

Today in Business—

Downtown Real Estate Values Drop

Traffic Congestion, Branch Stores Listed Among Chief Factors

By HAROLD H. HARTLEY, Times Business Editor
REALTORS are keeping an eye on downtown property values. Big money is invested. How to make business buildings earn their salt is the problem.

High building costs, have frozen new construction, but there's plenty of new-fronting and remodeling.

The downtown committee of the Indianapolis Real Estate Board has just completed a survey among members of a nation-wide realty appraisal group. With these facts in hand, the committee is looking into its own crystal ball.

The committee, headed by L. H. Louis, has found that disease, a failed decentralization, has struck most cities. But it has still to touch the 100 per cent tall section. But Mr. Hartley says, "at the edge of the tall building area, there are unmistakable signs of fringe-rot."

Traffic congestion and lack of adequate downtown parking hurts the earning power of downtown real estate. And there are other factors working against the values of business property at the community crossroads.

The rapid growth of suburban shopping centers based on "inherent laziness of people" is hurting. Lack of modernization, smoke, dirt and confusion, high taxes and land values with diminishing returns and poor and costly public transportation are big factors in the destiny of downtown real estate.

Four Remedies
INCREASING distances to the better residential sections, the pull of branch and chain stores in suburban areas and lack of adequate arterial highways add to the woes of the downtown property investor.

The remedies on the prescription shelf of downtown realtors include: (1) increasing close-in parking on a free or cheap basis, (2) bettering and cheapening of the cost of public transportation, (3) relieving congestion, getting rid of dirt and smoke, better street lighting, and (4) lower taxes.

These adjustments, the realtors believe, will revive and maintain the values of downtown real estate by holding up their earning power.

Round 4
LAST SPRING at a dinner I whispered to the treasurer of a large Indianapolis company, "What's happening?"

"I don't know what's happening but I can tell you what's going to happen."

"Strikes," he replied. "Lots of them."

He explained, "The inflation winds have left the business sails. The backlog of orders is gone. Prices have come down. Competition will do that."

"But unions have become accustomed to regular yearly increases. They'll be back for more this year, and the companies must say no. Then there'll be strikes."

Businesses are looking back over the last few years, adding up the wage increases granted. One firm figures that in addition to holiday pay, added vacations and other concessions, they have increased wages 65 cents an hour.

Like That?
"THAT'S ABOUT as far as we can go," said the president. "If we go farther, we no longer will be in a competitive position, will lose our business and fold up." He snapped his fingers. "Like that," he said.

The strikes are here. Business is under price pressure from customers and competitors, and management's chair is far from easy.

The steel settlements probably will touch off another round of picket lines, emergencies and distress situations.

What management sees, and fears, is a shifting of profits from the investors to the workers.

For the Living
FLORISTS' WINDOWS are a blaze of gold this week, with fresh-petaled 'mums' nodding to passers-by. On top of that, it's National Flower Week.

It is a festive week among the city's florists. Mums and button pompons are in high color. In the expert hands of a florist, be-ribboned and mixed with the other other full colors of autumn, they make striking displays.

The Allied Florists of Indianapolis, Inc., this week held a window contest. Four qualified judges spent the day touring the city. They saw 48 windows. The top prize went to the Home of Flowers, 5801 W. Washington, the friendly shop of Mr. and Mrs. Harry Brown.

2200 Bulbs
SECOND PRIZE went to Flowers by Mary, 6220 College Ave., and third to Wiegand's, 16th and Illinois Sts.

William S. Horn (Wiegand's) was chairman of the florists' celebration. It started off with the presentation of 2200 tulips to the City Park Department to be used in Holliday Park.

So next year, when the sod is soft, and there's the warmth of spring in the air, and you are walking through the charming paths of Holliday Park among the tulips, remember who put them there—the florists of Indianapolis.

Flip-Flop
DUN & BRADSTREET shocked the country last week by an-

alarming report that the nation's

business is in a bad way.

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