

THE SOMERS SYSTEM NEWS

Published Quarterly to Promote Equity in Tax Assessments of Real Property--Manufacturers' Appraisal Company, Publishers.

VOLUME 1, NUMBER 4.

CLEVELAND, OHIO, AUGUST, 1914.

25 CENTS PER YEAR.

REVIEW OF A YEAR'S SOMERS SYSTEM WORK

About Thirty American Cities Are Now Enjoying the Benefits of Equity in Real Estate Assessments Through Use of Somers System

It has been a year since we have had time to edit a new number of The Somers System News. Consequently this, the fourth number, has been delayed long past its proper quarterly period.

Probably the principal reason for this delay is the fact that Edward W. Doity, who for four years previously had been identified with the promotion work for the Somers System, was appointed a member of the Ohio Public Utilities Commission. Mr. Doity had performed most of the editorial work on the previous three numbers. His departure into a new field of endeavor has put upon the shoulders of the remaining members of our staff the duty of addressing public meetings in explanation of the Somers System, and the making of proposals for Somers System service. There has been such a tremendous development along both of these lines that little time has been left for writing about the development in Somers System work.

The National Tax Association, the President of which several years ago condemned in most unfair and unfruitful manner the efforts in behalf of the Somers System, listened respectfully to an address on the Somers System by Walter W. Pollock. This address and a resume of the dis-



PORTAIT OF WILLIAM A. SOMERS, INVENTOR OF THE SOMERS SYSTEM.

cussion following it appears on other pages of this number.

A year ago there were less than a dozen cities in which the Somers System had been installed for tax assessment purposes. At the present writing there are more than 30 such cities. The former list included the cities of Cleveland and Columbus, Ohio; Springfield, Joliet and East St. Louis, Ill.; Denver, Colo.; Houston, Beaumont, Waco and Galveston, Texas; Augusta, Ga., and Des Moines, Iowa. To this list there has since been added the cities of San Antonio and Corpus Christi, Texas; Lake Charles, La.; Lakewood, East Cleveland, (Charlita Falls, Berea and other suburban cities and towns in Cuyahoga County, Ohio; Phoenix, Tucson, Douglas, Bisbee, Prescott, Globe and Miami, Arizona; Redlands, Cal., and Portland, Ore., and as this is written our experts are about to start work at the installation of the Somers System for the city of Dubuque, Ia. There are many other cities in which there is active prospect of early adoption of the Somers System, the most active of these prospects being the city of Austin, Texas, where a special referendum election will be held at an early date, at which the taxpayers of the city will be given an opportunity to approve or condemn the acceptance of a proposition presented to the city for the adoption of the Somers System for equalization of real estate taxable values in that city.

The year's work has covered a wide range of educational effort in behalf of the establishment of equitable standards for the valuation of real estate, both for purposes of tax assessment, and for commercial purposes as well. Representatives of the Somers System have made public addresses in perhaps twenty states of the Union. There is a constant flood of inquiry from all over the United States and Canada and from European and Australian citizens as well. At conferences of real estate men and taxation officials the Somers System is frequently considered and discussed.

community opinion and expressing it in the form of the Somers unit-foot, and also in the computation work upon the various lots. Of course the application of the Somers System was revolutionary in Arizona, but when the taxpayers came to understand that the word "Somers" meant equity and equality they accepted increases in assessments without complaint.

M. A. Grant was employed for some years in the tax assessor's office in Houston, Texas, and was there when the Somers System was applied to assessments in Houston. He joined our staff to work on the Arizona valuations, and from there went to his home at Redlands, Cal., for a visit to relatives. While in Redlands he closed a contract for the installation of the System for the equalization of land assessments. Upon the completion of this work Mr. Grant started for the northwest and will make a campaign in behalf of the System through the States of Oregon, Washington and British Columbia.

About eighteen months ago Walter E. Sweeting, who had charge of the work of the Somers System installation in Des Moines, paid a visit to Dubuque, Iowa, and discussed with the city officials the question of the adoption of the Somers System there. Dr. Eugene Lewis, a prominent physician of that city, became very much interested in the subject of equalization of tax valuations, and organized an Equitable Tax Assessment League. The sentiment of the city was favorably disposed, but nothing was done at that time. At the recent April election the City Council, wishing to have an expression from the people on the question of the revaluation of the real estate for tax assessment purposes, submitted two questions on this subject to the voters. There was no agitation and the overwhelming majority in favor both of a scientific reassessment of the city property, and of using the Somers System for that purpose, was a very great surprise, both to the proponents and to the opponents of such action. In Dubuque, as in most cities, the assessor is poorly paid, has not heretofore been selected because of any special qualifications for assessment work, and the result is that assessors have been accustomed to copying each year's valuations from the old assessment books. The contract for installing the Somers System, recently made with the Dubuque City Council, is the result of the referendum vote.

The State Tax Commission of Arizona, after a correspondence of several months, determined to test the Somers System on seven cities of that State, and employed our experts to go to Arizona for that purpose. The members of the Tax Commission spent considerable time with the Somers actuaries, and studied their methods of securing their records up to date.

Mayor Woodbridge of Austin, Texas, has been a student of the Somers System for some years. The Austin City Commission comprises the Mayor and four other Commissioners. When the Mayor recently invited a proposal for Somers System services, Commissioner Haynes expressed himself in opposition. The Young Men's Business Club of Austin started a campaign of investigation. They

wrote many letters and sent many telegrams, the prompt and enthusiastic replies numbering more than one hundred, being practically all favorable, and the committee of investigation reported unanimously in favor of the adoption of the Somers System in Austin. The Council finally decided to have the whole matter settled by the people at a referendum election, the date for which has not yet been fixed by the City Commissioners. The members of the Young Men's Business Club of Austin say that the System will at a fair election win by a large majority.

In the City of Baltimore, The City-Wide Congress, under the leadership of its President, Dr. A. R. L. Dohme, has for several years agitated the adoption of the Somers System and on two different occasions passed a vote of endorsement. As a result of this action the City Councils put into the annual budget an appropriation of \$50,000 for reassessment purposes, with the condition that this fund could be expended only by the adoption of a specific ordinance. The Appeal Tax Court, the assessing body of Baltimore, suddenly announced that it had a system, and that instead of assessing one-tenth of the city each year, it would hereafter assess one-fifth of the city each year. Our claim for the Somers System is that it would enable the complete reassessment of the entire city within one year, and that in subsequent years it would be possible to keep the assessments on an equitable basis at a very small cost. Mayor Preston, who has frequently publicly declared that the present assessments are incorrect, decided to give the Appeal Tax Court an opportunity to show what it could do by its supposed system, and the question of reassessment has been put off until another year.

In a former number of The Somers System News we commented upon the inadequacy of the remedies proposed by the Congressional Committee on the District of Columbia, which under the leadership of Henry George, Jr., made an investigation and report upon assessments in that city. This report proposed that the Board of Assessors, now consisting of five members, should be increased by nine additional members. This would make a board of fourteen assistant assessors, in addition to the chief assessor. The recommendations of the committee were embodied in a bill presented by Mr. George's sub-committee, which provided that four of the assistant assessors should devote their time to personal property assessments, and that the District of Columbia should be divided into ten specific districts, in each of which one assistant assessor should have charge of the work of valuing real estate. This provision was defeated, and the present situation bids fair to remain unchanged, at least for the present.

In Wilmington, Del. the assessors invited a Somers System proposal which was made and under which the reassessment of the city by the Somers System would have cost that city \$15,000. The assessors requested the Chamber of Commerce to make an investigation of the merits of various assessment systems. The meetings of the investigating committee were held secretly, and little attention was paid to the tremendous flood of favorable letters which were addressed to a local Wilmington newspaper in response to inquiries. We finally determined to withdraw our Wilmington proposal, as we felt that the Chamber of Commerce was acting unfairly in their methods of investigation. The work of reassessment was finally delegated to local real estate men and to persons inexperienced in the appraisal of buildings for tax assessment purposes. We are not advised as to the result, or as to whether the taxpayers of Wilmington are satisfied with the assessment or

not. In one report which has been made public it is stated that the lack of judgment in appraising "utility depreciation" upon the buildings of the city has necessitated a revision of that part of the work. The reassessment has undoubtedly cost the city a far greater sum than it would have cost if the Somers System had been installed, and while undoubtedly there has been some increase in equity, the new assessment has the disadvantage that it has not been appraised on any standard, which will enable the systematic modification of assessments in future years.

The new tax assessment law in Ohio places in the State Tax Commission the power of direction and control over assessments throughout the State. The old local assessors have been abolished, thus substituting for about 2,200 city and township assessors, deputy tax commissioners, one for each of the eighty-eight counties except in the larger counties, where two deputy tax commissioners were appointed. This law gives the State Tax Commission power to prescribe uniform rules for the exercise of all the powers of the subordinate taxing officials. It undoubtedly confers power to prescribe rules for uniformity in assessments. The policy of the state administration, however, has been to make few changes in real estate valuations this year, devoting most of the efforts of the tax commissioners to placing upon the duplicate the large amount of personal property which had previously been untaxed. The fact that the Somers System was used in the City of Cleveland four years ago has resulted in a large saving in the staff of the Cuyahoga County Commissioners, who have made no application for the appointment of assistant real estate assessors. Commissioners Fackler and Agnew, while not disturbing the old assessments in the City of Cleveland, have reassessed all of the suburban cities and villages in the County, using the Somers System for that purpose at a very low cost, and with very great efficiency. In some of these towns the tax duplicate has been more than doubled, and in many cities some of the tax assessments have been increased five-fold, without complaint on the part of the property owners, because they knew the work was equitably accomplished. These commissioners have received very great approval from taxpayers for the systematic work which the use of the Somers System has made possible.

Just as The Somers System goes to press a telegram comes from Actuary, William Young, who has been in attendance upon the State tax convention in Arizona. This is an annual meeting of the State Tax Commission with the assessors from all the counties, held each summer to discuss all matters connected with the current assessment and to equalize valuations in all the districts of the state. Mr. Young wires that "The Somers System came through with flying colors"—referring to the assessments of land only made in seven cities of the state. "The State Tax Commission," continues Mr. Young, "has announced that they will extend the Somers System to all cities and towns in the State for next year, and will also include building valuations, as well as land."

San Antonio, Texas, June 22, 1914. The SOMERS SYSTEM has been a big thing towards making San Antonio a better place for the working man. Under this system every man has a chance to assist in placing values in his own district, instead of having some man's judgment on his property forced on him. It means more personal liberty under the government, and a fair and impartial treatment for the little home owner, as well as the big real estate owner. It means equality for all, and I heartily recommend it, and appreciate the efforts of our Assessor, Mr. James F. Garland in securing the Somers System for San Antonio.

Yours very truly,
(Signed) OLLIE HANZEL,

CITY EASILY RAISES DESIRED AMOUNT UNDER SOMERS SYSTEM

By adopting the Somers System, the City of Lake Charles, La., had no difficulty in readjusting the assessment rolls so as to raise the total assessment to \$5,000,000, an amount deemed necessary, and to revise values in accord with the growth of the city during the past several years.

Representatives of the Somers System assisted the assessor in determining the value of every piece of real estate in the city.

Assessor S. F. Wetherill and his advisory committee determined to take 80 per cent of the land values as computed by the Somers System from units valued by committees of property owners, and 40 per cent of the improvement values for assessment purposes.

The percentages established gave the following results: Eighty per cent of the land, valued at \$3,669,756, gave \$2,935,804.80; 40 per cent of the improvement, valued at \$2,033,939 gave \$1,213,475.60, a total on land and buildings of \$4,149,284.40.

Added to this will be the value of merchants' stocks, personal property, machinery and equipment of various manufacturing and public service companies and franchises, which will yield approximately an additional \$1,000,000.

The application of the Somers System in Lake Charles, as was expected, brought to light many glaring inequalities in the land assessments heretofore made, and the taxpayers are naturally much interested. On nine pieces of property, for instance, the total assessment last year was \$154,100. This year the total is \$554,828 an increase of \$400,728. In one case alone, among the nine referred to, the value was increased from \$16,900 to \$192,445. Another piece of property was increased from \$51,700 to \$123,677, and still another was increased from \$7,00 to \$47,005. The following will show the increases in the nine instances:

	Assessed in 1913	1914 assessment will be made
Case 1	\$ 7,000	\$ 47,005
Case 2	16,500	30,369
Case 3	8,300	15,128
Case 4	8,750	22,531
Case 5	51,700	123,677
Case 6	26,000	56,867
Case 7	7,750	28,501
Case 8	16,000	192,445
Case 9	11,600	38,364
	<u>\$154,100</u>	<u>\$554,828</u>

These increases and others which were made, resulted in decreases in many instances, thus equalizing the assessments over the entire city.

CORPUS CHRISTI, (TEXAS) TAX RATE REDUCED AFTER SOMERS SYSTEM ADOPTED.

The result of the Somers System assessment in Corpus Christi, Texas, recently completed has been to reduce the tax rate from \$1.50 to \$1.40. The following statistics are furnished by the City Assessor:

Population	14,300
No. of square miles in the city	45
No. of acreage tracts	45
No. of blocks	680
No. of lots	10,270
No. of Buildings (including 900 barns and servants' quarters)	3,500
Assessed value real property for 1913, intended to be at 75 per cent	\$6,305,700
Assessed value real property for 1914. Land at 70 per ct. build's at 50 per ct.	8,145,000
Increase of 1914 over 1913	1,840,300
Amount assessed public service corporations for the use of the streets:	
San Antonio & Arkansas Pass R. R.	\$2,410.
Texas & Mexican R. R.	\$1,770.
Corpus Christi Street and Interurban	\$52,300.
Corpus Christi Ice and Electric Co.	\$22,000.
Southwestern Telephone Co.	\$7,260.
Peoples' Light Co.	\$12,000.
Corpus Christi Gas Co.	\$10,000
Western Union Telegraph Co.	\$2,000.

Tax Assessor Garland of San Antonio Warmly Approves Somers System

The Somers System installation in San Antonio, Texas has recently been completed and City Assessor James F. Garland in his annual report describes its operation and commends the use of the System.

San Antonio has a population of about 100,000, with 3,300 blocks, 78,000 lots, and 37,000 buildings, including 12,500 barns and servants' quarters.

Assessor Garland's report is quoted in full as follows:

Hon. Clinton G. Brown, Mayor,
City of San Antonio, Texas,
Dear Sir:

Complying with Charter Provisions requiring heads of departments to make annual report of the operations of their respective departments to the Mayor, I beg to submit herewith report of operations of City Tax Assessor's Department for fiscal year beginning June 1st, 1913, and ending May 31st, 1914.

The total assessed valuation of the City for the fiscal year was \$36,233,065.00 as compared against \$32,330,210.00 for the previous year, being an increase of \$3,902,755.00. This increase compared with each year back to 1906 is below the average, due principally to the fact that the City contemplated the installation of the Somers System of equalization the ensuing year, we therefore did not take advantage of the natural increase in property values incident to the erection of new buildings, the widening of Commerce Street and other factors which create enhanced values and which would be taken care of under the Somers System.

By resolution of the City Council in the month of August, 1913, the Somers System of Realty Equalization was adopted, and active work of installing the System began, and carried forward without delay.

Work on the Somers System was commenced on August 22, 1913. Men were taken on as rapidly as the work demanded until by the first of November there were thirty-two men connected with the work, including the experts. In the middle of November the men not up to the standard were released, and the building work being finished by the end of December, all men not competent to work on the land computations were released. January 1st, 1914 there were 17 men on the pay roll. As the work progressed more men were released. March the 1st, there were 9 men; April 1st, 7 men; May 1st, 8 men. The work on the Somers System proper was completed by the end of May, but there remained the work of getting the percentages of full value, posting in the block books, and checking up in places where there were errors.

The first work consisted of getting up and checking block plans for use in the field. The men were given a number of blocks in one district, together with the building slips and sent into the field to get the dimensions and descriptions of every building in their particular district. 36,783 separate and distinct buildings were thus measured within the City limits. Those portions of the city where the measurements were in a bad shape, were remeasured. Almost all of the heart of the City and those outlying portions where the records were in bad shape, were claimed.

The building expert came to San Antonio on September 15th, and immediately began the appraisal of those buildings that had been previously measured. He continued on this work until the first of February 1914, and again from the 12th of March to the end of that month. He appraised every building in the City at its reconstructive value new and allowed a certain depreciation for the age and condition. All of the work was left in such a condition that the buildings may be further depreciated in the future and every building be kept up to date. The area of every building was computed and also its reconstructive value and from this its present value.

Three sets of maps of the City were made in the course of the work. The City was divided into 29 arbitrary sections, known as "land sections", for the purpose of placing units on the land. 29 maps were made for this purpose including every portion of the City, each map about 15 inches wide by 30 inches long. From these maps a wall

map about ten feet on each side was made for the public meetings of property owners. The last map was one thirteen and one half feet square, of the entire City, showing every street and every unit. This map was used for the public meetings to equalize the values in the various portions of the city.

The unit values for each block were placed on at public meetings of the property owners in that particular district. The heart of the business section was valued by a committee. Every representative property owner in the center of the City was invited to come to a meeting and the values were discussed. They first arrived at the most valuable block in the City and called it 100 per cent of value, not yet taking into consideration the monetary value of this unit. All other blocks were compared to this best block and valued in percentages of the full 100 per cent. At a subsequent meeting the value of a unit foot in the best block was arrived at and all other percentages then translated into a monetary unit. At a third meeting every property owner in that district was invited to come up and ratify these values, or to place new and equitable ones.

Starting with districts adjoining the central one, the whole City was thus valued and a unit placed for a unit foot in every block. A postal card was sent to every property owner in the particular district to be valued, asking him to be present and assist the Assessor in placing fair and equitable values on the land. These meetings were largely attended and the conflict of opinion brought out the true value of the land. Where the men differed as much as 50 per cent on the value of a piece of land, the difference in opinion as to the unit would not be over 10 per cent. 29 meetings were held, and as soon as units were placed on the land, the computation was started.

There are about 3,300 blocks in the City and every one was figured. Each block with average upwards of 20 lots. The value of the land was computed from definite rules insuring a fair and impartial treatment of every lot and parcel of land. The land computation was commenced about the first of January and all units about which there was any complaint were taken up and changed. It found upon thorough investigation, to be wrong. Many blocks were figured several times before the unit was considered fair. Throughout the work a conciliatory attitude was taken. It was the aim of all those in charge to acquaint the public with the workings of the Somers System and every complaint was given prompt attention. Everything possible was done to show the public that they were the ones who placed the units on the land and the fault did not lie with the Assessor where the complained values were wrong. Everyone asking for information was shown WHY the values were arrived at and just how the method was applied to the particular land, and the reason for the methods. The majority of the people displayed a fair and right-minded attitude to the work and cheerfully contributed any information that would be of assistance to the work. The general public were very thoroughly acquainted with the work in all of its parts, both through the press and through the policy adopted in the office.

The total cost of the installation of the Somers System up to and including the last of May 1914, was \$19,094.93, of which \$1,297.24 or 6.8 per cent was expended for supplies; \$8,145.76 or 42.7 per cent was expended for the services of the two experts and the balance \$9,651.93 or 50.5 per cent was expended for general office force. The men were paid \$2.50 per day, until December 1st, and the rate was then raised to \$3.00. The working day was 8 hours, full six days per week. The cost of the supplies is high, owing to the large cost of printing the land and building slips, together with the cost of the envelopes. The cost is further increased by the maps of the blocks, card-plate, and buying and printing of post cards. The two experts were each paid at the rate of \$750.00 per month.

I feel that the money and labor expended in putting in this system was a paying investment for the City; that the adoption of the system was for one of the most necessary and beneficial reforms ever entered into by this City, for the reason that it places every property owner, whether large or small, on an equal footing—a condition which

although demanded by the people for years, never obtained before.

I desire to call your attention to certain practices which are, in my opinion, inimical to the best interests of the City.

FIRST: The laying out of new subdivisions by owners of acreage in the City and cutting them up in different sizes and shapes, running short streets at all angles, connecting anywhere or nowhere, according to the fancy of the owner, and entirely ignoring the old established street lines that would intersect their property at a given point. In my opinion the City Engineer should be consulted before acreage is sub-divided, and his instructions followed in opening up new streets inside the City limits.

SECOND: The sub-dividing of acreage into City Blocks, recording the plat, and later throwing it back into acreage. This practice has a great tendency to confuse the Assessor's Department, and disarrange the office records to such an extent that great difficulty is frequently met with in locating on the records a particular tract of land or lot.

THIRD: The recording of deeds covering sales of property at "One dollar, etc." or "ten dollars" etc., as the consideration, is, to say the least, misleading and deceptive to those whose duty it is to keep up with market values. What motive prompts this practice I am not prepared to say, but it is unfair and unjust, and should be prohibited by legislative enactment, if necessary.

The cost of operating my office, exclusive of salaries, amounted to \$1,009.36.

Yours very respectfully,
(Signed) J. F. GARLAND,
City Assessor.

SOME LABOR UNIONISTS OF SAN ANTONIO WHO APPROVE THE SOMERS SYSTEM.

San Antonio, Texas, June 24, 1914.

I take this means of endorsing the Somers Unit System, which has been used to equalize assessments in San Antonio under Mr. James F. Garland, City Assessor. I unqualifiedly urge its adoption by any City aiming to obtain fair and impartial assessments. As worked out in San Antonio it has demonstrated that as a system of equalization it is unsurpassed. It affords relief for all inequalities, and places the taxes according to a man's holdings. This is particularly marked in the case of the small property owners. In the past favoritism has been shown, and this worked hardship upon the little fellow who had neither friends or influence to obtain favorable treatment. I advise the wage earners, every Union man in every City to lend his efforts towards securing the adoption of the Somers UNIT SYSTEM OF REALTY EQUALIZATION, which is absolutely a system of equality to every man.

Yours very truly,

(Signed) JEFF FOREHAND,
President Trades Council, San Antonio, Texas,
Vice-President Texas State Federation of Labor.

San Antonio, Texas, June, 26, 1914.

Rendered my property today for taxation, and found under the Somers Unit System I will receive a reduction of \$500.00; my property heretofore having been assessed at full value according to the market value, and with the 75 per cent on land value, and 50 per cent of building value used for taxation purposes by Mr. James F. Garland, our assessor, under the Somers System, I receive the reduction as stated above. Am very much pleased with the Somers System, and feel that under this system every man will pay his just share, and that it will be of great benefit to the City of San Antonio.

Yours very truly,

(Signed) J. M. YOUNG,
Foreman Geo. Potchenrnick Sporting Goods House,
208 East Houston Street, San Antonio, Texas.

San Antonio, Texas, June 18, 1914.

I do not hesitate to advise every Texas City to adopt the SOMERS SYSTEM. It has meant untold good for the small property owner in San Antonio; they were assessed higher than they should have been and are the ones to get the benefit of the SOMERS UNIT SYSTEM. All men are now placed on the same basis and the small owner gets treated fairly. It means a great deal to have a fair, impartial assessment, when you have to pay taxes out of your daily wages, and is a step towards putting Labor and Capital on the same footing, and for this reason should receive the hearty support of every Union man in the State; that it is really a system and worthy of adoption by every City in Texas.

Yours very truly,

(Signed) C. F. RUSSELL, Jr.,
Member of Flour Mill Operators Union,

Strong Report Recommends Adoption of Somers System at Melrose, Mass.

the Somers System, Mr. Clark went to the Mayor of Melrose and laid the whole matter before that official.

MAYOR READILY SEES THAT THE SOMERS SYSTEM IS JUST WHAT THE CITY SHOULD HAVE

The Chief Executive became interested at once. He readily saw the merits of the Somers System and did not hesitate to say emphatically that it was just what Melrose needed.

The question then went to the Board of Aldermen, and it was referred to the Finance Committee which named a sub-committee for a thorough investigation of the subject.

In the course of its inquiries the sub-committee arranged with Mr. Walter W. Pollock, President and General Manager of the Manufacturers' Appraisal Company, of Cleveland, to come to Melrose and give a public address on the Somers System. A meeting was held in the Aldermanic Chamber which was attended by city officials and many prominent citizens. They listened attentively to what Mr. Pollock had to say, and their interest in the subject was clearly shown. They asked many questions which were fully answered.

In its report to the Finance Committee, the sub-committee stated that it had obtained much information on the Somers System from officials in various cities where the system has been adopted. Among these officials were Newton D. Baker, mayor of Cleveland; James H. Hanna, Mayor of Des Moines, Ia.; Burke Yencil, assessor of Springfield, Ill.; L. S. McWilliams, assessor of East St. Louis, Ill.; R. Roy Goodwin, chairman of the Board of Assessors of Augusta, Ga.; J. J. Pastoriza, Commissioner of Finance and Taxation of Houston, Texas; S. G. Burnett, Chairman of the Finance Committee of the City Council of Beaumont, Texas, and R. L. Strubling, assessor of Waco, Texas.

"Being based wholly on accurate scientific principles capable of world-wide application, we must recognize the fact that neither the geographical location, size, irregularity or kind of city can offer any obstacle to the adoption of the Somers System of equalizing assessments of any city desiring it," says the report.

"A careful analysis of the reports of our assessing department since 1890 show almost contradictory results of the various assessments and a total lack of an adequate system. The accompanying chart shows lines of irregularity and relationship of buildings, land and population which would be impossible under a uniform constant system whenever the assessor might happen to be."

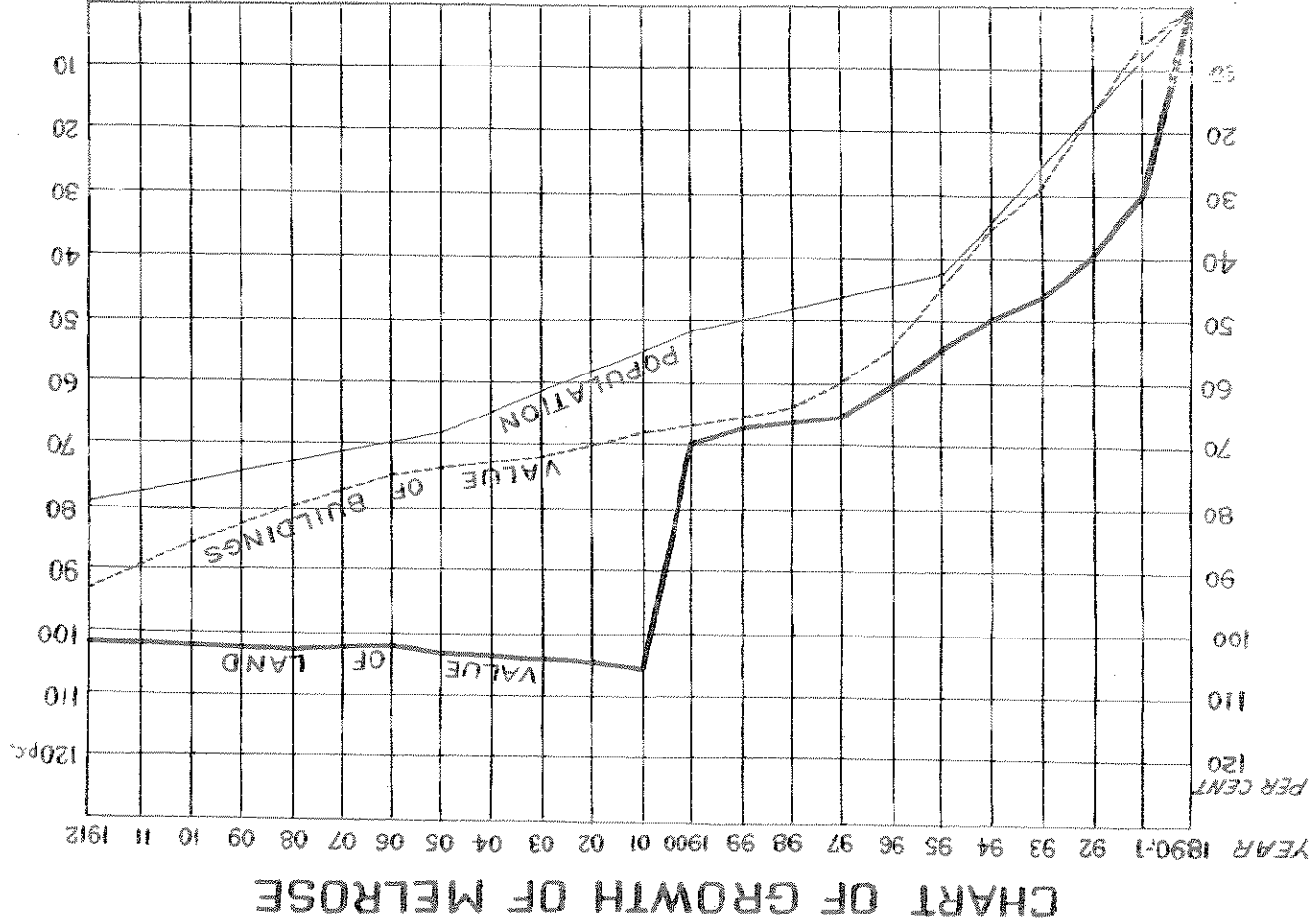
LACK OF SYSTEM CAN CAUSE MUCH INJUSTICE TO CITIZENS, DECLARES REPORT

The sub-committee recognized a fact when it said in its report that the equitable side of assessment is one of supreme importance in that the apportioning of the tax burden through lack of a system can cause much injustice to our citizens.

"We cannot believe," says the report, "that the total land value of the area of Melrose is only 60 per cent of the improvement value, and that as a consequence this building value should pay two-thirds more of our taxes than land value, which is the case under our 1912 valuation. No city can properly develop on such a policy; it puts a premium on idle opportunity and penalizes industry. This needs immediate and wise remedy."

The report also says that there is no hindrance to the adoption of the Somers systematic assessment "as it merely supplies the assessor with a more efficient instrument or tool to perform his law-defined duties in a more accurate manner—a truly wise helper. Once established, it will be an office fixture most indispensable."

"With the installation of the Somers System through expert assistance, the disagreeable part of the assessors' duties would be practically nil, and public confidence would be restored by the elimination of the guess work which is necessary under present methods."



PREPARED BY EDWIN THATCHER CLARK, MELROSE, MASS.

The Somers System may probably soon be installed at Melrose, Mass. The Finance Committee of the Board of Aldermen has taken favorable action, and its recommendation will likely be adopted by the full board.

The favorable action was taken by the Finance Committee when it heard the report of the sub-committee appointed to thoroughly investigate the system.

Melrose, one of the numerous suburbs of the "Hub," has long felt the need of a scientific and equitable method of fixing land values for taxation. All the cities and towns in that part of Massachusetts have felt the same need, and Melrose is the first to take active steps to bring about a reform and to do away with the old and unsatisfactory method of determining realty values.

This part of Massachusetts, with its many cities and towns, is the most congested part of the United States, as far as independent municipalities of large size with separate governments is concerned.

These places have been enterprising and progressive in almost every respect except the vastly important one of rightly fixing the value of land for taxation. They have clung to the antiquated, slipshod, unsatisfactory and oftentimes unjust

ways, even though the municipalities have grown rapidly in population.

But these places are waking up. They are realizing the urgent need of adopting an up to date method of fixing realty values—a method based on scientific principles which will wipe out the old time irregularities or discrepancies. They are about to move forward toward better things, and Melrose is at the head of the procession.

Melrose's position in this respect is due largely to the enterprise of Councilman Mr. Edwin Thatcher Clark. Like nearly all of the leading residents of that place Mr. Clark saw the need of a change, and he went to work to secure it. He investigated the Somers System on his own account and found that it was just what Melrose should have. Then he prepared a chart and percentage table showing that the assessed value of the land of the city had not anywhere near kept pace with the value of the buildings and population. The irregularities or discrepancies were as plain as the nose on a man's face, and he had the chart and map widely circulated that the people might readily see the need of a change in the assessment system. The chart and map prepared by Mr. Clark are published in this number of the Somers System News.

With his chart and table and a lot of facts about

Southern Attack on Somers System by
Pleydell Fully Met by Mr. Pollock

One of the active detractors of the Somers System is A. C. Pleydell, of New York. He was the secretary of the National Tax Association and continues secretary of the New York Tax Reform Association, although he has advocated no reform. Instead of doing so he has spent much of his time throwing mud at the Somers System, because it has really inaugurated a great reform and is being recognized by progressive people in all parts of the country.

Mr. Pleydell has opened his mud batteries in New Orleans. He evidently noticed that the Somers System was making great progress in the south, as elsewhere, and he hastened to the Crescent City to try to stem the tide.

Mr. Pleydell might as well try to stop the flow of the Mississippi. All that he has succeeded in doing is to have a signed communication published in one of the New Orleans papers. Any newspaper in any part of the country will publish a signed communication addressed to the editor, so that having his piece inserted in the New Orleans paper, Mr. Pleydell has in reality accomplished very little.

CLAIMS ASSESSMENT OF PROPERTY FOR TAXATION IS GOVERNMENT FUNCTION

In his communication to the editor, Mr. Pleydell asserts that there is nothing new or strange about the unit system "of valuing land or buildings. It is an evolution, not an invention," he says, "and is used in a number of cities."

"Nor is there anything new," says the communication, "about the use of tables to determine the value of lots which are either shorter or longer than the standard or uniform sized lots. Such tables are in use in this and other cities. It is the general opinion of assessors who have studied these questions that no table of this kind will apply alike to all cities, or even to all sections of one city, but there is no serious difference between any of the tables in general use."

In his communication to the editor, Mr. Pleydell declares that he was challenged by Mr. E. W. Doty, representing the Manufacturers' Appraisal Company, to a debate at Yonkers, N. Y., and that the audience decided in favor of Mr. Pleydell.

"I know it is now claimed by this company that they do not place the valuations, but this is to be done by the assessors, at least so far as the 'units' are concerned, and that then the company distributes values over lots of different areas. As I pointed out in my discussion at the National Tax Conference, this method of distribution, so far as it relates to corner lots, is full of absurdities. So far as the Somers System deals with inside lots (those away from corner influence) Mr. Somers' rule is a fairly good one, although not without defects; but rules just as good as his are used in various cities, and can be had free of charge."

In reply to this communication, Mr. Walter W. Pollock, president of the Manufacturers' Appraisal Company, sent the following:

MR. POLLOCK REPLIES AND MEETS EVERY ASSERTION MADE BY MR. PLEYDELL
"To The Editor of The Times-Democrat, New Orleans, La.

"Dear Sir:—My attention has been called to a communication published in your paper under date of December 8, signed by A. C. Pleydell of New York, who is secretary of the New York Tax Reform Association, but who has consistently and continuously opposed the reform in tax assessment methods which has been brought about through the installation of the Somers System of Realty Valuation in a number of American cities. The clipping containing this communication has only reached me to-day, and it is so completely unfair that I feel it a duty to reply thereto, notwithstanding the fact it was published nearly a month ago.

"Four years ago Mr. Pleydell recommended Mr. Somers to the Board of Real Property Assessors of the City of Columbus, Ohio, as 'perhaps the best man you could have,' in reply to an inquiry 'as to a competent person to install this (the Unit) System of Assessment.' A short time after-

wards Mr. Pleydell apparently changed his mind on this point for he joined with Allen Ripley Foote of Columbus, Ohio, in opposing the adoption of the Somers System. Pleydell has since conducted a propaganda in opposition to the Somers System in all parts of the United States. Notwithstanding this opposition for which no fair reason has ever been given, the Somers System is now in use for tax assessment purposes in the cities of Cleveland and Columbus, O., Springfield, Joliet and East St. Louis, Ill.; Denver, Col.; Houston, Beaumont, Waco and Galveston, Texas; Augusta, Ga.; Des Moines, Ia.; and several smaller towns, and is under installation at this writing in the cities of San Antonio, Texas, and Lake Charles, La. Appropriations to pay for our services have been made in Portland, Ore. and Baltimore, Md. There is an overwhelming volume of proof that in cities where the Somers System has been installed tax assessments of real estate have actually been equalized; and it is certain that there has been nothing approaching equalization in any other cities of the United States, including New York City and Newark, N. J., pointed out as

TABLE OF GROWTH OF MELROSE
Value of Buildings, Value of Land, Population

	Buildings	Land	Population				
1890-91	6.8% Increase	31% Increase	▲	1890	Value of Land was	58%	Value of Buildings
1891-92	12 %	9.2%		1891	" " "	72%	" "
1892-93	10.9%	6.2%		1892	" " "	72%	" "
1893-94	6.9%	3.2%		1893	" " "	67%	" "
1894-95	9.3%	4.4%		1894	" " "	65%	" "
1895-96	9.3%	5.8%	57%	1895	" " "	62%	" "
1896-97	5.2%	4.99%		1896	" " "	60%	" "
1897-98	4 %	3. of 1%		1897	" " "	60%	" "
1898-99	.8 of 1%	.08 of 1%		1898	" " "	58%	" "
1899-00	1.1 %	1.7 %		1899	" " "	57%	" "
1900-01	4 of 1%	36.2%	▼	1900	" " "	58%	" "
1901-02	2.24%	1.1 % Decrease	▲	1901	Value of Land was	78%	Value of Buildings
1902-03	1.09%	2. of 1%		1902	" " "	76%	" "
1903-04	1.02%	.8 of 1%		1903	" " "	75%	" "
1904-05	.9 of 1%	.3 of 1%		1904	" " "	73%	" "
1905-06	1.3%	.9 of 1%	27%	1905	" " "	72%	" "
1906-07	1.9%	\$ 6000		1906	" " "	71%	" "
1907-08	1.9%	Increase \$ 7000		1907	" " "	69%	" "
1908-09	2.09%	Decrease 2. of 1%		1908	" " "	68%	" "
1909-10	2.7 %	\$ 4000		1909	" " "	66%	" "
1910-11	3.1%	.2 of 1%		1910	" " "	66%	" "
1911-12	3.1%	\$ 300	▼	1911	" " "	60%	" "
				1912	" " "	60%	" "

A Plus Percentage can be added in each case excepting two or three instances where there is a slight minus.
The last three figures in the valuations were omitted in figuring the percentage. Dollars are indicated where percentage is very slight.

"It is now claimed by this company that they do not place the valuation, but that this is to be done by the assessors; at least so far as the units are concerned." The fact is that no other claim has ever been made by the Somers System representatives. We do not and we have never attempted to usurp or take over the powers of the assessors at any time or in any manner. The assessors are vested by law with the power to fix tax valuations, but under existing practices, until the Somers System was invented and made available for their use, assessors have never possessed a standard or rule for the valuation of real estate. Such standards are in use in every other activity of government, and in every trade and profession. The Somers System claims to be an equitable standard for the valuation of real estate, and it has proven its worth for that purpose wherever it has been used. It is true that the system may be found to lack that ultimate perfection which we all seek for and seldom achieve. There is a well known soap concern which advertises that its product is ninety-nine and forty-four one-hundredths pure, and this concern takes pride in its claim that its product is so near to perfection. Hypercritical analysis of the Somers System will doubtless discover some imperfections in the system, but as I stated in reply to the criticisms of Pleydell at the Buffalo meeting of the National Tax Association, the proof of the substantial accuracy of the Somers System lies in the fact that its use has been approved by the great majority of property owners in every community where it has been used. Pleydell in describing the claims of the Somers System as an "invariable scientific or mathematical principle" has set up a man of straw, for we do not claim that it is absolutely perfect. But when it is possible to compute a block containing over \$6,000,000 worth of land in a city block, with lots of variable sizes and shapes, and to so distribute the value of the land in such a block as to show a variation of only \$7, it seems fair to claim that the Somers System is accurate enough for any practical use to which it may be put.

"Pleydell refers to his presentation to the Buffalo tax conference of a number of diagrams which he claims are based upon the Somers corner lot tables and rules, and which he thinks prove that Mr. Somers has reversed his method and materially changed the valuations produced by the use of his tables. Even if Pleydell at Buffalo correctly quoted the corner table which he presented and criticized—and there was no opportunity to compare his table with the real Somers table—the variation which he pointed out would probably not make a difference of more than one-hundredth of one percent in the value of any one lot. I submit that this is close enough for any reasonable person, and that it certainly is a very great improvement over the results of tax assessments in any city which does not use the Somers System.

"The discussion which Pleydell refers to in the City of Yonkers, New York, was under the auspices of the local chamber of commerce. The publisher of a local newspaper, without consulting the officers of the chamber, presented a ballot box at the meeting which heard the discussion between Pleydell and Mr. E. W. Doty, representing the Somers System. Not more than one-third of the persons present at this meeting voted on the question as to which side presented the best arguments. The great majority of those present regarded the vote as a joke, and the alleged result of that vote was not considered by the leading men of the chamber of commerce, under whose auspices the debate was held, as a true expression of the community opinion, either as to the accuracy of existing assessments, or the desirability of the Somers System as a means for equalizing them. The chamber of commerce members after the meeting expressed a curiosity, which I could not satisfy, as to the motive for the opposition of Pleydell to a perfectly legitimate business service which we were proposing to remedy acknowledged inequities in tax assessments.

"The absurdity and lack of sincerity of the Pleydell propaganda against the Somers System is shown in the fact that one of the claims vociferously made against the Somers System by him is its 'secrecy.' The fact is entirely to the contrary. Any assessor who will read the literature of the Somers System which we have published broadcast, can use the Somers System for assessment purposes, so far as the means of expressing judgment as to land values is concerned. In fact, there can be no effective use of the system without the very widest publicity in every place where it is installed. The Somers corner tables are open to the examination of any person who is

interested sincerely in the study of the system and the results of its use. They are not published for general use, and will not be published until the Somers principles become more widely understood and appreciated, and until the public can be properly protected against the improper use of the tables; but that there is anything 'secret' or 'mysterious' about the system or its use in absolutely untrue.

"The Somers System is a tool which the tax assessing officials of New Orleans could use to accurately measure their judgment as to land values. I am sure that the use of this tool would prove as satisfactory in New Orleans as it has proven in every other place where the system has been installed. If there is any doubt on this subject I would suggest that The Times-Democrat send a reporter to Lake Charles, in your own state, where the Somers System installation is now about completed. If you doubt the distinctness and truthfulness of the many favorable and authoritative testimonials which a perusal of our printed matter will disclose, I would suggest that you visit any or all of the other cities referred to and find out whether or not the system has been satisfactory to the tax assessment officials and to the property owners in those cities.

"I sincerely hope that citizens of New Orleans and of other Louisiana cities where the Somers System has been discussed recently will give careful consideration to the whole question. If your assessments are not equitable and proportional now, you will find that the employment of the Somers System service will cure that inequality. There has been no proposition made for the installation of the Somers System in New Orleans. Whatever proposition we should make would be under the provision that your assessment officials would have the right to discontinue the service at any moment that it should be found unsatisfactory to them. We should not be willing to install the Somers system in New Orleans in opposition to the wishes of the taxpayers of your city who really want to bring about equality of assessments, if such opposition should exist after full public discussion of the system. We do not think the very small percentage of tax-dodgers—and we do not find more than two per cent in any city who are really opposed to equality in tax assessments—should be given special consideration. All laws relating to assessments contemplate the idea of equality, but no one, until Mr. Somers devised his System, has been able to bring about equality.

"Any true reformer in taxation matters, we submit, should welcome every effort to establish equity in assessments, even though it might be found only 'ninety-nine and forty-four one-hundredths per cent pure.'"

"WALTER W. POLLOCK,

SOMERS SYSTEM IN ARDEN.

Continued from Page 77.)

The Board of Assessors which adopted this modern method of assessing was a representative body elected by the Ardenfolk. For the 1914 assessment it consisted of A. A. Taltavall, civil engineer with the Pennsylvania Railroad; E. S. Potter, editor with the Philadelphia North American; Haines D. Albright, attorney, assistant city solicitor of Philadelphia; W. L. Ross, social worker connected with the Public Baths Association of Philadelphia; Frank Brunell, hotel proprietor; Frank E. Shandrew, secretary, connected with the Penn Mutual Life Insurance Company, and Walter E. Sweeting, chairman, representative of the Somers Unit System of Realty Valuation. Of the Board four are Single Taxers, one is a Socialist, and two have no pronounced economic views.

No conclusion could be more fitting than this paragraph from the Every Evening of Wilmington, Delaware, of August 5:

"Dove of peace hovers over Arden—new assessment adopted by town meeting in 45 minutes.

"The regular town meeting at Arden last night unanimously adopted the report of the assessors as to the assessment of rentals for 1914. No objection to their report was offered. The meeting was in session but 45 minutes. The new assessment is the most complete, equitable and satisfactory to all the residents of any yet laid.

"This is the first time in four years that there has been no objection offered to the report of the assessors in the town meeting. Emmanuel Gerstein, who has objected to previous assessments, declared after the meeting that 'the assessment is as equitable as it is humanly possible to make it.'

"The system carried out was similar to the Somers System and it was worked out splendidly."

MR. COWLES' PAPER ON "HOW TO ASSESS"
(Continued from Page 76.)

feet it is practically identical with the Somers depth percentage, omitting fractions. The Hoffman-Neill rule gives a lower value to the front half of the unit-foot than the Somers System, the important difference being that at 50 feet in depth it gives two-thirds of the value of the 100-foot unit, while the Somers System gives 72½ per cent. Outside of this difference the variation between the Hoffman-Neill rule and the Somers depth percentage is negligible. So far as known, the Hoffman-Neill rule has not been extended beyond a depth of 200 feet, where it gives 130 per cent for the unit value, while the Somers depth percentage gives 122 per cent for the value at that depth.

The Lindsay-Bernard unit is 150 feet deep, and the distribution of its percentages does not vary materially from the other depth percentages. The Somers depth percentages antedated all of these so-called rules, except that 50 years ago, in a particular lawsuit Judge Hoffman of New York decided that two-thirds of the value of a certain lot 100 feet deep pertained to the first 50 feet of depth. The idea of using a different curve of value originated with Mr. Somers, but his imitators do not always give him credit for setting them the example of measuring inside lots by a depth percentage. But after all has been said about a depth percentage, the fact is that the assessor has arrived at only the starting point for an equitable assessment. A large majority of all the lots in any city have more than one element of value. A depth percentage can be used only to measure lots which have a single element of street accessibility. What it really represents is the value of one street accessibility, and while it must be an indication of street value, it is very often not an indication of lot value. There must be something more than a depth percentage.

Mr. Cowles says that he has never seen published the Somers "percentages" for the enhancement for each square within the corner influence, or an explanation of how Mr. Somers arrived at his formulæ. Of course Mr. Cowles has never seen the "percentages" used for showing corner enhancement, because Mr. Somers does not use "percentages" for that purpose. His corner computation scheme has been publicly explained hundreds of times, and Mr. Cowles has had ample opportunity to study the Somers plan. He might at any time have had opportunity to see the Somers corner tables. Certainly he might have deemed the Somers plan worthy of a real discussion, and certainly if he had made a real study of the Somers corner computation scheme he would not be likely to quote so liberally the men who deny the possibility of computing normal relative corner values, by saying that "any established rule or formula for corner influence would be inadequate, because corner lots are affected by too many conditions to make it possible for any rule to express the true relationship between inside and corner lots."

The Wisconsin Tax Commission, in publishing Mr. Cowles' paper, has made a contribution of little value to the subject of "How to Assess" property, so far as the assessing of city real estate is concerned.

SYSTEM AND KNOWLEDGE REQUIRED.

In most cities of the United States there has been no attempt at anything but arbitrary valuation of specific lots.

While the existence of mathematical relation of values between lots has been recognized, only crude attempts have been made to ascertain just what that relation is. Corner lots have been valued higher than inside properties on some sort of percentage rule, that is both inexact and baseless.

While the agitation for equitable assessments that has begun to sweep over the country—more largely due to the efforts of the promoters of the Somers System than to those of any other force—has awakened assessors to some of their shortcomings, the field for education, indeed, for legitimate agitation, is still a wide one.

Two things are necessary for an equitable assessment:

First: System.

Second: Some one who knows how to use that system.

The Somers System of Realty Valuation is the only system that has been used for assessment purposes in more than one city. It is so flexible that it will solve practically all of the problems of assessment, or furnish the basis for such solution. It is a system in all that the term implies, and has been tested in the actual assessment of more than half a million properties. It therefore meets the first requisite—it is a system.

AN EQUITABLE STANDARD FOR LAND VALUATION

An Address before the National Tax Association at Buffalo, N. Y., October 23, 1913,

By WALTER W. POLLOCK, Cleveland, Ohio

Subject: "The Somers System — Can a Private Appraisal Company Appropriately Be Employed to Assist Public Assessors?"

APPEAR at this Conference of the National Tax Association to advocate the adoption of an equitable standard for the valuation of real property, for tax assessment and all other purposes; and to explain my faith in the Somers Unit System of Realty Valuation as an equitable and universal standard for such appraisal.

Incidentally, I hope to prove to every open mind among the members of this Association that no imputation of impropriety may justly be laid at the door of the public assessor who shall install the Somers System, even though he shall find it expedient in that connection to employ therefor the services of the trained accountants and appraisers of "a private appraisal company." I know that there is evidence beyond power of contradiction that public assessors who have employed the Somers System have actually equalized the assessments within their districts; and that while the System does not in any way attempt to dictate taxation policies, it furnishes an intelligent and accurate basis for any policy which the assessor may determine to follow or adopt.

I do not claim for myself any special wisdom in the economics of that most confusing and unscientific phase of the administration of public affairs which is generally described under the name of "Taxation." I speak rather out of a practical and rather wide experience of sixteen years as professional appraiser. During the past four years of that experience I have given a great deal of attention to the operation of the Somers System for tax assessment purposes, and by arrangement with William A. Somers, the inventor of the System, the "private appraisal company," of which I am the head, has assisted public assessors in the cities of Columbus, Ohio; Springfield, Joliet and East St. Louis, Ill.; Denver, Col.; Houston, Beaumont, Galveston and Waco, Texas; Augusta, Ga.; Des Moines, Iowa; Lancaster, Wis.; Weston, Ontario; and Arden, Del. Mr. Somers personally assisted in the Cleveland assessment. We have made investigations of assessments, mostly non-official, in many places, among them Philadelphia, Washington, Chicago, Boston, Baltimore, Buffalo, Detroit and other cities. At the present moment the System is under installation in San Antonio and Corpus Christi, Texas; Lake Charles, La.; and Fairhope, Ala.

SYSTEM FURNISHES RELIEF FOR UNSPEAKABLE INEQUITIES.

When Mr. Somers arrived in my home city of Cleveland, four years ago, to assist the newly-elected Board of Real Property Assessors in the revision of real estate assessments for the first time in ten years, I at once appreciated the merit in his plan. To my mind it was valuable primarily because it promised relief for a situation of unspeakable inequity; and also for the further personal reason that it seemed to open up a new and honorable field for the extension of the appraisal business.

I had never heard of the Somers System until that time. I found, upon investigation, that Mr. Somers had invented it a number of years before in St. Paul; had assisted in a Cleveland investigation of assessments, described popularly as "Peter Witt's Tax School"; and he had been personally employed in the assessing departments of the cities of Chicago and New York. I found that there had been a widespread interest in the investigations of

Mr. Somers, but little real appreciation of the value of the application of his theories for actual assessment work. The Chicago Board of Assessors had adopted the Somers plan of valuing units upon the central business blocks, and had worked out a system for the quick appraisal of corners, which system the assessors claimed they were using in the central business section. The Chicago assessors had also adopted a depth percentage for the measurement of inside lots, this depth percentage being at variance with all other curves of value, in giving greater value to the rear portion of the unit foot.

In New York City Mr. Somers had, as an employee of the Tax Assessment Department, prepared for publication a book of "Land Value Maps," showing street frontage values, which values had been deduced from the actual assessments of inside lots, made in more than sixty districts by district assessors, each assessor using his individual judgment of the values of all lots in his district, including those at and near corners. The New York Department did not then, and my understanding is that it does not now, approve the application of mathematics in measuring the values of lots having more than one influence of accessibility. It has what is known as the Hoffman-Neill rule for the measurement of depths of inside lots, but denies the efficacy of corner valuation on any basis except the expression of judgment to show the enhancement to individual lots.

SOMERS SYSTEM PROVES ITS PRACTICABILITY.

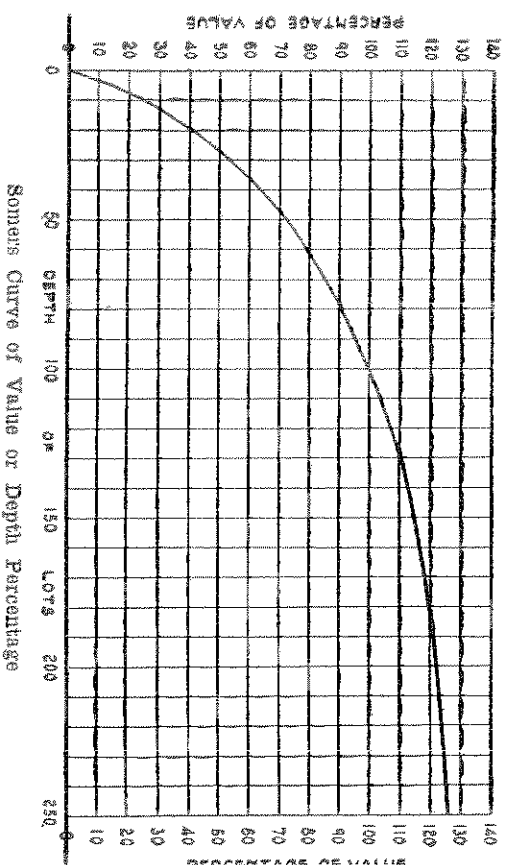
For more than fifteen years Mr. Somers had been regarded as a student of hard valuation of great intelligence, who could ask real estate men and tax assessors some leading questions that they found it difficult to answer. But his System, so far as it was understood by the public and by taxation officials, was regarded for various reasons as impracticable for actual valuation purposes. Mayor Tom L. Johnson of Cleveland seems to have been the only man in a place of authority in public life who had both favorable opinion and the courage to act upon such opinion. He had been fighting an archaic assessment system in Cleveland for years, and before his term of office expired after his defeat for re-election, he urged the newly-elected assessors to employ Mr. Somers as chief clerk. Thus the city of Cleveland was the first large city to adopt the use of the Somers System for assessment purposes after the development of the mathematical formulae which Mr. Somers had by that time completed. Mr. Somers demonstrated, under conditions of stress incidental to the reassessment of the entire city within less than seven months, the entire practicability of his methods.

All work by way of assistance of public assessors since that time has been done by the Manufacturers' Appraisal Company, under an arrangement with Mr. Somers, which received the friendly approval of Mr. Johnson.

MERIT SHOULD DETERMINE QUESTION OF PROPRIETY.

Whatever success has met my efforts in establishing a commercial appraisal business has been due to ability to furnish meritorious services to those who have required such services. If anyone had suggested any other standard upon which to base the hope for success in the direction of assisting assessors to equalize tax valuations, I should have been greatly surprised. It seemed, and still seems, inconceivable that anyone should require that I should be placed under the necessity or obligation, in a public forum or elsewhere, to defend the propriety of the employment of the services of my company. "Efficiency" is the watchword of the business world, and it has permeated into many departments of the administration of public affairs. There is no spot in any city where there is greater need for efficiency than the assessor's office. Little, if any, progress has been made since the beginning in assessment methods. I naturally supposed there would be an instant demand for such services as my organization, with the Somers System, could supply. I had spent twelve years in building up an appraisal organization whose valuations had been accepted as the basis for the settlement of fire losses, and for mergers and financial transactions amounting to many millions of dollars. My good faith, it seemed to me, could not be questioned upon my business record.

But the mere announcement of the purpose to extend the usefulness of the Somers System developed a systematic opposition which has followed our efforts in behalf of equalization of assessments into many states and cities; which sought to discredit our work in advance; which has, by untruthful statements and a widespread propaganda, prevented many cities from enjoy-



Somers Curve of Value or Depth Percentage

is measured, if it extends 100 feet or less, by the corner tables, and if it extends further, by the overlap tables. If there is an alley the value of the alley accessibility to the different lots is proportioned according to the number of feet each lot abuts on the alley.

STREET UNIT \$100 PER FRONT FOOT										
10	20	30	40	50	60	70	80	90	100	
9	19	29	39	49	59	69	79	89	99	
8	18	28	38	48	58	68	78	88	98	
7	17	27	37	47	57	67	77	87	97	
6	16	26	36	46	56	66	76	86	96	
5	15	25	35	45	55	65	75	85	95	
4	14	24	34	44	54	64	74	84	94	
3	13	23	33	43	53	63	73	83	93	
2	12	22	32	42	52	62	72	82	92	
1	11	21	31	41	51	61	71	81	91	

STREET UNIT \$200 PER FRONT FOOT

Diagram for Use in Computing Lots at and Near Corners

In computing the values of the lots within the corner influence an imaginary 100-foot lot at a corner is diagrammed, and is subdivided into 100 squares, each 10 feet square. Each lot coming within the 100-foot area is drawn on the diagram in its exact location. The Somers corner tables show the value of each 10-foot square, as numbered on the diagram, for every combination of unit values, and when the value of the unit-foot has been determined upon the four block frontages, the lots having corner influence can be designated and appraised relatively in somewhat the same manner that the banker computes the interest upon a note from his book of interest tables. Given the factors of street accessibility value upon all frontages of a block, a lot of a certain size and shape, with a certain relation to a given corner, has a certain value. Any change, however slight, in size, shape, relation to the corner, or value of units, will, upon computation, show a difference in value, in a mathematically exact ratio. There are variations of the corner tables to apply to retail, wholesale and residence properties. There are also mechanical devices known as overlap cards and zone cards. The overlap cards are for ready computation of the point at which the receding values of two units of different values, as computed by the percentage tables, meet at the same value. The zone cards are used for easy computation of irregularly shaped lots.

SMALL PERCENTAGE OF TAX-PAYERS REALLY UNFAIR.

Every community has not to exceed 2 per cent of tax-payers who will take advantage of their neighbors if given an opportunity in the matter of tax-assessments. The other 98 per cent are not only willing, but glad, as well, to pay their proportionate share of taxes if they are assured that everyone will be treated fairly and equitably, and on exactly the same basis. The Somers methods of obtaining community opinion and of complete publicity in the making of assessments at all stages of judgment and computation give the most complete assurance of fairness and equity. The 2 per cent hesitate to display in public an unfair spirit towards the 98 per cent, which they might be willing to display to the assessor only, and those who have in the past obtained special advantages through the ignorance or favoritism of the assessors, are compelled by the force of public opinion and the logic of mathematical computation to bow to the opinion of the majority. Under the Somers System there is realized the ideal fought for by our forefathers of real representation in taxation, and the result is an approximation of exact equity in assessment, and the opportunity to impose a level tax upon level and equal, instead of irregular and unequal assessment values.

SYSTEM MAY BE USED FOR AN ENTIRE STATE.

The Somers System is adapted to universal use throughout a state or district having one or more assessors. State Tax Commissions, if given the power to promulgate rules under which all assessors should express their judgments in the same manner, could enforce uniformity of methods of expression of judgment. This does not mean that all assessors will have the same judgment, or that such rules would interfere with the expression of such judgment, but if all assessors should express their judgments by the Somers methods, fortified by community opinion in each locality, and computed by the Somers mathematical tables, the result would be uniform and equitable tax valuations, not only in a given city, but throughout all cities in a state.

For rural assessments the same analytical methods can be applied. Each farm should be diagrammed so as to show the number of acres of each quality of land comprising it. A town meeting with these diagrams, and with comparative and actual knowledge within the territory, will easily and accurately value each kind and quality of land upon each farm, judging separately the various elements of site or location, cultivable qualities, forest or mineral products, and any other value-making elements. One farm will be more valuable per acre than another of equal soil quality, because it has better roads and a shorter haul to market, or school or church; and all such variations will be fairly judged when opportunity is given to analyze, by the consideration of each element separately. City land usually possesses only site value, while rural land has additional elements of value in the variable quality of the soil, and in the productive capacity of orchards, forests and mines. The injustice of rural tax valuations is as marked as in cities. Under the application of the Somers principles the same equity can be established in rural assessments throughout an entire state that has been established by the use of the Somers System for computing the values of sites in cities.

SYSTEMATIC METHODS OF APPRAISING BUILDINGS.

While not a part of the Somers System proper, the methods of uniformly appraising buildings in connection with a Somers System assessment are similar to the land value analysis. The first thing is to find out just what kind of a structure each building is, and the dimensions and descriptions of all buildings are after measurement and inspection transcribed upon cards. Most buildings in a city may be included within five or six classifications as to construction features. All buildings of a given class are appraised at the present cost of new reproduction per square foot of floor space at present market prices for material and labor. This is the highest possible value, and from this value depreciation is deducted for age, for mechanical deterioration, for obsolescence and for lack of utility, upon uniform schedules, which will insure equity to each property owner. Buildings that cannot be classified are especially appraised and depreciated. The new reproductive valuation of buildings comprises the inventory. The art of appraising man-made property lies in the application of depreciation. It is comparatively easy to ascertain new reproductive costs of man-made property, but it is difficult to secure agreement upon elements and amounts of depreciation.

REASONS WHY ASSESSMENTS ARE NOW INEQUITABLE.

The Somers System does not at any stage usurp the function of the public assessor, who is charged with responsibility for the assessment and with power to fix taxable values. But it is a splendid aid to him, first in ascertaining values of accessibility to the various blocks through the streets; second, in confirming or modifying those values by the approval of the consensus of community opinion; third, in measuring this judgment so ascertained and confirmed to the lots and parcels as now owned; fourth, in the equitable appraisal of buildings. That the assessor has not in the past done altogether creditable work, is due mainly to the lack of a system or standard of valuation, and the faults in the valuations are traceable to the following causes:

1. There is a lack of common judgment in ascertaining values.
2. There is a lack of common method of applying judgment, no matter how obtained.
3. There is no adequate basis of comparing the value of one lot with that of another; the value of one farm with that of another; the value of one city block with that of another; the value of one township with that of another; the value of one city with that of another; the value of one county with that of another; the value of one part of a state with that of another.
4. No clear idea of the origin of land value, especially in cities, exists in the minds of assessors.
5. No analysis of the factors that enter into the value of city sites is attempted.
6. While there is a general recognition of the law of comparative valuation, there is no method, or, at best, the very crudest methods, of carrying that law into effect; either by assessors, reviewing bodies or state tax commissions.

The Somers System is designed to correct these underlying faults, and so far as taxing officials have used it, it has corrected them. It has had to meet and overcome ignorance and the interest of those who have desired to maintain an inequity in assessments which operate to their benefit. But although this opposition, which might have been expected, has delayed the general acceptance of the Somers principles, and their general application, the growth of public opinion and the intelligent study of the subject by taxation officials causes the use of the Somers System to constantly increase.

SOMERS SYSTEM IS NOT ALTOGETHER "SECRET."

One of the points made by those who have opposed equalization of assessments by the use of the Somers System is the claim that the System is made up of "secret formulae," that it is "patented," and that the assessor who uses the Somers System is "helpless" in future. In answer to this I will say that one who will study our printed matter will find that the Somers System is so comprehensive as to practically amount to a new science. The so-called "secret formulae" form a small part of this science, although a most important

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part for the exact operation of the science. There are many cities which have profited by the adoption of the Somers method, and have made great improvement in the direction of equalization of assessments thereby, without employing our services. Some assessors in such cities freely acknowledge their obligation to our printed matter and our assistance, which has been freely given, and express their sincere regret that local conditions, usually financial, have made it impossible to employ our paid services. Other assessors pursue a different policy, copying all they can copy, but making unimportant technical objections to what they declare to be wrong results of the use of the Somers System. They use all they know how to use, but fail to acknowledge their obligation to the Somers methods. Some of these assessors say the corner tables show results that are greater than true values; others that the corner computations are not high enough. Some of these assessors are sincerely mistaken, and others appear to be insincerely mistaken. But what of it? It is impossible in this world to please everybody, so why try? That the assessor, who wants to equalize his tax assessments, can do so by the use of the complete Somers System, including the services of experts, has, I think, been proven beyond the possibility of question, notwithstanding the carrying of doubting Thomases. I defy any assessor or person to point out any city of any considerable size where the Somers System has not been used, in whole or part, where the assessments can be shown to be even approximately equitable. And any city of medium size which once uses the Somers System can continue the use of the System in its application to the future annual revaluation of land for an additional annual cost not exceeding the salary of an average clerk.

This, I believe, is a complete answer to the "helpless" claim.

The Somers System is as accessible, except for the corner tables, as air, and as free as a new language. But it requires study to learn it, and teachers to instruct in the most approved use. When the mind of the public has reached the point where the Somers principles are generally accepted, we expect to publish the Somers corner tables. We now have in manuscript a book to be entitled "The Science and Practice of Land Valuation," which we hope to publish soon. But the present publication of the corner tables, the work of many years of Mr. Somers' life, would be unfair to him. Any taxation official can have the use of those tables for nothing, in connection with the services of our experts. Those services would be worth their cost without the corner tables, and, as a matter of fact, no charge is made for the use of the tables. Future revisions can be made on the same basis. The cumbersome staffs of assessors in such cities as Philadelphia and New York could be greatly reduced in number, with proportionate reduction in cost, and an increase in efficiency that no percentage can illustrate, if the Somers System should be installed for assessments in those cities.

APPRAISAL OF LAND OF RAILROADS.

The Somers standards for the appraisal of land are not limited in use to the making of tax assessments, but may be applied for valuations for all purposes. The coming appraisal of the physical value of railroads soon to be undertaken under the direction of the Interstate Commerce Commission, is one of the most important economic events of a century, or, perhaps, of 500 years. Upon the results of that appraisal will depend the policy of the operation of the public highways of the United States for many years. This valuation is believed by many persons to mean the first step in the direction of government ownership of railroads, although Senator La Follette's purpose in urging physical valuation for so long has been stated as intended only to afford an equitable basis for service rates. But whether the appraisal shall be used simply as a basis for determining service rates, or as the basis for the purchase of the railroads by the government, it is of the highest importance that the value of the railroad land should be appraised by an equitable system under which all elements of value may be analyzed. There should be no difficulty in setting the new reproductive value of the man-made property of the railroads, and in deducting fair amounts for depreciation for mechanical deterioration, age, obsolescence and lack of utility, as called for under the new Ohio Public Utilities law. But land value is totally different in its elements. There can be no practical market value for land, because each site is an individual entity, and cannot be duplicated, although opportunity of usefulness, as indicated by various elements of accessibility to use, may be duplicated. The application of scientific principles for the measurement of judgment of the values of the tremendously valuable sites occupied by the railroads in population centers is the only way in which it will be possible to establish "fair value" for the land of railroads for rate-making or sale purposes. Inaccurate and unscientific land valuation will make this anticipated measure of relief a greater burden, and will put the final settlement of the railroad problem many years into the future. In connection herewith is printed a map showing an appraisal of the value of the land comprising the Broad Street Passenger Terminal of the Pennsylvania Railroad Company in Philadelphia. The figures in the streets are the judgments of our own real estate appraisers of the values of the Somers unit-foot upon each block frontage. This method compares in the fullest possible measure with the declaration of Justice Hughes of the Supreme Court of the United States that the appraisal of land of railroads for rate-making purposes should be "by comparison with the value of contiguous and similar land." The value of the Pennsylvania Railroad land in these ten blocks or parts of blocks is computed at \$12,287,334, but comparison is made by appraisal of the unit-foot for "contiguous and similar land" probably worth in the neighborhood of \$50,000,000. I venture the assertion

that this appraisal is criticism-proof except within the narrowest possible limit of variation. The dotted lines in the blocks show the areas of computation—the points where the various influences of accessibility meet. Here is a real standard for the appraisal of land of railroads, so as to show the present value. If at a future time an additional capitalization of the value of this land shall be asked, here is a standard for proof of any such claim, when accompanied with evidence of an actual increase in the value as compared with "contiguous and similar land," as expressed in valuations of the Somers unit-foot, and as computed by the Somers mathematical tables.

APPRAISAL OF LAND VALUES FOR OTHER PUBLIC PURPOSES.

The State of Ohio gives the new right of excess condemnation to cities in connection with street improvements. At the request of Mayor Newton D. Baker we have recently appraised, not only the value of the land and buildings to be actually required for the proposed extensions of Carnegie Avenue, but have also placed values upon the theoretically created street frontages by the Somers plan, and computed the enhancement to each lot affected. This was a preliminary step on the part of the city of Cleveland in anticipation of the use of the excess condemnation power granted in the new home rule constitutional amendment. By the Somers publicity methods a large number of owners of property in the districts concerned have been practically assured of fair treatment, and have indicated their willingness to accept the appraised prices. It is possible by the Somers computations to make convincing comparisons for such purposes.

The city of New York is now going through an elaborate and costly court proceeding for the appropriation of four valuable blocks for new court buildings. Six leading real estate experts, each paid a fee of probably not less than \$10,000 for his opinion, have appraised the property desired. Mr. Somers has analyzed these appraisals of the lots in one block, showing both amounts and the valuations of the unit-foot necessary to produce the respective appraisals. To those he has added the 1912 tax assessments, and also lot computations by the Somers tables upon the tax assessor's unit values. An examination of the jumble of conflicting opinions shown in this comparison ought to prove conclusively that an equitable standard for the valuation of real estate is a crying need in New York City.

Somers System rules were used recently for the appraisal of all the land owned by the city of Cleveland; the county of Erie (Buffalo, N. Y.); and the Board of Education of Pittsburgh. There were 182 parcels of land in Pittsburgh, and nearly 100 in Cleveland. These appraisals were made to establish book values for accounting purposes.

CHICAGO SOMERS SYSTEM COMMERCIAL SERVICE.

The first use of the System for a commercial appraisal service is that under which we have very recently appraised the value of all the lots included in 137 blocks in the central business district of Chicago, in the territory bounded by Lake Michigan on the east, the Chicago River on the north and east, and Twelfth Street on the south. There are about 3,500 lots in this territory, with a total value for the land alone of nearly \$700,000,000. The values of the Somers unit-foot upon the various block frontages are shown in a map which is published herewith. Each block has been drawn so as to show the dimensions of the lots comprised therein, with the values of the unit-foot upon each frontage and the computed value of each lot. Subscribers to this service will have the advantage, during the first yearly period, of a stated number of recomputations or additional computations of lots, upon unit values of their own judgment, either in this or any other district in the city of Chicago.

This is purely an experiment. We do not know just what demand exists in American cities for such a service to real estate brokers, trust companies, property owners and large corporations which lend money upon real estate security. It will undoubtedly take some years to standardize values by mathematical measurement of judgment, instead of attempting to appraise land values by crude attempts to measure usefulness by rule of thumb judgments.

BRIEF SUMMARY OF SOMERS SYSTEM'S USE IN VARIOUS CITIES.

"By their fruits ye shall know them." I know that I do not exaggerate when I declare that in every place where the Somers System has been installed, it has accomplished equalization of tax assessments; it has established in the minds of tax-payers a confidence, both in the accuracy and correctness of the equalization and in the actual values. In those cities, the sales prices follow closely the tax valuations; both assessments and sales prices are in large measure standardized; and the application of scientific principles for valuation has brought about a large degree of confidence and certainty concerning real estate values that had not existed before. There is indisputable evidence of this in the written testimony of public officials, property owners and others familiar with the Somers System installations in various cities, but I will give herewith a brief summary:

CLEVELAND AND COLUMBUS, OHIO.

The city of Cleveland, Ohio, is so far the largest city to utilize the Somers System for a complete revision of real estate assessments, as it was the first after the initial use of the System in St. Paul. Realty assessments had

a substantial and presumably permanent building, the corner influence rarely extends beyond the first lot so improved, and that is the opinion of many if not all expert appraisers. You may find that opinion expressed very clearly by Mr. Bernard in his recent book describing assessments, published by the corporation in Baltimore of which he is the expert appraiser. He is also an expert employed by the tax department of the city of Baltimore.

I have just one illustration of that, which I think is conclusive; that corner influence extends little, if at all, beyond the first improved lot. Here in Brooklyn is a little lot twenty by seventy on the corner of Broadway and Havoneyer Street. The value on Haveneyer is \$720 a front foot; on Broadway \$560. The corner lot and the next lot are both twenty feet wide. This is a very extraordinary little corner for this reason. It is in a very densely populated neighborhood of really poor people. Little shops are the character of improvement that pays the best. In this corner lot twenty by seventy there are three or four tiny stores twenty feet deep. On the lot next door which has twenty feet front and is seventy feet deep, there is just one little tiny store with twenty feet front and they only use a short part of it for store purposes—or even if they used it all for store purposes it is only the front of it which has much value for store purposes. Now the actual results of those two properties tell the story. The corner has a rental of \$6,420. The next lot, only twenty feet from the corner, has a rental of \$2,472. You will observe that the corner has a rental of two and three-fifths times as much as the inside. The assessed value of the corner, right or wrong, for land value alone is \$40,000. By Mr. Somers' rules, as closely as I could conveniently figure them—being a secret process—the value is \$26,000, being \$14,000 less than we find the value to be. The next lot we have assessed at \$15,000, and the corner therefore is assessed for two and two-fifths times as much as the next lot, which corresponds with the rentals. By Mr. Somers' method that next-door lot would be appraised at \$18,700, which is \$3,700 more than the assessed value, whereas the corner Mr. Somers would appraise at \$14,000 less than the assessed value. And this is because in that neighborhood little stores twenty feet deep produce the highest return. Therefore I believe that while rules are useful and good things to have, and the more and the better they are the better, it is more a matter of common sense than rules for different conditions. Nevertheless there should be a trained mind, experienced in the neighborhood, who applies the rule when and so far as it fits the actual facts found on the ground.

MR. POLLOCK'S REPLY TO PLEYDELL AND PURDY.

Mr. Pollock's reply to Messrs. Pleydell and Purdy, which was published in the National Tax Association Proceedings, and which was prepared after the adjournment of the conference, is as follows:

It appears that there are many difficulties in the way of satisfying Mr. Purdy and Mr. Pleydell both as to the policy of using the Somers System and as to the utility of the system as a means of establishing an equitable standard for land valuation. First, Mr. Purdy says that that Somers System is a secret process, and then submits an appraisal computed by the Somers corner tables. And Mr. Pleydell submits an actual corner table of the "secret" system, which he analyzes in the attempt to show its mathematical inaccuracy. He also presents what he says is one of Mr. Somers' "scales," dated 1901, and compares it with what are alleged to be computations from the corner tables dated 1910. Apparently the system is not so "secret" to these gentlemen as they allege, or if it is secret, their computations must be taken with some allowance as to their authenticity.

This discussion in opposition has in large measure ignored the main questions—whether the underlying theories upon which the Somers System is based are true, and whether the Somers System has actually worked satisfactorily in places where it has been used for tax assessment purposes. By directing attention to the differences between twaddled and twaddledum it may be possible for a time to prevent fair and intelligent discussion of these main questions, which I believe have been fully covered in my printed paper. You will find in that paper a disclaimer of perfection for the system. The scientific valuation of land is new. The possibility of the existence of such a sentence is even declared by some persons to be out of the question, and that is only to be expected. But the cumulative proof of the worth of the Somers System is too great to be ignored, even though there may fairly be some criticism of the system itself, and of the mathematical tables which are incidental to the use of the system.

Mr. Pleydell was not, as he says, the first person to oppose "the plans of the Manufacturers' Appraisal Company to secure assessment contracts," nor was he the first person to criticize Mr. Somers' methods and to subject them to analysts. If there is any distinction due to anyone for being the first person to oppose the Somers System it belongs to Allen Ripley Foote, of Columbus, Ohio. A short time prior to the opposing declaration by Mr. Foote, Mr. Pleydell wrote a letter strongly recommending the services of Mr. Somers to the Board of Assessors of Columbus. But Mr. Pleydell has more than made up in his activity against the Somers System since Mr. Foote's opposing declaration anything he may have lacked in priority.

Mr. Pleydell has read a letter published in "The Philadelphia Record," three years ago, which he says he sees no reason for modifying at this time. This letter was full of misstatements and misinterpretation of facts which I will answer briefly in their paragraphic order:

1. The assessment of property for taxation is not and never has been contracted out to private individuals when the Somers System has been used by assessors. To my mind the most important duty of the assessor is the "doing of justice between the individual property owners." The assessor cannot accomplish such justice unless he can make his assessments accurate and proportionate. He cannot do this unless he has a means for measuring his own judgment. The Somers System is a tool which the assessor may use, and which the assessors in a number of American cities have used for measuring their own judgments, and no act connected with the use of the Somers System as applied to land values may be properly interpreted as usurpation of the power of the assessors to fix values.

2. Assessment inequalities have been all but completely corrected in the cities where it has been used, by the adoption of the Somers methods and the use of the Somers mathematical formulae. Not only have inequalities been corrected in a single assessment, but the assessors have found it possible to keep their assessments equitable in after years with much less labor and expense by the continuance of the use of the Somers System.

3. Assessors never surrender their independence by using the Somers System. Instead of the outside company "making" valuations, the assessor

makes them. The refusal of the right to assessors to employ expert assistance that they deem will be of value to them will prevent advance in this most important department of the administration of public affairs. The assessor never surrenders his power to change his mind or to use other values than those computed by the Somers System, if he should consider the Somers computations inequitable. But assessors have found them equitable.

4. There has been no more important movement in the direction of training public officials and the taxpayers of the United States in correct principles for the valuation of real estate for purposes of taxation than the campaign which has been conducted during the past four years by representatives of the Somers System. This agitation has had a far-reaching effect in giving both taxation officials and the public a real grasp upon correct principles, where most of the discussion of assessments has in the past been either confusing or of a negative character. The interest of the taxpayer should be the primary consideration, rather than the mere training of the public official who is only a temporary occupant of his position. But in addition to equalizing assessments in the interest of the taxpayer, the use of the Somers System has given many assessors a training in the fundamental questions affecting values and valuation that they could have secured in no other way.

5. If assessments are made equal between individuals in the community by the use of the Somers System, the great majority of the intelligent people in that community will understand what makes values and how assessments are to be equalized.

6. Notwithstanding the continuing doubt of Mr. Pleydell in the face of the overwhelming evidence of the value of the Somers System where it has been used for tax assessment purposes, I can assure him that the Somers System is both new and true. The Somers System principles are not used in New York City, nor are the things that are most valuable in the Somers System used in some other cities which Mr. Pleydell would give great credit to. Even though Mr. Pleydell may not be convinced as to the accuracy of the Somers corner lot tables, either in theory or practice, there are fifteen cities wherein the results of computations by these tables are accepted as fair and equitable by the taxpayers.

In discussing the remarks of Mr. Pleydell, I wish to point out a number of false positions in which he seeks to place the company. We do claim that the Somers System is something which no one else has. It has never been claimed that someone else might not have worked out the Somers System, but the fact is that no one else has worked out either the Somers System or any comprehensive system. Furthermore, the Somers method of obtaining community opinion—which is the basis of all land values—is not practiced and cannot be successfully practiced unless supplemented by the use of a complete computation system. All the other systems recommend the use of mathematics for the simple problems, but when they approach the valuation of corners they ignore the relativity of lot values based upon street accessibility, and attempt to appraise as land value what is really the special value given to lots for special purposes. Mr. Somers has been prodigal, as the Manufacturers' Appraisal Company has been, in giving to the world the theories upon which the system is based. As I have discussed these theories quite at length in my printed paper, I shall not go over them again.

The Somers System does not use the "unit lot" value. It does not use "front foot" values. Nor does it take "a standard lot to measure values by." Nor does it publish a "land value map" in the sense that the New York assessing department does. The Somers unit-foot has been fully explained, and an examination of this explanation and my comment thereon will show none of the things referred to in the first paragraph of Mr. Pleydell's discussion are claimed for the Somers System.

The mathematical relation between the values of two sites affected by the same street influences is one of the fundamentals connected with the use of the Somers System. That mathematical relation is denied by Mr. Pleydell and those who stand with him.

In one of Mr. Somers' early publications, (1898) he said: "The value is fixed and determined by local opinion. As this opinion is the basis of all purchases and sales, it is evident that it is the true measure of the value of the land, and is the measure which must be used in any successful effort to find true and cash value. This opinion may be designated community opinion. The lots in a city are so numerous and of such widely varying shapes and dimensions, and the corner influence is such a disturbing element, that the community opinion as to the value of specific tracts or lots cannot be formed. Notwithstanding, there does exist a community opinion which is just as definite and reliable as though it extended to specific lots. This is the opinion of the relative values of the streets."

To make use of this community opinion in practical assessment work it was found necessary by Mr. Somers to work out a system of rules for developing and recording a consensus of opinion where such consensus of opinion had not already been expressed, and additional rules and tables for calculating from this record the relative value of each lot or tract. That is, the Somers System is based fundamentally upon community opinion in each community where the System is installed, and the first and most important work of the experts of the Manufacturers' Appraisal Company in assisting assessors in any city is to develop and make a record of the consensus of opinion as to the value of street usefulness as a basis for assessment work. The rules and mathematical tables are used only after this has been accomplished to distribute the community opinion as expressed in street unit values to the individual lots, according to their sizes, and relations to the various elements of accessibility. Quoting again from Mr. Somers: "Mathematical tables are merely the most convenient tools that can be used for this purpose."

The foregoing statement refers to the principles upon which the Somers System is based. The mathematical tables are not and never have been claimed to be a part of the Somers "principles," but they are rather a means devised by Mr. Somers for carrying out the principles mathematically. Mr. Somers experimented for many years with various curves of value, and developed experimentally many corner computation schemes. It is only within the last few years that he has become satisfied that the actual practice was sufficiently uniform in most cities of the United States to warrant the adoption of a standard curve of value or depth percentage for interior lots; and this depth percentage and the tables developed therefrom have proven satisfactory except in some very small cities and villages, where special curves and corner computations are necessary. The constant effort has been to reduce the labor of applying the system and to increase the efficiency of the accountants who should use it. Many scales and diagrams

This property of the Pennsylvania Railroad is surrounded by real estate of both high and low values. At the eastern end of the right-of-way is the terminal—Broad Street Station—in the heart of the city. It is surrounded by high-priced real estate used by banks, office buildings and retail business. The most valuable part of the frontage is on Market Street, directly opposite the entrance to the station. It is there that a Somers unit-foot has been valued at \$10,000. The second most valuable frontage owned by the railroad is that on Broad Street (West Penn Square), where the unit value has been appraised at \$8,000. Filbert Street to the north is somewhat less valuable, as indicated by the unit value of \$6,500.

South of Market Street, Fifteenth Street is the most valuable north and south street in the city except Broad. Its value between Market and Filbert Streets has been placed at \$4,000 a unit foot, which is somewhat higher than values in the same thoroughfare north of Filbert. Although this block is not the largest of the several comprising the property of the railroad, it is the most advantageously situated and most valuable.

West of Fifteenth Street there is a complete change in the character of the usefulness of land sites, and values decrease rapidly. Immediately west the unit value on Market Street is \$3,500, gradually lessening until it reaches \$3,600 near Sixteenth Street. From there it shades down gradually on the north side of the street to \$850 at the Schuylkill River.

The decrease in values on Filbert Street is even more marked. From a desirable retail and transient hotel location, now somewhat impaired by the beginning of a parkway, it rapidly becomes a second-rate business and lodging house district. The railroad has acquired many of the properties in this section of Filbert Street and the cross streets. Values have been stationary for several years, and some owners have been glad to dispose of their holdings at low prices.

West of Fifteenth Street the values of the cross streets are invariably less than the value of Market Street, and more than that of Filbert Street at the points of intersection. There is not a constant ratio, but it approximates one-third to one-half.

The values of frontages on the Schuylkill River and the Baltimore & Ohio Railroad north of Market Street are somewhat uncertain. There is little active demand at either point, but with one exception such land as is not used by various railroads is occupied by factories and warehouses. Almost all such land has some additional means of access of greater value than either the Baltimore & Ohio Railroad or the Schuylkill River. Consideration of all available facts regarding such property has led to the valuation of units of \$100 on both River and Railroad.

THE SOMERS SYSTEM OF APPRAISAL BRIEFLY EXPLAINED.

In making this appraisal the Somers Unit System of Realty Valuation was used. This system is partly the discovery—partly invention—of Mr. W. A. Somers of New York City. It is based upon the acknowledged principles of land valuation, as developed by Mr. Somers by many years of investigation, and is mathematical in its operation. Briefly it may be described as based upon the following theories:

There is a mathematical relation between the values of all city sites subject to the same influences of street accessibility or usefulness. In the valuation of land this fact is of basic importance, establishing as it does a law of appraisal. To illustrate in simplest form, if at a certain location one foot front of a given depth is worth \$1,000, twenty feet will be worth \$20,000, and thirty-six feet, \$36,000. The relation is clearly mathematical, and is acknowledged in valuations of sites having simple problems for consideration.

There is an equally definite relation between the values of sites of interior different depths. For example, the value of a front foot 100 feet deep being known, all real estate experts agree that the front fifty feet is worth between two-thirds and three-fourths of the total value. The most careful investigation as to the relative values of sites of different depths ever conducted was made by Mr. Somers. The results of this investigation have been summarized in the form of a table showing the relation in percentages between a site 100 feet deep, and every receding foot from one to 700. This table may be said to be a practical statement of the law of the constant effect of depth upon site values.

The mathematical relation between the values of lots having a single street accessibility—those not affected by corner influences—is acknowledged by every real estate broker, expert, assessor, buyer and seller of realty. Because of less general knowledge and understanding of the subject, there is less agreement as to the definite mathematical relation between the values of lots at and near corners, as compared with the interior frontage sites on the streets forming a corner, although the relation is just as mathematically exact. This relation may be stated in this form: The value of every lot at and near a corner is directly due to and proportionate to the values of the intersecting streets. Opinion as to the usefulness of the streets being in truth the basis of all judgments of site values, the Somers computation system has been designed to secure the most intelligent expression as to the value of street usefulness in the form of appraisal of the value of a Somers unit-foot (at points away from corner influence) and to compute mathematically the normal relation thereto of lots enhanced by nearness to and location at corners. If for any reason an abnormal condition affects corner values favor-

ably or unfavorably, addition or deduction therefor may be made as for a separate factor.

The Somers System provides for the mathematical calculation of values of land at and near corners. At the corner to be computed is drawn a diagram 100 feet square, and this lot is divided into 100 squares, ten feet square each. The Somers corner tables give the value of each of these squares for

STREET									
10	20	30	40	50	60	70	80	90	100
1	19	29	39	49	59	69	79	89	99
2	18	28	38	48	58	68	78	88	98
3	17	27	37	47	57	67	77	87	97
4	16	26	36	46	56	66	76	86	96
5	15	25	35	45	55	65	75	85	95
6	14	24	34	44	54	64	74	84	94
7	13	23	33	43	53	63	73	83	93
8	12	22	32	42	52	62	72	82	92
9	11	21	31	41	51	61	71	81	91

A
BEST STREET
Diagram showing distribution of corner influence by 10-foot squares by the Somers System.

every conceivable combination of values coming together at the corner. The values given in these tables are comparable in a sense to a table of logarithms, or an interest table. These tables express values in dollars, and they are always the estimate compiled by Mr. Somers of the mathematical effect of the appraised unit values of the two streets upon each ten-foot-square plot, no matter where in the 100-foot square it may be located. The ten-foot-square plot at the corner of two intersecting streets is the most valuable, the values of the other squares receding in curves in every direction from this corner square. These curves are commensurate with the mathematical effect of one unit value upon the other. The actual lots to be computed are diagrammed upon the 100-foot square at the corner, and the total value of each square and part of a square inside the lot lines is ascertained by addition, thus producing the value of each lot, and apportioning to each lot within the corner influence its share of the enhancement of value by reason of the street intersection. It does not matter, therefore, in what way the land at the corner is divided as to lots, as there will be actual computation in dollar value for every part of it, instead of the addition of an arbitrarily selected percentage as compared with the value of interior lots on either of the intersecting streets. When the enhancement of value does not reach 100 feet in either direction from the corner, these corner lot tables measure it only as far as it goes. When the enhancement of value extends beyond 100 feet, there is another set of tables, called ‘‘overlap tables,’’ which not only compute the fact, but also the exact place where the enhancement extends, and the amount that each foot of land is enhanced. In other words, whatever the corner effect, the Somers System works out that effect into dollars.

By mechanical devices these same corner lot tables and overlap tables may be applied to lots at acute and obtuse angle corners. By means of ‘‘zone tables,’’ irregularly shaped lots are valued upon the basis of the judgment of the value of the unit. By this same set of tables is ascertained the exact extent of the influence of a street, so that when a lot extends through from one street to another, it is possible to discover exactly the point where the influences of two streets on the opposite side of a block meet at a common value.

Alley effect is generally treated as follows: The land value of the alley is computed, based upon the unit values controlling it, and that land value is pro-rated against every foot of land abutting upon the alley.

There are five processes in valuing sites by the Somers System:

First—The use of the depth curve, or percentage of depth table, showing the value of interior lots without alleys, as compared with the value of the unit.

Second—The corner lot tables, by which the enhanced value at or near corners is mathematically and equitably distributed.

Third—the zone tables, by which the value of irregular shapes is ascertained.

Fourth—The overlap tables, by which the effect of streets whose influences run in opposite directions is exactly ascertained, thus making it possible to apply unit values to lots running from street to street, and also to ascertain other valuable data for land valuation.

Fifth—Alley valuation, by which the effect of alleys is equitably distributed.

It will therefore be seen that the Somers System is most comprehensive in its scope, and that it undertakes to ascertain and value every separate factor, and every combination of factors, and is workable in every part of every city.

In appraising land values it is necessary to make numerous comparisons of location and streets. The expert knowing that land in a given location is worth a certain amount, reaches an opinion regarding the adjacent location under consideration by making comparisons. The one great objection to such methods is that, in the absence of a comprehensive valuation system, intelligent comparisons cannot be made of unlike quantities. Thus the most expert appraiser cannot satisfactorily compare the value of an inside lot 37x160 feet, judged to be worth \$19,000, with the value of an inside lot 24x95 feet adjoining. Before the comparison can be made the problem must be simplified. The appraiser must find the value of the first lot per front foot; then allowance must be made for the lesser depth of the lot of unknown value. When this is done, the value of the second lot may be obtained by multiplying by the frontage of twenty-four feet.

Variations in sizes, shapes and locations preclude any real comparison. The Somers System overcomes this difficulty by the adoption of a quantity-unit, which is to land valuation what the yardstick is to the dry-goods merchant, the quart to the milk dealer, the pound to the grocer. It is a unit or standard of quantity. A Somers unit-foot may be defined as a frontage of ground one foot wide and 100 feet deep, located in the central section of a block at a distance from any street corner or other influence that might affect its value, other than that which it obtains by reason of access to the life and business of the city through its own frontage. By confining judgment of values to the unit-foot the confusing factors of size and shape, and enhancement due to corners and alleys, are for the time eliminated. Opinions regarding the value of a unit-foot can be easily compared, while opinions regarding values of lots of different size and shape, cannot be intelligently compared.

Therefore the bases of all values are indicated in this report in both text and maps as the value of a unit-foot. It is from the various unit values that the values of lots and blocks are computed after determination by the Somers System. In order that a comprehensive idea of land values throughout the section of the city, in which the property of the Railroad is located may be had, the accompanying map shows the judgment of our land appraisers of the value of a unit-foot upon all block frontages from Broad Street to the Schuylkill River, Chestnut to Arch Streets. This shows a practical interpretation of the thought apparent in the mind of Justice Hughes of the United States Supreme Court, when he decided that the proper course to be followed in the appraisal of railroad land should be "by comparison with the value of contiguous and similar land." We have not only appraised all of the land comprising the railroad right-of-way, but we have also at the same time extended the comparisons of the relative and actual values of various street frontages over many other contiguous and similar blocks, the additional land values involved being probably in the neighborhood of \$50,000,000.

ANALYSIS OF COMPUTATIONS.

The appraised values shown in this report were computed from the unit values indicated on the map by the various processes comprising the Somers System, with the following results:

Block No. 1.—Unit Values—Market Street, \$10,000; Penn Square, \$8,000; Filbert Street, \$6,500; Fifteenth Street, \$4,000.

By means of the over-lap tables the point of contact between the \$8,000 unit value on Penn Square and the \$4,000 unit value on Fifteenth Street is found to be 90 feet back from Broad Street, and 32.6 feet back from Fifteenth Street. The Somers corner tables show the values of the parts of the lot at and near the corners, so the lot is divided for purposes of calculation into six sections. From the Somers corner tables it is found that the section 90x100 feet at the northwest corner of Market Street and Penn Square is worth \$1,389,300; the section 32.6x100 feet at the northeast corner of Market and Fifteenth Streets is worth \$460,210; the section 100x90 feet at the southwest corner of Penn Square and Filbert Street is worth \$1,031,872; and the section 32.6x100 feet at the southeast corner of Filbert and Fifteenth Streets is worth \$347,802. The interior section 106x90 feet on Penn Square is calculated from the unit value of \$8,000 to be worth \$810,688, and the corresponding section on Fifteenth Street 106x32.6 feet, is calculated from the unit value of \$4,000 to be worth \$242,316. Total value of block, \$4,262,188.

Block No. 2.—Unit Values—Market Street, \$5,500, decreasing to \$3,600; Fifteenth Street, \$4,000; Filbert Street, \$1,800, decreasing to \$1,000; Sixteenth Street, \$1,200.

The point of contact between the average of the unit values on Market Street (\$4,550), and the average of the unit values on Filbert Street (\$1,400) is 100 feet from Market Street and 116 feet from Filbert Street. These two divisions, with the four at the corners and the two abutting on Fifteenth Street and Sixteenth Street respectively, divide the block into eight sections, four regular and four irregular sections. From the Somers corner tables it is found that the section 100x100 at the northwest corner of Market and Fifteenth Streets is worth \$727,809; the section 100x100 feet at the southwest

corner of Fifteenth and Filbert Streets is worth \$477,620; the section 100x100 at the northeast corner of Market and Sixteenth Streets is worth \$415,742; and the section 100x100 at the southeast corner of Sixteenth and Filbert Streets is worth \$166,606. From the average unit value on Market Street of \$4,550, it is found that the irregular section fronting 196 feet on Market Street is worth \$1,100,742, and the corresponding section fronting 196 feet on Filbert Street is calculated from the average unit value of \$1,400 to be worth \$273,994. The section fronting 106 feet on Fifteenth Street is calculated from the unit value of \$4,000 to be worth \$476,072, and the similar section fronting 106 feet on Sixteenth Street is calculated from the unit value of \$1,200 to be worth \$109,980. Total value of block, \$3,748,565.

The irregular shapes in the four interior sections as shown on the map are caused by the varying effects of the streets. Market Street effect (measured at \$3,600 per unit foot) is felt beyond the first 100 feet from the corner of Market and Sixteenth Streets, (measured at \$1,200 per unit foot.) The diagonal line extending from a point 30 feet from Sixteenth Street on the 100-foot line, marks the point of contact between the effect of Market and Sixteenth Streets. There is an overlapping of street effects in so much of this larger area as is found in the triangular area made by the diagonal line, the 100-foot line, and the second 100-foot line extended from Market Street. This analysis illustrates the method of ascertaining the extent of "corner influence," when such influence extends farther than 100 feet from the corner.

The same reasons obtain for the diagonal lines on the sides of all of the irregular areas of this and other diagrams in this part of this report; therefore it will not be necessary to repeat the explanations of the effect of over-lap in this or other blocks.

Block No. 3.—Unit Values—Market Street, \$1,800; Sixteenth Street, \$1,200; Seventeenth Street, \$900; Filbert Street, \$700.

The method of calculating is the same as that used in Block No. 2. The point of contact between Market and Filbert Streets is found to be 190 feet from Market Street and 116 feet from Filbert Street. The section 100x100 feet at the northwest corner of Market and Sixteenth Streets is found from the corner tables to be worth \$233,899; the section 100x100 at the northeast corner of Market and Seventeenth Streets is worth \$218,392; the section 100x100 at the southwest corner of Sixteenth and Filbert Streets is worth \$149,594; and the section 100x100 at the southeast corner of Seventeenth and Filbert Streets is worth \$121,971. The irregular section fronting 196 feet on Market Street is calculated from the \$1,800 unit value and depth percentage table to be worth \$434,448; the similar section fronting 196 feet on Filbert Street is calculated from the \$700 unit value to be worth \$137,695. The section fronting 106 feet on Sixteenth Street is similarly calculated from the \$1,200 unit value to be worth \$136,930; and the section fronting 106 feet on Seventeenth Street is calculated on the \$900 unit value to be worth \$94,041. Total value of block, \$1,526,970.

Block No. 4.—Unit Values—Market Street, \$1,400; Seventeenth Street, \$900; Eighteenth Street, \$700; Filbert Street, \$500.

This block is calculated in the same manner as Block No. 3, the point of contact being at the same distance from Market and Filbert Streets. From the Somers corner tables it is found the section 100x100 at the northwest corner of Market and Seventeenth Streets is worth \$178,451; the section 100x100 at the northeast corner of Market and Eighteenth Streets is worth \$169,860; the section 100x100 at the southwest corner of Seventeenth and Filbert Streets is worth \$111,377; and the section 100x100 at the southeast corner of Eighteenth and Filbert Streets is worth \$81,803. The section fronting 196 feet on Market Street is calculated from the \$1,400 unit value to be worth \$337,994; and the corresponding section fronting 196 feet on Filbert Street is calculated from the \$500 unit value to be worth \$88,354. The section fronting 106 feet on Seventeenth Street is calculated from the \$900 unit value to be worth \$102,699; and the section fronting 106 feet on Eighteenth Street is calculated from the \$700 unit value to be worth \$75,677. Total value of block, \$1,166,125.

Block No. 5.—Unit Values—Eighteenth Street, \$700; Nineteenth Street, \$550; Filbert Street, \$450; Commerce Street, \$200.

The point of contact is found to be 70 feet from Filbert Street and 36 feet from Commerce Street. These two sections, with the four at the corners, divide the block into six divisions for calculating. From the Somers corner tables it is found that the section 70x100 feet at the southwest corner of Eighteenth and Filbert Streets is worth \$67,610; the section 70x100 feet at the southeast corner of Nineteenth and Filbert Streets is worth \$58,780; the section 36x100 feet at the northwest corner of Eighteenth and Commerce Streets is worth \$33,166; and the section 36x100 feet at the northeast corner of Nineteenth and Filbert Streets is worth \$26,947. The section 106x70 feet fronting on Filbert Street is calculated from the unit value of \$450 to be worth \$75,499; and the similar section 196x36 feet on Commerce Street is calculated from the \$200 unit value to be worth \$23,638. Total value of block, \$285,640.

Block No. 5A.—Unit Values—Eighteenth Street, \$700; Commerce Street, \$200.

All of this lot lies within the influence of the corner, and its value is taken directly from the corner tables. Total value of block, \$40,385.

Block No. 6.—Unit Values—Nineteenth Street, \$350; Twentieth Street, \$450; Filbert Street, \$400; Commerce Street, \$200.

The point of contact is found to be 80 feet from Filbert Street and 26 feet from Commerce Street. From the Somers corner tables the value of the section 80x100 feet at the southwest corner of Nineteenth and Filbert Streets is found to be \$61,544; the section 80x100 at the southeast corner of Twentieth and Filbert Streets is worth \$55,094; the section 26x100 at the northwest corner of Nineteenth and Commerce Streets is worth \$20,417; and the section 26x100 feet at the northeast corner of Twentieth and Commerce Streets is \$17,490. The section 196x80 feet fronting on Filbert Street is calculated from the unit value of \$400 to be worth \$71,266; and the corresponding section 196x26 feet on Commerce Street is similarly calculated from the \$200 unit value to be worth \$18,883. Total value of block, \$244,694.

Block No. 7.—Unit Values—Twentieth Street south of Filbert, \$450; north of Filbert, \$350; Twenty-First Street south of Filbert, \$450; north of Filbert, \$350; Commerce Street, \$150; Culbert Street, \$100.

In appraising a large block of ground of this character, it is necessary to consider its general availability for use, and such consideration at once leads to the conclusion that the block is too large to be used to the best advantage in its present form. It so happens that for its own use the Pennsylvania Railroad finds it desirable to close Filbert Street, the City of Philadelphia having officially vacated the street at the request of the Railroad. For general use, however, this block would be more desirable if Filbert Street were run through it, and the loss of the area contained in the bed of Filbert Street would be more than made up by the gain in the value due to the greater accessibility. The value of the unit in Filbert Street which for calculating purposes has been laid out, is placed at \$300. This divides the block into two sections, each section being calculated as though it were surrounded by actual streets.

The point of overlap in the section to the north of the line of Filbert Street is 100 feet from that thoroughfare, and sixteen feet from Culbert Street. From the Somers corner tables it is found that the value of the section 100x100 feet at the northwest corner of Twentieth and Filbert Streets is \$49,292; the section 100x100 at the northeast corner of Twenty-First and Filbert Streets is \$49,292; the section 16x100 feet at the southwest corner of Twentieth and Filbert Streets is \$8,171; and the section at the southeast corner of Twenty-First and Culbert Streets is \$8,171. The section 295x100 feet on Filbert Street is calculated from the \$300 unit value to be worth \$88,500, and the corresponding section 295x16 feet on Culbert Street is calculated from the \$100 unit value to be worth \$10,301.

In that portion of the block to the south of the line of Filbert Street the point of contact is found to be 80 feet from Filbert Street and 21 feet from Commerce Street. From the corner tables it is found that the section 80x100 feet at the southwest corner of Twentieth and Filbert Streets is worth \$48,558; the section 80x100 feet at the southeast corner of Twentieth and Commerce Streets is worth \$13,433; and the value of the section 21x100 feet at the northeast corner of Twenty-First and Commerce Streets is \$13,433. The section 295x80 feet fronting on Filbert Street is calculated from the \$300 unit value to be worth \$80,447; and the corresponding section 295x21 feet on Commerce Street is calculated from the \$150 unit value to be worth \$18,806. Total value of block, \$437,562.

Block No. 8.—Unit Values—Twenty-First Street south of Filbert, \$450; north of Filbert, \$350; Twenty-Second Street south of Filbert Street, \$350; north of Filbert, \$250; Commerce Street, \$150; Walden Street, \$100.

For the same reasons that Filbert Street was projected through Block No. 7, it was also projected through Block No. 8, and a calculating unit value of \$250 placed. Formerly Culbert Street also extended through this block. In this case, however, there was no advantage gained thereby, and to reopen the street would be to destroy value rather than create it. The opening of Filbert Street would suffice to give ample accessibility to this area, and additional streets would be a detriment rather than a benefit.

In the portion of the block to the north of the line of Filbert Street the point of overlap is 130 feet from Filbert Street and 40 feet from Walden Street. From the corner tables it is found that the section 100x100 feet at the northwest corner of Twenty-First and Filbert Streets is worth \$45,901; the section 100x100 feet at the northeast corner of Twenty-Second and Filbert Streets is worth \$37,750; the section 70x100 feet at the southwest corner of Twenty-First and Walden Streets is worth \$30,369; and the section 70x100 feet at the southeast corner of Twenty-Second and Walden Streets is worth \$31,821. The section 166x100 feet fronting on Filbert Street is calculated from the unit value of \$250 to be worth \$54,145, and the corresponding section 196x70 feet on Walden Street is calculated from the \$100 unit value to be worth \$12,544.

In that portion of the block south of the line of Filbert Street the point of contact is at a distance of 95 feet from Filbert Street, and 48 feet from Commerce Street. From the corner tables it is found that the section 95x100

feet at the southwest corner of Twenty-First and Filbert Streets is worth \$53,424; the section 95x100 feet at the southeast corner of Twenty-Second and Filbert Streets is worth \$44,134; the section 48x100 feet at the northwest corner of Twenty-First and Commerce Streets is worth \$27,773; and the section 48x100 feet at the northeast corner of Twenty-Second and Commerce Streets is worth \$23,578. The section 196x95 feet fronting on Filbert Street is calculated from the unit value of \$250 to be worth \$47,951; and the corresponding section 196x48 feet on Commerce Street is calculated from the \$100 unit value to be worth \$20,845. Total value of block, \$419,234.

Block No. 9.—Unit Values—Twenty-Second Street, \$250; Twenty-Third Street, \$250; Culbert Street, \$100.

Although the line of Filbert Street, if projected, would include just the southern 51 feet of this block, the block is not of such size as to require such treatment to make it most available for use. This is true, although at one time Filbert Street did extend between Twenty-Second and Twenty-Third Streets within the lines of the block.

The point of contact between Twenty-Second and Twenty-Third Streets is midway between the thoroughfares a distance of 138.5 feet from each street. From the corner tables it is found the value of the section 100x100 feet at the southwest corner of Twenty-Second and Culbert Streets is \$29,446, and the value of the section 100x100 at the southeast corner of Twenty-Third and Culbert Streets is \$29,446. From the unit value of \$250 the section fronting 59 feet on Twenty-Second Street is found to be worth \$17,287; the section fronting 56 feet on Twenty-Third Street is calculated from the unit value of \$250 to be worth \$17,287; and the section fronting 73 feet on Culbert Street is calculated from the \$100 unit value to be worth \$5,432.

The two sections of this block respectively fronting on Twenty-Second and Twenty-Third Streets are not of exactly the same value, as one has three feet more frontage than the other. But since the two streets are of exactly the same value the calculation is simplified by averaging their frontage and making the calculation that way. The gross value is correct, but if the lots were in separate ownerships the calculations would not be correct as to the individual holdings. Total value of block, \$68,898.

Block No. 10.—Unit Values—Twenty-Third Street, \$250; Baltimore & Ohio Railroad, \$100.

The point of contact is found to be 240 feet from Twenty-Third Street and 145 feet from the average distance on the Baltimore & Ohio Railroad. As the lot lines are irregular the zone tables are used. These tables show from the \$250 unit value on Twenty-Third Street that the first 240 feet of this lot is worth \$35,800, and the rear 145 feet abutting on the Baltimore & Ohio Railroad is worth \$15,328. Total value of block, \$51,128.

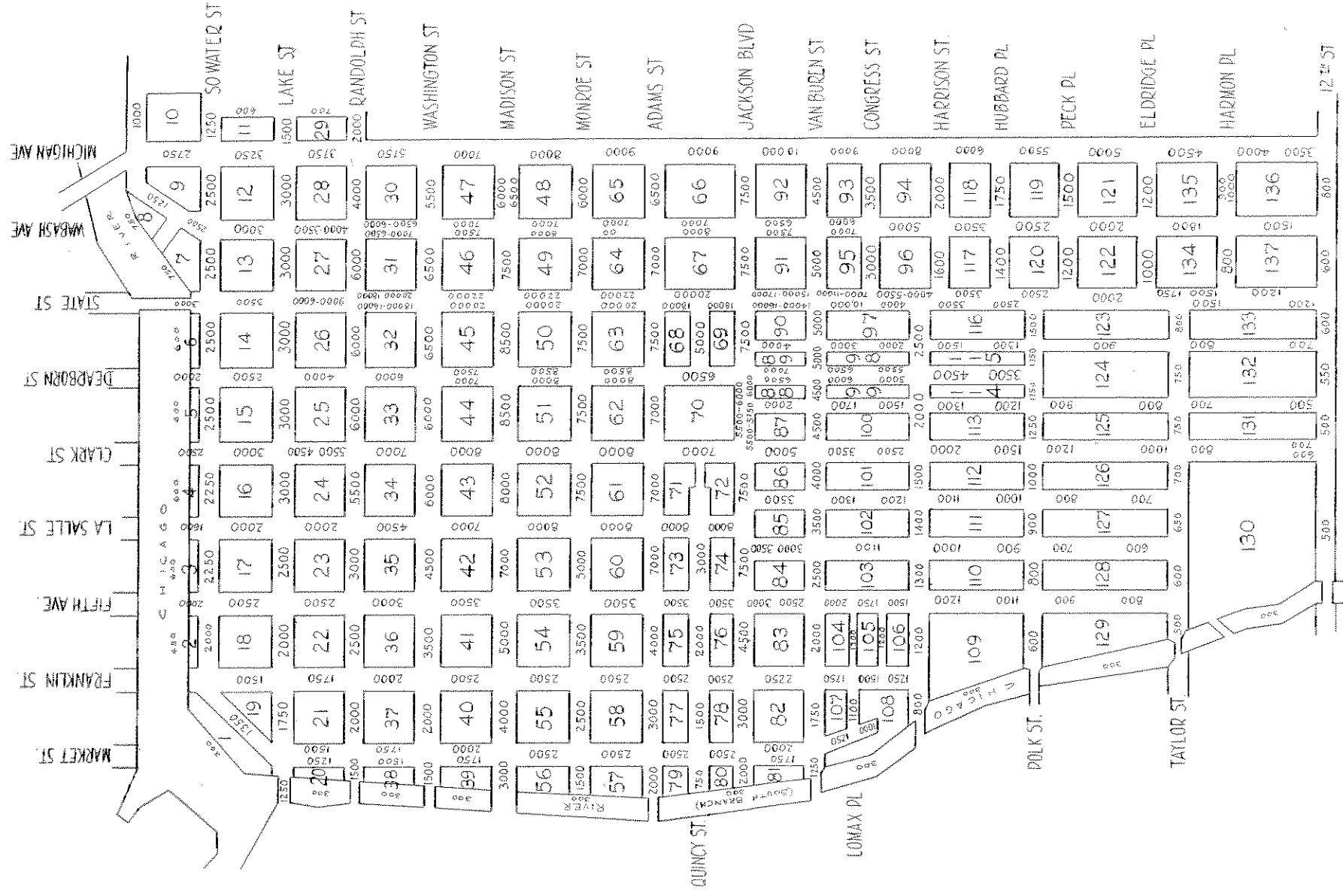
Block No. 10A.—Unit Values—Schuylkill River, \$100; Baltimore & Ohio Railroad, \$100.

Because of irregular lines this block is also zoned. The ten feet abutting upon the river is found to be worth \$2,793, and the ten feet abutting upon the railroad, \$2,712. A small intermediate strip of land is worth \$440. Total value of block, \$5,945.

CONCLUSION.

In conclusion, we hope that this sample appraisal will show the complete practicability of the use of the Somers System for the valuation of land owned by interstate railroads. We believe that the most severe criticism possible of the appraisal submitted herewith will show that it is correct within the narrowest limits of possible differences of opinion as to the relative and actual values of the usefulness of the streets, and the effect of the street accessibility upon the several lots and blocks included in the appraisal. We shall welcome the opportunity of discussion of these values with the Interstate Commerce Commission and the proper railway officials. We believe that this valuation will stand the test of judicial criticism as well as of those who are familiar with land values in the section of the city of Philadelphia through which the appraised line runs.

It will be seen by reference to the accompanying map that unit valuations have been made of streets and blocks, extending for some distance from the railroad terminal and the right-of-way. All of this was deemed necessary by our appraisers, in order that the information concerning the relation between the land appraised and the contiguous land might be as complete as possible. Wherever the Commission may appraise a terminal property, similar information could be made into a permanent record, and it will thus be possible to make intelligent comparisons of the factors entering into the appraisal of this Philadelphia terminal and the connecting right-of-way, not only with terminals in the same city, but also with terminals in every other city in the United States.



SOMERS UNIT VALUE MAP
OF
CHICAGO CENTRAL BUSINESS DISTRICT
MANUFACTURERS' APPRAISAL COMPANY
APPRAISERS AND PUBLISHERS

EXPLANATION — LARGE FIGURES IN BLOCKS — INDEX NUMBERS
— FIGURES IN STREETS — SOMERS UNIT FOOT VALUES

Scientific Real Estate Assessment Bill Before Louisiana Legislative Councils

The Association of Commerce of New Orleans in an effort to bring about reform in assessment methods, prepared a bill which as this is written passed the lower house of the legislature, which is applicable to all cities and towns of 1,000 population and over in the state of Louisiana, numbering 65. In the Senate there were amendments offered which cause the friends of the measure to defeat it. At a special legislative session to be held in October this bill will be again offered.

The bill requires the use of "Skeleton block and tract maps" which are comparable to the Somers Unit Maps, and requires that judgment shall be exercised on the unit-foot plan. It also requires the use of "individual block and lot maps," showing block and lot dimensions. The unit-foot values and the computed values of lots and improvements are to be marked on the maps, after they have been relatively computed. "Eccentric values" if any are to be separately stated.

This bill is the first measure to appear in any legislature that gives recognition to the elemental consideration of a proper analysis of site values. In some respects it lacks perfection of detail, but it permits the use of any unit system that will accomplish analysis of the various elements of site values. The bill is worthy of space in the Somers System News, and is printed in full as follows:

Section 1. Be it enacted by the General Assembly of the State of Louisiana, That, beginning with the year 1916, the real estate in all municipal corporations of the State, having a population of not less than one thousand inhabitants—as shown by the census of the United States immediately preceding the assessment—shall be assessed in the manner hereinafter provided in this act.

First. The assessing authorities shall fix the value of each separate lot or other subdivision of ground belonging to any individual or individuals, firm, copartnership, corporation or association. This value shall be of the ground alone.

Second. The said authorities shall then fix the value of the buildings and improvements on such lot or other subdivision of ground.

Section 2. Be it further enacted, etc., That the municipal authorities of each municipal corporation coming within the description mentioned in Section 1 of this act, shall have maps prepared covering the entire area of the territory within its boundaries. These maps shall be substantially as follows:

First. An individual block and lot map of each square, or triangle, or tract into which the municipality is divided.

Second. A skeleton block and tract map.

Each individual block and lot map shall show: (a) the dimensions of the square or triangle, or tract which it represents, on a scale of not less than thirty feet to the inch; (b) the lots or subdivisions thereof, as fixed by the then existing titles of the owners of each lot or subdivision; and the dimensions of each lot or other subdivision; and (c) the general character of the improvements then existing on each lot or subdivision, to be indicated by a system of signs, or colors, or otherwise, as may be found most practical.

The skeleton block and tract maps shall show only the blocks, triangles and tracts of each section of the municipality into which it shall be divided for convenience in preparing such maps. The maps shall be drawn on a scale of not less than 300 feet to the inch.

Section 3. Be it further enacted etc., That on each lot or subdivision of ground shown on the block and lot maps so prepared each year the assessing authorities, beginning with the northeast corner lot and proceeding west, south, east and north, to the point of beginning, shall write: First. The value fixed for the ground alone.

Second. The value fixed for the buildings and improvements thereon.

Third. The eccentric value, if any, as herein after provided.

Fourth. The name of the owner or owners.

Section 4. Be it further enacted, etc., That to establish the value of each lot or subdivision of ground, the assessing authorities shall first establish a "unit value" for each of the four street fronts of each square. Said "unit value" shall be established by taking in the center of each square an area having a front of one foot and a depth of one hundred feet, and determining its value.

Having established this "unit value" the assessing authorities shall write the same on the map in the middle of the front of the square for which it was established at the point where it was taken.

The assessing authorities shall then determine the percentage of increase or decrease in value, if any, of each front foot as the lots or subdivisions approach each corner.

They shall then fix the value of each lot or subdivision by multiplying the frontage by the unit value per front foot, due regard being had to the percentage of increase or decrease in value, if any, as fixed by the location of each lot or subdivision in respect to each corner.

Where a lot or subdivision is less than one hundred feet in depth, a proper deduction, according to some rule established and made public, from the fixed value by the above unit rule shall be allowed.

Where a lot or subdivision is more than one hundred feet in depth, a proper addition, according to some rule established and made public, to the value as fixed by the above unit rule shall be made.

Where a lot or subdivision is irregular in shape, such irregularity shall be given, according to the facts of each case, consideration in applying the unit rule of value.

Provided however, that the governing authorities of any municipality may adopt any other unit system for the valuation of real estate, which substantially complies with the rules provided in this section, and where such unit system is already in use in any such municipality, it may be continued without requiring such municipality to make the expenditures necessary under this act to put the system in operation herein provided for under this act, except those necessary for the publications herein provided for.

Section 5. Be it further enacted, etc., That tracts of ground not subdivided, including agricultural and suburban lands, shall also be valued according to some unit to be established for all ground similarly situated, and the assessment thereof shall, as far as possible, be in accordance with the rules laid down for squares as provided in Section 4, and in each case the value of the established unit must appear on the map in the front line of the property at the point where the unit value is fixed.

Section 6. Be it further enacted, etc. The assessing authorities for each municipality coming within this act shall establish rules by which to value the buildings and improvements thereon, and all buildings and improvements, omitting eccentric values, must be valued according to the rules so established.

Section 7. Be it further enacted, etc., That when it shall appear to the assessing authorities that the rental value of the property, as a whole, warrants an assessment greater than the one established by the unit rule provided for in Sections 4 and 5, and the value of the buildings and improvements as established in conformity with Section 6 of this act, the assessing authorities shall add to such value a sum which will represent the exceptional revenue derived from the property, and, in such a case, the assessing authorities shall enter this extra value on the map separately and distinctly from the value of the ground and the value of the buildings and improvements, under the head of "Eccentric Value."

The assessing authorities shall keep a record book in which all "Eccentric Values" shall be recorded and the reasons for each such valuation.

Section 8. Be it further enacted, etc., That each year, as soon as the assessment is completed on the block and lot maps, the assessing authorities shall prepare:

First. An official skeleton map for each section of the territory of the municipality, by writing on each of the four sides of each square shown thereon, or on the front line of each tract, as provided for above, the "unit value" as above defined, fixed for such side of such square or for such tract.

Second. An official written record of the facts appearing on each block and lot assessment map—i. e., the unit value of each side thereof, the name of the taxpayer, the number of the lot assessed to him, the dimensions thereof, the value of the ground, the value of buildings and improvements, and the eccentric value, if any. On this record shall also be placed the assessment for personal property made against the taxpayer whose personal property is located or assessable in such square or tract. This record shall be arranged geographically as far as possible, due regard being had to assessment districts, and to sectional divisions covered by sectional skeleton maps.

Each year the municipal authority shall publish by sections the official skeleton maps so prepared, and the written record so prepared, and shall offer them for sale, singly or in sets, at a price which shall be as near cost as possible.

Section 9. Be it further enacted, etc., That in the preparation of said maps any municipal corporation covered by this act shall have the right to demand the production, before the person or officer authorized to execute said maps, of the titles and maps and plans of the property in the possession or under the control of the owners, to be described on said maps for purposes of assessment; and in case of neglect or refusal without just cause on the part of any person or corporation to produce such titles or maps or plans so called for, such city shall have the right to proceed by summary rule in the District Court having jurisdiction over the locality to compel such production; and in all cases where such a rule is made absolute the defendant shall be condemned to pay all the costs of the proceeding; and the court shall have power to enforce its judgment on such rule by proceedings for contempt.

Section 10. Be it further enacted, etc., That whenever, in assessing property according to said maps, it shall appear that there is more than one claimant to any property, each with a recorded title thereto, the assessing authorities shall assess the property in the name of the claimant in actual possession, and if no claimant is in actual possession, then in the name of the claimant who shall appear to them to have the best title; and in no case shall they assess the same property to more than one claimant or set of claimants—provided, that no such decision of the assessors as to whom in their opinion the property should be assessed, shall prejudice the rights of the real owner of the property.

Section 11. Be it further enacted, etc., That immediately upon the adoption of this act, and not later than the first day of September in each year thereafter, the authorities of each municipality coming within the provisions of this act shall appropriate the necessary funds for the preparation of the maps, records and publications prescribed in this act, and where necessary, the municipal authorities are hereby authorized to borrow the necessary funds with which to have the work begun at once and completed in time for the assessment to be made in the year 1916 and to make the amount so borrowed payable out of the budget for the year 1916. Where a loan is needed and effected for the purpose, the municipal authorities may issue certificates for the loan, which certificates shall be payable to the holder thereof and shall provide for interest at a rate not exceeding six per centum per annum. In all other years after the year 1916, provision shall be made in the annual budget for the cost of preparing the maps and records and making the publications herein provided for.

Section 12. Be it further enacted, etc., That the cost of the maps, records and publications required to be made in each municipality shall be borne by the municipality, parish and State in each instance in proportion to the rate of taxation levied for the benefit of each of these governmental divisions on the property subject to taxation within said municipality situated. It is hereby made the duty of the General Assembly and the various Police juries to appropriate from time to time the amounts required to pay the municipalities the portions of the cost of the maps, records and publications in this act imposed upon the State and the parishes respectively.

Section 13. Be it further enacted, etc., That all property other than real estate shall continue to be assessed in the manner provided by existing law.

Section 14. Be it further enacted, etc., That all laws or parts of laws in conflict with this act, be and the same are hereby repealed.

NEW YORK TAXATION PROPHET WHO GETS MOST APPROVAL AWAY FROM HOME.

It is interesting to note that approval of real estate assessments in the city of New York as at true and equitable values does not exist in New York City. There is no American city in which there is more complaint and juster complaint of inequity in assessments than in New York. There are whole sections assessed in excess of 100 per cent values, and other sections assessed at much less than full value. Possibly the head of the New York Department of Taxes and Assessments spends so much time in advising Philadelphia and Buffalo and the District of Columbia and other places how to correct their assessment evils that he can not properly attend to the business of the city which pays him a big salary.

At any rate, the commendation of New York City assessments is in inverse ratio to the distance of the commendator. Lawson Purdy is a prophet, truly not without honor save in his own country, when one is discussing equity of real estate assessments. That he is a "stuffed" prophet in his own city is evidenced as soon as one digs into the New York assessment question. Mr. Purdy, it is true, is a polished gentleman, a finished orator, and a complete success in his pose as a taxation expert. But he must go away from home to reap the full harvest of reputation as a taxation and assessment expert, for he doesn't have it at home, as do the assessors who use the Somers System. Here is a pleasant reference published in the Bulletin of the New York Real

Estate Board touching upon the present situation there:

The Tax Board is at its usual and necessary pursuit of the will-o'-the-wisp of reality. "Absolute accuracy and true value." We use their words as quoted in the daily press recently. We would fear a loss of reputation among practical real estate men if we ever used such language. If there were such a possibility as absolute accuracy and true value, why should an owner sell or where is the inducement of a purchaser to buy? A sale comes because an owner believes he is getting a high price, more than the value. On the other hand, a purchaser believes he is getting a bargain on a property sold below its actual worth. What becomes of the selling argument when the visions of man, as indicated in their actions in buying or selling, are crystallized into the straight-jacket of the Tax Board's "absolute accuracy and true value" assessments that never existed since the world began and will not be here when the world finishes.

Why does the Tax Board make such statements? Perhaps the way of it is the personnel of the Board as tabulated below. The Commissioners are:

Lawson Purdy, President—Lawyer.
John J. Halleran—Queensboro real estate.
Chas. T. White—Journalist.

Collin H. Woodward—Real Estate.
Ardoiph L. Kline—Produce Merchant.

George V. Mullane—Lawyer.

Frederick E. Shipley—Wholesale Dry Goods.

Under the above Tax Commissioners the City of New York to-day is assessed at probably 110 per cent on its real value originally forced on real estate to build subways, and declining values are not justly recognized by the present Tax Board either through stubbornness or, a want of knowledge of the practical business of real estate or values. They don't know how to get real action through want of experience.

The honest and best and only way to get at

near values under present-day conditions would be a horizontal reduction of 10 per cent on all assessed values in the City. The facts to confirm this diagnosis are in the files of the Tax Office itself.

One of the principles of the Tax Office is to insist before an owner can get a reduction he must disclose the financial conditions of the property—receipts, expenditures, etc. We have been advised this is outside the law—illegal in fact. If this is so the Tax Department fails to state to the owner he is not required by law to furnish such intimate knowledge which may affect owners unfavorably elsewhere in many ways. The effort is constantly being made by the Tax Board to legally require exact considerations shall be stated in the deed. Practical real estate men in the Tax Commissioner's job, would prefer these considerations should not be stated, they would unduly affect judgment and cause a new series of conditions to develop quite prejudicial to the interests of both the Tax Office and the City at large. All the Tax Board see—blindly—is ignorance of real estate conditions must be fortified by clubbing the owner into line. No practical real estate man would ever require this, for many reasons.

However, the Tax Board is not without hope. It has been inspired to issue a simple form of protest to be used by those seeking reduction of assessments to be had at the Hall of Records. This was done, not for our sake, but to keep themselves from being swamped by the heavy and insistent demand for lower valuations, which now threatens to submerge them. Owners are now being bombarded by professional "reducers" of taxes working on a contingent basis.

The only real remedy for present conditions we know of is to resolutely insist in and out of season that every new appointment as Tax Commissioner shall be professionally conversant with real estate. Until we get such an expert board, there can be no essential fairness in the assessment of values on reality.

Equalization of Real Estate Tax Assessments

Has been accomplished in the following cities by use of the Somers Unit System of Realty Valuation:

Cleveland, Ohio	Springfield, Ill.	Waco, Tex.	Tucson, Ariz.
Columbus, Ohio	Joliet, Ill.	San Antonio, Tex.	Douglas, Ariz.
East Cleveland, O.	East St. Louis, Ill.	Corpus Christi, Tex.	Bisbee, Ariz.
Lakewood, O.	Houston, Tex.	Des Moines, Ia.	Prescott, Ariz.
Chagrin Falls, O.	Beaumont, Tex.	Denver, Col.	Globe, Ariz.
Berea, O.	Galveston, Tex.	Phoenix, Ariz.	Miami, Ariz.
		Redlands, California	

At this writing the Somers System is under installation for the cities of Portland, Oregon, and Dubuque, Iowa. A referendum election will be held in August on a proposal to install the system in Austin, Texas. The Board of Control of Halifax, Nova Scotia has adopted a resolution to use the System for reassessment. The Arizona State Tax Commission has announced that the System will be applied for the assessment of land and buildings in all the towns and cities of that State for next year.

FOR INFORMATION CONCERNING THE SOMERS SYSTEM, ADDRESS

Manufacturers Appraisal Company

COMMERCIAL BANK BUILDING, CLEVELAND, OHIO

Or other Offices of the Company in New York, Philadelphia, Chicago, St. Louis or Indianapolis.

SOME COMMENDATIONS OF SOMERS SERVICES

Letters From Mayors, Tax Assessment Officials, Commercial Organizations and ordinary Citizens Commenting Favorably on Results in Many Places

CLEVELAND, OHIO
NEWTON D. BAKER MAYOR OF CLEVELAND, OHIO.

It gives me great pleasure to say that after two years' experience with the valuation of real property in Cleveland made under the Somers System, I am entirely satisfied that we have a much more equitable and scientific valuation of real property in Cleveland than we have ever had before, and that public opinion generally here sustains the view which I have expressed. Some instances of over-valuation, and some of under-valuation have come to my notice. Such errors are easily adjustable, and their occurrence is, of course, unavoidable in a work of such large and intricate a character, but the valuation taken as a whole is remarkably even and just, and has the enormous advantage of being made upon a basis which can be explained to those whose property is affected. The conjectural and hazardous valuations which we have hitherto had, were made by assessors who viewed the land and buildings, and then by processes of mind perhaps in part hidden from the assessors themselves, in part hidden from the taxpayers themselves, a conclusion was reached which represented the best guess of the assessor. For this, the Somers System substitutes a series of scientific and mathematical rules which are applied to certain basic valuations upon which the centered judgment of a number of expert minds is centered. The former process cannot be explained. The latter explains itself. It may be that there are better methods than the Somers System, but I never heard of them, and so far as Cleveland is concerned I repeat that we now have the most equitable and accurate approximation of real values that we have ever had.

W. A. GREENLUND, REAL ESTATE BROKER
AND LIEUTENANT GOVERNOR OF OHIO.
The Somers System assessment has been the most satisfactory appraisal of real property which has ever been made in Cleveland.

Under the Somers System after the unit value has been fixed, it is simply a matter of computation to measure the value of any given piece of land, no matter what the size, so that if two men own property side by side and one happens to be a little deeper than the other one, under this system they both will be paying their fair share of taxes. There cannot be any inequalities in adjacent properties, for both are figured on the same basis, and inasmuch as the unit values are fixed relatively, it must naturally follow that all of the property in the city is assessed equally and justly. Of course, I can understand that under any system there may be certain parcels which might be over or under assessed, as for example, here in Cleveland, there are two or three corners which stand out by themselves, and probably no rule would fix the real value of these properties.

The appraisal has not had any detrimental influence upon the sale or leasing of real estate. In fact, I think it has had a very beneficial influence, for I feel certain that very many properties which were either vacant or nearly so are now being improved in order that some sort of an income commensurate with the value of the property may be received.

It is very interesting to know that in selling property since the last assessment, people invariably ask about the valuation for taxation purposes, and in nearly every case the sale price and the assessed value do not vary greatly.

I should say that throughout the entire city the assessed value is probably a little less than the real value of the property.

W. J. SPRINGBORN, DIRECTOR PUBLIC SERVICE, CITY OF CLEVELAND, OHIO

The method used three years ago in assessing the real property in the City of Cleveland has resulted in equalizing property values, and has brought the assessment values much nearer the real value of the property than under the methods formerly used. It has also, in my judgment, resulted in bringing about a more equal distribu-

tion of taxation. The Somers System for valuing property has therefore proved very satisfactory, and has resulted in an equalization of values to an extent not possible under the methods formerly used for the valuing of property in our city. The effect has also been very helpful to this department in the carrying on of public improvements, particularly where special assessments for such improvements are required to be levied against the abutting property.

ARTHUR F. MAY, PRESIDENT OF BOARD OF ASSESSORS, CLEVELAND, OHIO

There prevailed in Cleveland, as in nearly every taxing district in the United States, a system of taxation of the haphazard or hit-or-miss kind. So when the Board of Assessors of our City, of which I was a member, decided upon a method of assessment that had some method, and that looked scientific, much criticism was aroused and much antagonism met with.

But, feeling that the Somers System was the best presented, we proceeded to adopt that system of distributing land values throughout our City. The effect produced upon any critic, who was against the innovation, was always favorable to the plan, after investigation. That the plan succeeded beyond the expectation of all of its enemies is demonstrated by the fact that in real estate offices, banks and trust companies our report is used for the purpose of determining the correct value of all property, both for the purpose of sale and for making loans.

THEODORE M. BATES, MEMBER BOARD OF ASSESSORS, CLEVELAND, OHIO.

The method of equalizing valuations of land of different depths, and especially of corner properties under the Somers rule, for valuing corner properties, was at the time something unique, and worked out with general satisfaction. Permit me to say as a member of several Boards of Equalization and Assessment and having over twenty years' experience in this work, that at the time I had never heard of any method of equalizing corners with inside property under any systematic rule, nor have I learned of any other systematic rule since that time. It was certainly an educating influence to the people of Cleveland, and worked out with very satisfactory results here. There was very little complaint, either in the matter of the equalization of lands of different depths or of corner properties to those in the middle of blocks.

FRANK A. SARSTEDT, PRESIDENT BOARD OF REVIEW, CLEVELAND, OHIO.

The Somers System has to a very large extent eliminated inequalities that usually exist under the old method.

It also enables equalizing and revision boards by argument to convince the protesting individuals that everybody received the same deal.

With the work as now established in this city I am satisfied our next reappraisal beginning January 1, 1914 will be much simplified, and the criticism against the System be almost entirely gone away with.

JOHN W. TAYLOR, REAL ESTATE OPERATOR, CLEVELAND, OHIO.

It gives me pleasure to testify to the efficiency and exceeding accuracy of the System of appraising real estate adopted in Cleveland at the last reappraisal had for tax purposes.

This system used in Cleveland and by your Manufacturers Appraisal Company known as the "Somers System" is, I believe the first attempt at any scientific system ever attempted in Cleveland.

It was far and away the fairest and most nearly accurate valuation we ever had, and gave the greatest satisfaction to both officials and property owners of our City.

W. E. AMBLER, REAL ESTATE DEALER, CLEVELAND, OHIO.

The new appraisal at practically full value has given some people, particularly non-residents, the idea that values in the city are increasing, and of course this has helped the real estate dealer

G. B. KENNERDELL, REAL ESTATE BROKER, CLEVELAND, OHIO.

Prior to the introduction of the Somers System in Cleveland, this city was under the decennial period and the old go-as-you-please method of appraisal, operated by men of indifferent character and ability, and resulting in an appraisal determined, in a large measure, by the influence of the land owner. In other words, the man who had the greatest influence succeeded, in a large number of instances, in securing the lowest appraisal of his property. Under the ten-year period, while residence values on the whole remained unchanged, business values in a large number of instances very rapidly increased. The owner of business property, however, escaped, until the next reappraisal some years hence, paying the increased tax he should have paid by reason of enhanced land value, thus also milking the city of a large portion of the income to which it was entitled. The situation as it then existed was not only immoral, but extremely unfair to the entire community.

The Somers System, like most other innovations, soon found a horde of doubters. In addition to incurring violent opposition on the part particularly of large property owners, who began to see that the Somers System meant fair appraisal, and would therefore place on the right basis their holdings, which heretofore through "influence" had been permitted to escape with only a mere fraction of their rightful tribute. This opposition continued during the entire period of appraisal, and growlings were heard for almost six months thereafter.

It only remains to be said, however, that the Somers System, operated by five or six men with character and ability, produced for the City of Cleveland the only real reappraisal it has ever had.

It is now possible for anyone to easily determine not only the fair value of his own property, but also that of any other property in any section of the city, by referring to a complete record of the entire appraisal which is easily obtained at a small cost. This record of appraisal, as is readily seen, is almost invaluable to both the buyer and seller of real estate.

J. L. FREE, REAL ESTATE BROKER, CLEVELAND, OHIO.

It is the longest step that has ever been taken in establishing a basis upon which anything like justice to taxpayers can be built. I find myself constantly consulting the book which was compiled from that appraisal in forming my own judgment as to values upon different parcels of property.

STANLEY L. McMICHAEL, SECRETARY REAL ESTATE BOARD, CLEVELAND, OHIO.

Personally I regard the Somers System of land valuation as a very great improvement upon the old method used in Cleveland for appraising values upon real estate. I believe the public regards the System as being generally satisfactory, and it seems to have pleased a far larger number of property owners than any method yet followed in Cleveland.

Property owners are better satisfied when they know that their neighbors are receiving exactly the same treatment as themselves, and I have heard many a favorable comment in this city regarding that fact. Out-of-town parties can also determine very easily the relative values of real estate in different parts of the city by consulting the records compiled by the Commission.

THOMAS P. BALLARD, PRESIDENT CLEVELAND REAL ESTATE BOARD, CLEVELAND, OHIO.

The methods used at the last assessment were a decided improvement over former methods. The Somers System is in the main commended.

T. W. LARWOOD, JR., REAL ESTATE OPERATOR, CLEVELAND, OHIO.

It gives me great pleasure to say a word about the last general appraisal of Cleveland real estate, because I can speak thereof in words of praise. That appraisal turned chaos into order. Old appraisals were farces—but unfortunately not laughing matters.

While the new appraisal of course, draws many kicks (not necessarily deserved), it is generally respected, and considered wonderfully fair as between man and man. No one ever thought of referring to the old appraisals in estimating values. The new book is the first thing we turn to now when values are considered. It is a great aid to real estate men, and has done much to standardize values except in localities where there have been rapid increases in values.

PAUL C. SEARLES, ARCHITECT AND REAL ESTATE DEALER, CLEVELAND, OHIO.

Being in touch with the real estate and building operations of the city of Cleveland, I have had opportunity to observe the working of the Somers System of appraisal. Aside from the justice and stability it has brought about in the realm of taxation, it has been of great value in establishing a generally accepted criterion of value for sale and rental operations.

I am convinced that the Somers method of measuring land value is based on scientific facts, and that its units of building values reflect true reproductive costs with remarkable accuracy. I am warmly in favor of the general adoption of the Somers System.

H. R. CROW, REAL ESTATE BROKER, CLEVELAND, OHIO.

We have had considerable experience in checking up taxes and comparing the present conditions with conditions before this System was put into effect; and in talking with property owners in general, I am safe in saying that it has met with universal satisfaction to all concerned. The taxes seem to be distributed equally, and property owners seem to be well pleased with the results which it has brought forth and I most heartily recommend it to any city which has not yet established this method.

THE LATE JUDGE FRED L. TAFT, CLEVELAND, OHIO.

At first I was skeptical as to the ability to determine scientifically and accurately the value of real estate, but on a careful examination of the subject I am convinced that the appraisal three years ago was a fairer appraisal than we have had for a great many years. I have had occasion in connection with my practice to avail myself frequently of the valuations fixed and I find that reference thereto has been very helpful. In addition to that I have used Somers System experts on real estate values in cases in court, and have personally given considerable attention to the manner of your fixing values, and so far as I have been able to understand it, it is on a fair basis, and I have no hesitancy in commending the work you have done.

GEORGE A. BINGHAM, REAL ESTATE BROKER, CLEVELAND, OHIO.

I understand that you were instrumental in the method of assessment in Cleveland for 1910. I wish to compliment you on the great improvement over the old methods used here, both from the real estate standpoint as well as taxation.

I have used the book appraisal report in my office to great advantage in many ways. In the first place it protects buyers regarding values. When they get the amount of taxes they can judge the value when last appraised.

As for taxation, it is the only way to get at just taxation.

J. TIMENDORFER, REAL ESTATE OPERATOR, CLEVELAND, OHIO.

The method employed by the Quadrennial Appraisal Board of our City some years ago is certainly a great step towards the betterment of the conditions.

Personally, my experience has taught me that it is the just and proper thing to appraise anything, whether real or personal, at its full value in money, and we have had a number of prospective

purchasers and purchasers tell us that they are much better satisfied in knowing the so-called value of a piece of property, and are perfectly willing to pay the taxes thereon at such price.

JOHN A. ZANGERLE, SECRETARY BOARD OF ASSESSORS IN 1910, CLEVELAND, OHIO.

The lapse of one year since the original Cleveland assessment has proven, the worth of the Somers System. Uniformity and regularity in assessment work will always command public approval and enlist private support. Errors are reduced to a minimum; whim and caprice eliminated. Taxing authorities become honored and not debased; their work is emulated not derided.

A scientific appraisal prevents the debauchery of public servants and once adopted in any City its permanent use will be assured.

MICHAEL HERTENSTEIN, PRESIDENT OF BOARD OF ASSESSORS, IN 1910, COLUMBUS, OHIO.

I am pleased to write briefly concerning the Somers System and its use by the Board of Real Property Assessors of Columbus nearly four years ago. I was the President of that Board. The contract was let after full investigation; the services called for were performed to the complete satisfaction of the Board; and the refusal to pay the fee on the part of the County Auditor I consider to have been a serious injustice. My first knowledge of the Somers System came from the recommendation that the Board employ Mr. Somers, which recommendation came from A. C. Playdell of New York.

I believe that no city ever had a more accurate assessment than Columbus had by the use of the Somers System. I believe that without the assistance of the experts of the Manufacturers' Appraisal Company it would have been impossible to have made an assessment that could have been properly called scientific. The approval of the State Tax Commission and the very few changes in the assessment made by the Board of Review are evidence that other official bodies took the same view of the excellence of the Columbus tax valuations that I am expressing in this letter. I feel sure that if any city shall decide to install the Somers System, and employ the Manufacturers' Appraisal Company for that purpose, its assessing officials will find the System just the tool that is needed for the equalization of land and building assessments; and that they will find the Manufacturers' Appraisal Company's experts thoroughly competent to handle all parts of the work of reassessment that may devolve upon them.

D. P. COOKE, REAL ESTATE, COLUMBUS, O.
My impression of the result of the recent Quadrennial reappraisal in this city was on the whole very favorable.

Of course anyone conversant with conditions and actively engaged in handling property finds here and there mistakes that have been made, but we are doubtless on a more equitable and satisfactory basis than ever before, and I should judge that another quadrennial reappraisal by the Somers System would do much to smooth out any irregularities in the present one.

I find people not posted on values are using the appraisal figures, a thing that certainly was never done before, and I find in talking with property owners that the greater number of them are apparently well satisfied with the general results.

C. R. SWICKARD, REAL ESTATE, COLUMBUS, OHIO.

In my opinion the use of the Somers System for assessing real estate in Columbus was a marked advance over the old haphazard system, or rather lack of system. While some properties in my opinion were not appraised at their true value, yet I think as a whole the recent assessment under this System was very good, and far better than would have resulted under the old way. I think that in most cases where the assessments did not result in giving the true values the cause was due to the fact that the false valuations were placed on inside unit lots. But this is no reflection upon the System.

The general effect of its use on real estate values in Columbus is to cause people to appreciate better just what the real value of lots of greater or less than ordinary dimensions and especially of corner lots is.

MARSHALL BROS., REAL ESTATE MEN, COLUMBUS, OHIO.

From the time the values were placed in Columbus by the Somers System we have not been called on nearly so much to give our opinion as to the real value of property, but most everyone takes it for granted that it is on the tax roll at its real value, and in most cases it holds good.

We find that this system has equalized taxes so that most people are satisfied, and if they wish to list their property for sale they are willing to take the price at which it is appraised.

SPRINGFIELD, ILLINOIS
BURKE VANCIL, ASSESSOR, SPRINGFIELD, ILLINOIS.

I have many inquiries about the Somers System. I am glad to take the time to reply. The System was used by me in 1911 in assessing the City of Springfield.

Replying specifically to your questions will say: "The System does all that is claimed for it, if properly applied. It is satisfactory to citizens and officials. It has the effect of increasing the total revenue and at the same time reducing the burden of the individual taxpayer. Total values, 1910, Lands, \$15,032,640; improvements, \$19,601,208. In 1911, after an arbitrary reduction of 25 per cent. Lands, \$25,789,762; improvements, \$16,708,279. Note increase of lands and decrease of improvements. These figures represent so-called "full values" without reduction for 1910, and actual "full values" with 25 per cent. reduction for 1911. In Illinois one-third of these amounts is taken as the basis of taxation. This makes the rate apparently high. In 1910 it was \$5.27 on the \$100. In 1911 it was \$4.88 on the \$100. This is an actual rate of \$1.75 in 1910 and \$1.62 in 1911. The total revenue depends upon the amounts asked for by the several taxing units, such as the State, County, City, School District, etc., subject to constitutional limits. It follows of course, that less revenue can be raised on a valuation of \$34,633,848, (1910), than can be raised on a valuation of \$42,498,044, (1911).

This increase in the total valuation is due to putting on the books all property subject to taxation, and correcting gross under-valuations, and is not due to a general increase in valuation all over the city. In my opinion 80 per cent. of the individual taxpayers are paying less taxes than heretofore. The home-owners are all paying less and the business property is all equalized, and is valued on the same basis as outlying property. The owner of large business property is satisfied because he knows his property is worth the money, and that every other owner of business property is treated just the same as he is. There is no opportunity for favoritism. If anybody undertakes to "put something over" for some fellow with a "pull" he leaves his track, and the whole community can see it. It leaves a "hole" in the block. Another thing, IT IS PUBLIC, and everything is done in the open. It also enables each property owner to participate in the assessment of his own property, as well as that of his neighbor.

I may be over-enthusiastic, but I am unreservedly recommending the Somers System to cities desiring an equitable assessment. I know of no other system but the Somers System or a close imitation. I do not care what you call it so it is a system based on value of location and a mathematical relation of size and shape to value. There is but one thing for that ever-erring institution, the human judgment to do, under the Somers System, and that is to determine the value of the location. The rest is mathematics. If the judgment errs as to location value the mathematical results will be erroneous. But how infinitely easier it is to arrive at a correct value of location than it is to fix the value of each of the several parcels of land of varying sizes and shapes at that location. The same yardstick is used on every piece of property in the City.

I can see no hope for better conditions under the old method of blindly sticking price tags on the property of a city. You weigh a cow when you buy it, and use standard tested scales to weigh it. When you assess property for taxation purposes you guess it off, and no two men guess alike. Try this: Ask ten men to appraise a given piece of property without consulting together. The result is awful. Did you ever hear the testimony of witnesses in a condemnation proceeding? Well this is the way we are all doing when we assess property by the old method.

A few suggestions as to how to proceed: Divide your City into arbitrary and convenient-sized districts of about 40 blocks or squares each. Prepare plats of each district showing block lines

THE SOMERS SYSTEM NEWS.

and streets, but no lot lines. It sometimes helps to show well-known monuments such as City Hall, High School, etc., to assist in readily locating the blocks. Interest the leading business and real estate men as I did here to the number, say of fifteen to twenty-five, who in my work were glad to devote their time without compensation. We

met together in my office with plat of District 1 before us. Starting with the best frontage in the City, the question for discussion was, "What is property worth in this block?" That is, what is the land worth per foot,—what is this location worth? After some discussion the value per foot of the frontage of each of the four sides of the block is determined with reference to a centrally located portion away from corner or other influence, and this value expressed in terms of a unit-foot, (1 foot frontage by 100 feet deep) is marked on the plat. When the entire district is finished and the unit values determined for the four sides of each block, a copy of this plat with unit values marked thereon is prepared for the engraver, who makes a 3-column zinc etching of the same. This is given to the newspapers, who were glad to have it here as a news item. Plats are then printed for public distribution and public meetings held to further discuss and correct the units determined by the assessor and his "advisory board" of business men. These meetings continue until all property owners are satisfied, and then the corrected plat is turned over to clerks to compute the values according to the Somers System. Here you need plats showing lot lines and ownership lines, with dimensions from which to compute the value of each parcel of land in each block as it is owned and described on the assessor's books. The plats should be well and carefully made, as they are needed under any method of assessing, and when once made should last many years with slight corrections on account of changes of ownership and descriptions. All of these computations were made here by local clerks, assisted by a few experts from Cleveland. There were two groups of clerks, those computing land values and those figuring building values.

The System includes:

District Plats,
Block Plats,
Somers Unit System of Valuation,
Cards System for Lands,
Card System for Buildings,
Somers Tables for Computing Values of lands and buildings.

The entire City of Springfield was assessed by the Somers System under the direction of a representative of the Manufacturers' Appraisal Co., of Cleveland, O., and the work was entirely satisfactory. The System was arbitrarily adopted by me as assessor, and was not presented to any board, council or other official body for adoption. When the people learned what it was I had no hesitancy in taking the responsibility of deciding to use it. I took the position that it was up to the assessor to determine the method he should use in making the assessment. I was not long in deciding to use the Somers System. It is the only system I know of. It treats everybody alike, sets all the property, permits property owners to have a hand in the assessment, is public and open when once installed costs no more than the old way, and provides a valuable record which will be constantly used by all when the question of value of any piece of property is involved. I regard the money spent by us as the best investment of public money that has been made here for many years. True, I was the assessor and would hardly want to admit that what I did was not just right, but just ask our people and see what they will say. O, yes, you will find a few who have been brought to time, and are now paying their just share of the taxes for the first time, who will cuss me and my work as well as the Somers System. Then there are some mistakes. Look out for the system or the man who makes no mistakes. There are just enough mistakes to convince one that the System is scientific, practical and equitable.

The whole thing is simply common sense systematically applied. It is valuing location, and by a uniform mathematical method computing the values of the various sized and shaped parcels of land at that location. After the value of the location is determined it is a question of mathematics to determine the value of one parcel of 20 feet frontage by 90 feet deep, and another 22 feet frontage by 80 feet deep. A lot 40x100 is worth twice as much as one 20 x 100 at the same location. A lot 150 feet deep is worth more than one 125 feet deep. It is the business of the Somers System to work out a uniform method of determining all these relations of size and shape to value when the location value is determined.

EDWARD A. HALL, VICE-PRESIDENT, SANGAMON LOAN AND TRUST COMPANY, SPRINGFIELD, ILL.

Last year the Assessor of this city used the Somers Unit System in connection with his assessment. In our opinion the resulting assessment was the most equitable we have had.

JOHN S. SCHNEPP, MAYOR, CITY OF SPRINGFIELD, ILL.

From my observation of the work done here by Mr. Vancil, our Assessor, I am impressed with the fairness, uniformity and accuracy with which the values have been determined.

I am impressed with the idea of doing everything systematically, particularly the work of assessing property for taxation purposes. I believe it is generally conceded here that this assessment comes nearer to representing the true relative values of property than any assessment heretofore, and I believe the Somers System has done a great work for the City of Springfield.

W. S. TROXELL AND SONS, REAL ESTATE, SPRINGFIELD, ILL.

It is a pleasure for me to comply with Mr. Burke Vancil's request to give my views of the effect and results of the Somers System of Taxation, as tested here by him in 1911.

Many property owners were fearful until the results were made known, and while some close-in business property and corner lots were found somewhat higher than formerly I think the majority of the real estate is considerable lower.

While I have not studied the System as well as some, I was happily surprised when I figured and compared my taxes against 1910. A few pieces some little higher, while the greater part was considerably less, and less as a whole, and believe it to be the proper system to better equalize values and benefits, etc., and that people here generally feel satisfied.

One thing is certain, we had in Mr. Vancil a conscientious, studious worker, one who did his full duty, favored none, and I think applied the System to the letter. Which seems a fair test for the System. With my present knowledge, I endorse the System.

JOSEPH FARRIS, IRON FOUNDRY, SPRINGFIELD, ILLINOIS.

The Somers System of valuing real estate for taxation purposes, introduced here last year, has met with universal endorsement. The great wonder is how could we have gotten along for so many years without some method of this character for determining values.

You may rest assured that the Somers System is a household fixture, and will remain so in this community.

B. R. HIERONYMUS, PRESIDENT, THE ILLINOIS NATIONAL BANK, SPRINGFIELD, ILLINOIS.

What is known as the Somers System of assessing city property was introduced and used in this city by Assessor Burke Vancil during the spring of 1911. The taxes arising from that assessment are now being paid. I can say that it is giving great satisfaction. It is to my mind the most equitable system ever used in this city.

HARRY M. SNAPE, SECRETARY, SPRINGFIELD COMMERCIAL ASSOCIATION, SPRINGFIELD, ILLINOIS.

It was the writer's privilege to assist our Assessor, Mr. Burke Vancil, in making the quarterly assessment for 1911.

The Somers System was used throughout the City of Springfield in making this assessment. The values of all lots and parcels of ground in the City were computed under the Somers System, and all buildings and improvements measured and the value determined in like manner.

From my observation, I am able to say that it is the first time in the history of Springfield that we have ever had anything like a systematic assessment of real estate for taxation purposes. Heretofore there have been many instances of gross over-valuation as well as under-valuation. Under the Somers System this has been reduced to the minimum. I believe the taxpayers of Springfield generally are enthusiastic for the System.

As a result of its use between ten and twelve millions of land values have been added and the total value of improvements have been reduced over 3 millions. There has also been an equalization in the valuation of downtown business property as compared with outlying residence prop-

erty. There are of course cases of over and under-valuation, and mistakes have crept in here and there, due mainly to the very short time within which the work had to be done. We are more familiar with the System now than at the time it was used and I believe that another assessment in 1915 will almost, if not entirely eliminate the errors of 1911.

The System may not be quite perfect, but it's far ahead of the old method.

PHILADELPHIA, PA.
WILLIAM F. DEAKYNE, REAL ESTATE BROKER, PHILADELPHIA, PA.

My first impression of the Somers System was that it was an impractical scheme which would never work in Philadelphia. When I formed this opinion, I knew very little about the System, and had never had its merits demonstrated.

During the many years I have been engaged in the real estate business as an active broker, I have bought and sold for my own account and for clients many million dollars' worth of real estate. I always performed this work in the way usual with real estate brokers, that is by considering the selling prices, rentals, and such other information as could be obtained concerning properties near the one in question, and computing sizes of lots, etc., and also taking into consideration what could be done with the property in question if improved.

It never occurred to me that any uniform and standard rule could be adopted for making such comparisons. I realize from experience the difficulty of comparing lots of different sizes and different shapes, and buildings of different type of construction. If I had been asked if such a rule were possible I believe that my answer would have been in the negative.

It is, therefore, not strange that I at first regarded the Somers System as a visionary scheme which would not stand a test. But, during the several months when I acted as real estate expert for a Special Committee of the City Councils of Philadelphia, I kept close watch upon the work done in the application of the Somers System by the Manufacturers' Appraisal Company, and came to the conclusion that the scheme which I had at first considered visionary was a most practical method of uniformly assessing property.

For many years I have advocated the assessment of city property at its market value, as that is the only way in which a fair and uniform basis of taxation may be obtained, and because an assessment at a fair value would enable owners to secure money on mortgage for improvements when desired. In fact I know that the assessment of land at its fair market value would lead to the improvement of many valuable sites which are now a disfigurement to our city, owing to the unsightly shacks upon them. Such conditions exist, in many cases, because of assessments which are sometimes less than half the value of the land alone. There is no question in my mind that the work done by the Manufacturers' Appraisal Company in Philadelphia is of inestimable value to the city, as it has taught many thousands of citizens that equitable taxation can only be obtained through equitable assessments.

EAST ST. LOUIS, ILLINOIS
FRED W. KRAFT, CHAIRMAN TAX COMMITTEE, COMMERCIAL CLUB, EAST ST. LOUIS, ILL.

I have been asked to state my opinion of the advantage the Somers System of Valuation has, as compared with other methods of valuation in the assessment of real estate in the City of East St. Louis, where the last General assessment has been made under the Somers System.

In answer I wish to state that this System as applied in our City has resulted in the most equitable real estate assessment that has ever been made, and it is my firm conviction that it will bring the same results in any other community if applied.

THOMAS L. FEKETE, PRESIDENT REAL ESTATE EXCHANGE, EAST ST. LOUIS, ILL.

I believe that the adoption of the Somers System for the valuation of property for assessment purposes in the city of East St. Louis has been of untold benefit to the taxpayers of this community. It has been the means of giving us the fairest and most equitable assessment for taxation purposes that we have ever had in this city. I am satisfied that in making this statement I voice the sentiment of all our good citizens.

GALVESTON, TEXAS

H. H. HAINES, SECRETARY, GALVESTON COMMERCIAL ASSOCIATION, GALVESTON, TEXAS.

The Somers Unit System of Realty Valuation has been recently installed in Galveston.

The most noticeable effect here was in many instances the decrease of assessment of the small property owner and increase of assessment of the large property owner. It unquestionably had the effect of equalizing values and of making every man, regardless of his influence, pay his taxes based upon the same ratio of value as his neighbor.

It also had the effect of materially increasing our total taxable values, and therefore, caused a reduction in the tax rate from about \$1.63 to \$1.10 per \$100.

Unquestionably, the effect in Galveston was satisfactory to the majority of the people.

LOUIS ADQUE, WHOLESALE DRY GOODS, GALVESTON, TEXAS.

I consider the Somers System a very equitable and just one. I believe it is going to work out very satisfactorily in our city. There are, of course, a few minor errors in the way of valuations, such as extra amounts for corner locations, etc.—This is not the fault of the System, but of some of the figures, which, of course, will naturally have to be more equalized.

The tax rate has been reduced considerably, and more taxes will be paid in the future by those who should pay them, and to my mind the biggest asset is the restriction it places on holding real estate too long for speculative purposes.

H. H. HAINES, TRAFFIC MANAGER, GALVESTON COMMERCIAL ASSOCIATION, GALVESTON, TEXAS.

The Somers System of Valuation has been in effect in Galveston for some months. There was a complete readjustment of values here at the time it was inaugurated, and there can be no doubt that it serves to do what they claim, i. e., that it equalizes the tax values on adjacent property, and puts them on a basis that is more equitable to the various property owners, as compared one with the other in that respect, which was the main object of the system, and it has thoroughly accomplished what was claimed for it.

ED. MCCARTHY & CO., BANKERS, GALVESTON, TEXAS.

As the Somers Unit System of Realty Valuation has been installed here only a short time, we have hardly had time to test its real merits. We, however, have no hesitancy in saying that so far as the reduction of the tax rate is concerned, we find it decidedly a great benefit. For assessment purposes we feel that it is a decided improvement as to a standardization of values.

As to the improvement in the records of the Assessor's office, we feel that this is a matter that will be decided in the future, as the time we have had it in use is too short to say.

FRED W. CATTERALL, CASHIER, THE FIRST NATIONAL BANK, GALVESTON, TEXAS.

We believe the result of the use of the Somers Unit System has been beneficial.

ROBT. I. COHEN, GALVESTON, TEXAS.

The Somers System of Realty Valuation has just been installed in our city this year, therefore we are as yet not very familiar with its workings.

I want to state, however, that in my opinion it is the most equitable system of equalizing assessments that I know of. Its practical results so far have caused a reduction in our city tax rate, and I feel sure that it will prove a great success in our city.

I. H. KEMPNER, COMMISSIONER FINANCE AND REVENUE, CITY OF GALVESTON, TEXAS.

Growing out of a number of causes more or less local in character, but probably to some extent general in their nature, assessments in Galveston were extremely inequitable.

Following the example of some other Texas cities, notably Houston and Beaumont, and on their recommendation, we installed the Somers Unit System of valuation in Galveston.

Due to the correction of the inequalities in assessments our tax rate is materially lowered, but our assessments increased. In round figures our assessments last year totalled \$26,000,000. Our

assessments this year total in the neighborhood of \$35,000,000, an increase of approximately 40 per cent in assessments. Our tax rate last year for the city alone was \$1.62. This year it will be \$1.10, so that the reduction in the tax rate about equals the increase in assessment. It probably would not be fair to state that the entire increase in assessments is due to the System. Some of it reflects a natural increase, but I feel that I can conscientiously say that the assessments on real estate are more equal, uniform and equitable generally than they have ever been heretofore. My experience extends over about twelve years of active service in this department.

We had always had our block books, and it was not necessary to have new block books printed in connection with the work of the Somers System. Personally I regard the money spent by this city in installing the Somers System as well invested. I believe every official of the city administration entertains a similar view, and a vast majority of our citizens and taxpayers. There are a number of individuals and few interests who have been escaping for years their just share of taxation. They of course are loud in their criticism of the Somers System, but this criticism would apply to any system that did not enable them to attain the same benefits they heretofore enjoyed.

You probably are aware that the Somers System does not attempt to reach personal property in any way, and I believe there is today in Galveston as much inequality in values of personal property as there was in real estate, but I do not know how to reach it.

HOUSTON, TEXAS

J. J. PASTORIZA, COMMISSIONER OF FINANCE AND TAXATION, CITY OF HOUSTON, TEX.

The Somers Unit System of Realty Valuation was installed fully in Houston a year ago. In other words, we valued the real estate for the year 1912 by the Somers Unit System. We started our work in the fall of the year of 1911, and it took us about six months to complete it. Houston having a population of about 100,000 and the city having an area of sixteen square miles.

I had the pleasure of meeting Mr. Somers personally, who originated the system, about 15 years ago, and for several years thereafter in making my usual annual trips to New York to purchase goods, I would call on him, and thus got some information regarding his system. When I was elected Tax Commissioner in 1911 and found the assessments very unequal, I naturally thought of Mr. Somers, and during 1911 I applied the system as best I could from memory for that year's assessments, but was unable to complete it for the entire city. I found out that I could not do it properly with my knowledge of the System, so in 1912 we employed The Manufacturers' Appraisal Company of Cleveland, Ohio, who had bought the right to install this system, to put it into effect in Houston. The result is entirely satisfactory. I can say that over ninety per cent. of the people are satisfied with it. In fact, I do not believe that you could get 100 taxpayers in this city to state over their signatures that they are not satisfied with it, and give any sensible reason for making the statement.

During the installation of the System some twenty-five large taxpayers protested, because the system made the large land-owner pay as much in proportion to his land values as the poor fellow who only owned one lot upon which his modest cottage was located.

In valuing the land we at first ignored the buildings thereon, and got at the full selling value of the land irrespective of the improvements; then we employed the Somers System to value the buildings separately from the land. We got what it would cost to reproduce the buildings, allowing ample depreciation for age or utility. This is what the Somers System does. It equalizes the land values irrespective of the ownership.

After we got the true values by using the Somers System, we assessed our property according to what has become known as the "Houston System of Taxation," since this is the first city in the United States to adopt it. We found that by assessing land at its full value and buildings at their full value, we had such an enormous valuation that to collect the tax upon it would produce an amount far in excess of our needs; and further we felt that it was unnecessary to raise the assessment of property owners so much in one year.

We finally decided to assess land at 70 per cent. on the dollar, and in order to encourage the construction of buildings, the lack of which in this city had been apparent for several years we

assessed buildings at 50 per cent. of their reproductive cost, after depreciation.

We then exempted entirely from taxation such personal property in the hands of individuals as cash, household furniture, horses and buggies, silver plate and jewelry, and in fact all forms of personal property, excepting merchandise in stores offered for sale. We repealed an ordinance which levied a charge for issuing a building permit. The permit has to be taken out, however, but no charge is made for the service.

The city had never taxed the franchises of public corporations. That is, we had allowed them to use our streets without paying us anything for them. We now have an assessment of over \$2,000,000.00 from the public service corporations.

When I went into office in 1911 the assessment rolls amounted to a little over \$63,000,000.00; the 1912 assessment showed an increase of \$22,000,000.00, or a total of \$85,000,000.00, notwithstanding all of the exemptions. We also reduced the rate from \$1.70 to \$1.50, although we have the power to make the rate as high as \$2.00. This gave us about \$400,000.00 more revenue than we had when I came into office.

Owing to my previous knowledge of the Somers System I had already prepared the thirty-five small maps upon which we placed our prices per front foot. This any city would have to do under the direction of the Somers System representative. His experience in valuing other cities may have taught him some better way to do it than this. The System cost Houston \$15,000.00, and I think it was money well spent, because we have an equalization which never could have been gotten any other way. The best part of it, however, I think is the "Houston System" of exemptions. If laws in any state are such that exemptions cannot be made in any other way, an assessor can at least assess buildings very low by giving them a high depreciation.

I was very desirous of making Houston the money center of Texas, and for that reason I exempted cash from taxation entirely, with the result that nearly \$10,000,000.00 was added to our bank deposits in the past twelve months. The people who had money stored away in their trunks brought it out and placed it in the banks, hence it got into circulation. One man, to my knowledge, had \$100,000 deposited in New York, and it was brought to Houston. I do not think any city will make a mistake in installing the Somers System.

ADOLPH BOLDT, SECRETARY, CHAMBER OF COMMERCE, HOUSTON, TEXAS.

I am very much in favor of the Somers System, for the reason that it equalizes or has a tendency to equalize the burden of taxation, and place it where it really and justly belongs.

I will further state that property owners in this city in a number of cases have had their taxes reduced by this system, but by far a larger number are being made to pay into the City revenue the amount of taxes that should be justly applied.

WACO, TEXAS

A. R. MCCOLLUM, PRESIDENT THE TRIBUNE COMPANY, WACO, TEXAS.

It is perhaps too early yet to venture definite, or at least matured opinions regarding the workings of the Somers Unit System of really valuation. This System has been but recently installed in Waco, and as a matter of fact we are just now experimenting with it. It is my understanding that the valuations placed by this System on really have been adopted by our assessment department as a basis for city taxation. It may require another year or two to get a really valuable insight into the merits of the plan.

But this much I am glad to say, the view being based on what has developed so far from the installation of this system in Waco, to-wit: In my opinion the really assessment situation has been clarified to a most gratifying extent, and I believe that the outcome must be of material value. The estimates made under the Somers System seem to me to be remarkably reliable, and therefore worthy to be used with confidence. Taking my own experience, the assessment on a home that I own as a case in point, I am greatly impressed with the possible value of the System, for I find that the estimate comes mighty near being right, and I have heard similar expressions from other property owners.

I was earnestly desirous that this system should be adopted in Waco, believing that the outcome would be good, and thus far there is no reason to modify that view. I am much in hope that it will put our values and assessments on a correct

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and helpful basis, and thus be of value in many ways. In short, I think the Somers System will make good here.

DR. H. M. LANHAM, WACO, TEXAS.

The Somers System has raised the valuation of property pretty generally, but at the same time I believe that it will equalize valuations much more satisfactorily than the old method. It is my opinion that the Somers System is far ahead of the old methods.

W. R. CLIFTON, PRESIDENT, THE BEHNRENS DRUG COMPANY, WACO, TEXAS.

I have not made much of an investigation or studied the Somers Unit System of valuation of real estate, but from my little knowledge I have been inclined to believe it is the nearest thing we have towards getting equalization of values; but I am opposed to taxation on improvements, personal property, or anything but the land. I am also opposed to an income tax, in fact, and very much of the Henry George idea, for it seems to me taxing improvements, personal property and income, in fact anything else except the land, has a tendency to thwart frugality and ambition and energy.

E. W. MARSHALL & CO., INSURANCE, WACO, TEXAS.

I regard the Somers System of Realty Valuation as a very thorough and efficient method of arriving at relative values, and I have no doubt, when fully completed, that it will simplify the keeping of the records in our Tax Collector's office.

As the System has nothing to do with taxes, or taxing, it will hardly affect the rate, further than to make the burden fall equally on large and small. It may put your citizenship to thinking, particularly those who have been enjoying the usual "free rides."

W. D. LACY, PRESIDENT, THE CITIZENS NATIONAL BANK, WACO, TEXAS.

Our city is just now having its first experience with the Somers System, and we have not gone far enough into it to form a definite conclusion.

the Somers System in any city.

I know of no other satisfactory method of obtaining equalization, and endorse most heartily the Somers System.

As to the investment, will state that our City Commissioners are well pleased, and from the figures given above you can be a good judge. I think it cost the city about \$8,000, and this will do for some years to come, for if we need more money, the rate may be raised or a certain per cent added to real estate values.

DES MOINES, IOWA

JAMES R. HANNA, MAYOR, DES MOINES, IA.

The primary object of the Somers System is to secure the equalization of taxes; the result is identically what in Des Moines quite a general increase in the total assessment. This arises from the fact that comparatively few people are accurate and that some are tax-dodgers, and as a result without a system the assessments are not found to be equal.

We have just fully completed the assessment of our business district accurately by the Somers Unit System. We not only secured a generally equitable assessment therein, but increased the assessment value over \$8,000,000 in this district alone. We shall be able to reduce the city's tax levy as a result of this fact. It might be possible to secure this result other than having a company do the work. I do not believe, however, that it is as practical, and the costs of securing the company is a matter incidental with the larger results obtained.

W. A. NEEDHAM, SUPERINTENDENT DEPARTMENT OF ACCOUNTS AND FINANCE, DES MOINES, IA.

The Somers System has proved an exceptional success in Des Moines. This I can state with positiveness after having witnessed its operation here. An increase of \$8,000,000 in assessments has resulted, this sum counting from 702 instances of increase and offsetting 203 instances of decrease. Out of the entire survey only eleven cases have been appealed, 6 of which are from one interest alone.

The result at this time cannot be stated positively but it is...

the co-operation of the sulkers, and neither they nor anybody else will be benefited by withholding any knowledge or co-operation that could add to the excellence and accuracy of the work.

The newspapers can do much by calling on the real estate men and large owners of property to attend meetings called by the Somers Experts and familiarize themselves with what is being done. Let it be handled as a municipal enterprise in which everybody is interested. Even any who may oppose the adoption of the System have nothing to gain by continued opposition after it is adopted. Every property owner, every dealer in real estate, every renter and every business man in a city is interested in lending the fullest co-operation to make it a complete and equitable assessment.

The Somers System experts do not come to tell real estate men and property owners what a front foot is worth on any street. They don't know or claim to know. But let your own people declare the frontage value on a block, and they will then compute the value of each lot separately on the block in accordance with its size and location. I cordially commend the System to favorable consideration.

HACKETT & BELL, REAL ESTATE AND INVESTMENTS, AUGUSTA, GA.

The Somers Unit System of Realty Valuation has done more toward equalizing assessments than anything heretofore.

For myself I have found the Somers System to be of great value in getting the Somers System to value the property at large, in the city. Our 1912 assessment was based on a supposed 80 per cent valuation. In putting in the Somers System, the Finance Board of the City Council, saw fit to reduce the assessment to 66 and two-thirds per cent of the real value.

The Somers System has revolutionized the records of the City assessors. What was heretofore a hard job to get information on several pieces of property, is now no trouble at all. I can recommend the Somers System to any City that needs an equalization of its taxable property.

J. J. O'CONNOR, CHAIRMAN FINANCE COM.

but as far as we have gone it appears to be all right. It is quite a drag-net for catching the tax-dodgers. It has brought about quite a number of valuable and much needed improvements in our Assessor's office. As an equalizer for land values and improvements it works well so far. It has of course increased taxable values considerably, but with all that our rate has been reduced from \$1.75 to \$1.50.

Our people are all well pleased with Commission form of government and the other good methods which has followed it.

We can tell you more about the Somers System after having tried it a year or two.

GEORGE McLENDON, WHOLESALE HARDWARE, WACO, TEXAS.

Our real estate values have just been assessed for the first time under the Somers System, and I believe that a big majority of our property owners are in favor of it, as we believe it will standardize values and should lower the present tax rate.

R. L. STRIBLING, TAX ASSESSOR AND COLLECTOR, WACO, TEXAS.

I am taking assessments for 1913 under the Somers System, and find as a whole the tax-payers are well pleased. There are many whose assessments are more than double, but when we convince them that the System equalizes taxes for the entire city, they go away perfectly satisfied. There is only one class that it does not satisfy and that is the habitual tax-dodger. My rolls show a total assessed valuation on a three-fourths basis for 1912 of \$26,392,980, and at a \$1.75 rate gave us \$461,886.34.

The Somers System finds the full value for 1912 to be \$48,389,488, which will be assessed for three-fourths of its value which gives us \$36,217,116. You will readily see that this would give us in taxes at the same rate as 1912, \$633,769.53. I think the rate will be reduced to \$1.60. Even with this reduction in the rate we would have \$100,000 more revenue than in 1912. We have a map of the city from which the Somers System was well made, and they are well prepared on anything else here.

duction in our present tax levy will be effected in August or September.

GEORGE BOTSFORD, SECRETARY, COMMERCIAL CLUB, DES MOINES, IOWA.

We have used the Somers System here only once, and until it has been worked out a little further, I would not care to express an opinion that might influence the action of others with reference to it. I do think, however, that it has resulted in an equalization of assessments as between properties of the same class, and properties of different classes, such as was never possible under our old system.

AUGUSTA, GEORGIA.

E. B. HOOK, ASSESSOR OF REAL ESTATE, AUGUSTA, GA.

The Somers System does not claim to increase revenues as a necessary result of the application of the System; but it has done so in every instance. In Augusta our basis of assessment was reduced from 80 per cent. to 66 2-3 per cent., and on this lower basis our revenues were increased \$25,000.

If any city needs plat books made of its lots, the Somers experts are quite familiar with this character of work, and can prepare excellent plans. Augusta had an entire set of plats made for us during the work of installing the System. No city will make a mistake in adopting the Somers System. It will put everybody on an equal basis, and where assessments are raised or lowered on a street, it will be uniformly done for all properties alike. Some may be lowered for some increased (if your assessments are irregular) but they will all be on the same level.

The application of the System will meet with-

just completion of the Somers System has proved an Department. The Somers System has proved an you claimed it to be, and under no circumstances would we go back to the old guessing method of assessing.

From the beginning it was generally recognized that in the Somers System the city was obtaining a cure for the notoriously inequitable assessments of real estate. Such opposition as there was to the work was from holders of large tracts of unimproved land, and owners of central property which everyone knew was valued for taxation at far less than its real value.

As a result of the work we are assessing real estate for 1913 at two-thirds of its real value, which is a reduction from four-fifths of its supposed real value in 1912. This means that the assessment of every property which was assessed at 80 per cent. of value in 1912 will be materially reduced this year. From what I learn from all sources there are hundreds if not one or two thousand such reductions. At the same time the city will obtain about \$25,000 more revenue in 1913 than in 1912.

We consider the services rendered cheap at the price. In fact it appears that the taxes which will be collected on properties hitherto not assessed at all will repay the entire cost within a year or two. After seeing the remarkable results obtained by the Somers System I would unhesitatingly recommend it to every city which desires to really equalize its assessments personally or officially. I shall answer any inquiries from-

T. T. HEARD, GENERAL AGENT, THE PENN MUTUAL LIFE INSURANCE COMPANY, AUGUSTA, GA.