drainage and salubrious air. Lots of any size may be had, on many ample sites splendid suburban homes surrounded with ample lawns and English or old-world gardens are already seen. But these are not what most appeal to me today, viewing, as I am, in retrospect, the passage of 29 years. What most appeals are the many new homes of families of moderate means, even

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meager means—where the wife must work as well as the husband.

Here is the country's new middle class, here rests the hope, here indeed are the very stones of the foundation of future times. For P3,000 a real estate company builds a house of two bedrooms, a sala, diningroom, bath, kitchen and porch, with electric lights and water installed. By one plan (and they all come to the same end), the first payment on such a property is P161.36; and thereafter the payments are P42.25 a month for 120 months. The lot is had at payments of P15 a month and upward, according to location and size.

In the Philippines this is all something new under the sun. Nor is it confined to Manila, it is being duplicated at half a dozen points elsewhere in the islands, in the port cities chiefly,

of course, and I suspect that its possibilities both for buyers and sellers have but barely been tapped. There seems no reason why it ought not extend, within a reasonably short space of time, to every thriving provincial capital and even to the leading interisland ports—to all places, in short, where there prevail conditions, as in Manila, that are bound to maintain an increasing population actively employed.

"Why buy a home? We may not be here long." This insipid nostalgia has been the undoing of far too many American families. Why *not* buy a home? And if circumstances or better fortune call one away, have the money, safely invested in the new home, for the expenses of the moving and settling down in another community.

It is hard to foretell just how, where, or when the next war will break out. With an experience of centuries in world domination, Great Britain wisely arms and prepares even against her best friends. That war may come through conceding independence to the Philippines. It may be precipitated over some event in China. It may come as the climax to a long-drawn-out and bitter controversy over the war debts. The European barrage against 'Uncle Shylock' early this year is only the opening shots of a bombardment that will grow in intensity as the years roll by. America's foreign investments, largely in Europe, already exceed the eleven-billion mark. At the rate foreign loans are being absorbed in the American market, another ten years will see twenty-five billions of American money invested abroad. Financial experts prophesy that by 1950 the total will reach over fifty billions. Long before that time, other nations will combine against her. War will come, if not in Europe, in the Pacific. England is preparing.—From *Living Age*.

George Bronson Rea's Naval Conference Pessimism

The Philippines stand as a buffer between Japan and the British possessions in India, Malay, and the Pacific; a guaranty that so long as they remain under American protection their neutrality must be respected. Independence without the power to preserve neutrality is a perilous position. Should the United States withdraw her guaranty by conceding independence to the Filipinos, the strategic situation in the Pacific would at once become loaded with dynamite, far more dangerous to world peace than the squabbles of Europe. The Philippines are the keys to world empire. If possession of these keys ever passes out of the hands of the United States, they will be taken over and retained by some other Power who will know how to use them for its own profit.

The future of the Philippines is uncertain. Great Britain cannot afford to take chances. Neither can Japan contemplate with unconcern any further extension of European influence in Far Eastern waters. Within easy steaming distance of Mindanao and the Sulu Group—or any one of the thousand Philippine islands suitable as submarine bases—lies the Rubber Empire of the world, a source of unlimited wealth upon which Great Britain is now drawing and will continue to draw to pay her war debts to the United States. Eliminating the beget of an Asiatic menace to Australia or India, these immensely rich possessions must be adequately protected against any possible contingency.

Has it ever occurred to thinking Americans that the hypothetical enemy who might conceivably covet possession of Britain's Malayan Rubber Empire is their own country? Might not the Singapore Base be directed against the United States? It is well to remember that notwithstanding the platitudinous bunk about Anglo-American friendship, and 'Hands across the Sea,' the British place no implicit trust in friendship. Britain retains her naval bases at Halifax, at Esquimalt; she has Jamaica, Bermuda, the Bahamas, Barbados, St. Kitts, Antigua, Belize, and other strategic footholds in the heart of the American Mediterranean. Her financiers have even wrangled a concession out of the Panamanian Government which gives them extraordinary rights in a vast territory contiguous to the Canal Zone, a situation pregnant with such complications, to offset which the American Government has been compelled in self-defense to negotiate a hard and fast treaty of alliance with Panama which automatically brings her in on our side in the event of hostilities between ourselves and any other Power. America takes no chances in the Caribbean.

Leaving Halifax and Esquimalt out of the picture, not one of Britain's colonial possessions in America has any great economic value. Does any American believe that the British Government would hand over to the United States any of these islands as a part payment of its war debt to this country? Suggest it officially, if we want to know exactly what Britain thinks about these strategic keys to the American coast. The only possible enemy they could be employed against is the United States. As in the Caribbean, so in the Western Pacific.



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