

July 2021

Denver's Real Estate Boom

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Recommended Citation

Van Holt Garret, Denver's Real Estate Boom, 23 Dicta 66 (1946).

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and future generations of America may be duly grateful. The defenders of their faith are arising and girding themselves for action.

It may be presumptuous to bring again to the attention of this Association the subject of whole bar organization. The speaker hopes not. Convinced as he is that the unity of every Maryland lawyer in one organization is vital to the public welfare, with the greatest deference, he suggests the exhumation of this grave question from our archives and its reinstatement to the list of our other interests and activities.

When Maryland has taken its place in the ranks of the states where whole bar organization exists, then we will have made another step toward the realization of Judge McSherry's ideal, "the achievement of the most distinguished encomium which can be spoken of each member of our profession here—He is a Maryland lawyer." By deserving that encomium as a whole, the Maryland bar would make its greatest contribution to our state and nation in a century.

Let us, therefore, in the lately spoken words of Winston Churchill, cry: "Forward, unflinching, unswerving, indomitable, until the whole task is done.!"

Denver's Real Estate Boom

BY VAN HOLT GARRET*

Following is a summary of the remarks of Van Holt Garret at the February 4, 1946, meeting of the Denver Bar Association:

There is a critical need for housing in Denver. In considering why there is this shortage, it should be remembered that there has been no adequate building in Denver since 1929.

Among the things interfering with building are the restrictive labor practices of some labor unions, such as limiting the amount of work to be done by laborers. Some unions restrict members to a small percentage of what a skilled laborer could do. Not all of Denver's craft unions engage in such practices, but the few that do are hurting the others.

Another thing is the exportation of building materials. A large amount of building material was exported last year; 225 million feet of lumber is to be exported this quarter. At the same rate 150 million board feet more will be exported this year than was exported last year.

Price fixing is another hampering factor. Some price ceilings are necessary—some are not. Labor costs are up without a corresponding increase in building materials. It is proposed that the difference be made up by subsidies rather than by increasing the ceiling prices. Ceiling prices should be raised rather than subsidies granted, because all subsidies will have to be paid for some time.

Controls were lifted October 15th, but only the FHA has encour-

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aged the building industry to go to work and begin building again.

There are people who advocate rent control as a permanent part of our economy.

Builders of new homes make but a small profit—the profit is in the resale. There is an increase in the cost of new construction. This is reflected in the price of existing structures. The labor costs of buildings, such as the wages of plasterers, carpenters, etc., are increasing.

The Patman Bill now before Congress would place a ceiling on all real estate, vacant and improved. There has been no previous attempt to place ceilings on capital values. This would be dangerous and difficult.

The Wagner-Ellender-Taft Bill now before Congress provides for the federal government to build five hundred thousand living units. It would grant to building an annual subsidy of 130 million dollars a year for forty-five years. What do we gain by government in housing? What has public housing done? It set out to clear slums. It has not cleared the slums. It set out to provide housing for low income groups. It has not provided housing for low income groups.

The policies of controlling material, controlling rents, ceilings on property, are not encouraging to the building industry. The building industry rates second or third among the industries. When a nation stops new building it disintegrates and is destroyed. New building is necessary to keep a nation alive and healthy.

The answer to the building shortage is an adequate supply in a free and competitive market. During the war private industry made a remarkable record of production. Private industry can do this in the building field. The number one job in the United States is housing the veteran. This is the responsibility of everyone. We must keep the costs down.

Denver needs from five to ten thousand new living units immediately. A similar housing shortage exists in every city.

There are eight million small property owners of rental property in the United States with average rentals of less than thirty dollars each. These are persons with small capital and they are the persons who have suffered most under rent control.

Of the labor influences in Washington, the C. I. O. is quite influential, and the C. I. O. represents a group which does not believe in private ownership of property. The unions have over a billion dollars in their treasuries.

If the building industry is to bring prices down and furnish housing, controls must be lifted. Rationing of homes has no proper part in America. Every man has the right to build where and when he pleases. This is the basis of our political philosophy. The right to own one's own home is a basic right in a democracy. This basic philosophy we must preserve.