THE ASTOR HEIRS ORGANIZE A TRUST.

To Concentrate And Perpetuate A Great Fortune.

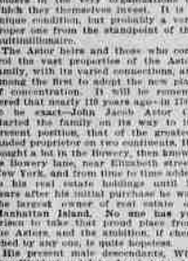
The Romantic Story of John Jacob Astor and His Millions. How the Vast Property Is to Be Controlled.

[Copyright, 1898.]

This is the day of trusts. There have been combinations of capital to concentrate certain lines of mercantile activity under one head and general supervision that competition might be defied and the market kept stable, but now there appears a new endeavor among certain moneyed classes to perfect themselves within themselves by the formation of corporations that will guard their interests and, while saving them expense, add to their incomes as stockholders in the very organizations in which they themselves invest. It is a unique condition, but probably a very proper one from the standpoint of the multimillionaire.

The Astor heirs and those who control the vast properties of the Astor family, with its varied connections, are among the first to adopt the new plan of concentration. It will be remembered that nearly 100 years ago—in 1808, to be exact—John Jacob Astor (I) started the family on its way to its present position, that of the greatest landed proprietor on two continents. He bought a lot in the Bowery, then known as Bowery lane, near Elizabeth street, New York, and from time to time added to his real estate holdings until 21 years after his initial purchase he was the largest owner of real estate on Manhattan Island. No one has yet arisen to take that proud place from the Astors, and the ambition, if cherished by any one, is quite hopeless.

His present male descendants, William Waldorf and John Jacob Astor together own 8 per cent of the $2,000,000,000 of real estate in New York city, and each year the increment added is sufficient to provide many men with large fortunes.



W. W. ASTOR

MRS. W. ASTOR

Colonel John Jacob Astor, the fourth of the name, with the praiseworthy intention of developing Thirty-fourth street as a business thoroughfare and raising it to a higher plane than Twenty-third street, erected the Astor Court building. He desired naturally to have what are generally termed "first class tenants" and without difficulty or delay secured a few. The first floor was especially adapted for the banking business, but as no commercial exchange thought of moving the idea of having a bank of his own immediately impressed him, and the sequence was the Astor bank, as the big lettered sign informs the passersby.

There was a wish unexpressed only in a few, that he might have other representative tenants from among the larger corporations down town, but the vitality of Wall, Broad and Beaver streets with its atmosphere of finance, is especially suited to capitalists, and they could not see superior inducements so far up town. But the colonel, as railroad president, investor, hotel proprietor, builder, banker, military attache, gentleman and literary worker, is a man of ideas, and the thought flashed upon him that an insurance company was a necessary adjunct at least to the Astor estates. Its purpose might be extended to offer valuable terms to other great land holdings. "I," Harold Van Rensselaer, generally known as "Harry," was in the insurance business, and he is a son of the late Mrs. William Astor. He interviewed representatives of the Rhinelander, Goelet, Lispenard and other wealthy real estate owners, and it was such a pleasing succession that they signified their willingness to take policies in the proposed enterprise. Consequently the Astor Insurance company is an existing fact.

Thus far these commercial endeavors may be said to be an Astor trust, but the patronage of all the rich real estate proprietors of New York city will result in a combination of unequaled interests that cannot be equaled elsewhere on the earth.

J. Hampden Robb, one of the trustees of the Rhinelander estate—which has a fifth interest—is to be president of the fire insurance company. The Astor estate is to be represented by William Berrian, its manager and the Lispenard estate by Lispenard Stewart.

It is currently believed that the present John Jacob's investments in paper securities are made by him in the exclusion of the real estate of the Farmers' Loan and Trust company, where no mortal eye save that of the youthful president of that institution sees what enormous amounts of accumulated wealth are monthly stowed away. That he owns more than 5,000 first class buildings and many acres of vacant land in New York and its suburbs and that he can buy and pay for additional property worth a million dollars every month and still have enough left to meet his current expenses is the common report. But all his business is transacted in a manner to attract the least possible attention. The Astors fear nothing so much as the possibility of there being a people's revolt some day against the monopolizing of houses and lands, and the richest would be the first victims.

John Jacob Astor (I) was born in Waldorf, near Heidelberg, Germany, on July 17, 1763. At the age of 16 he went to London and in 1781 sailed for Baltimore, about the same time that the Lorillards, the famous tobacconists, came to the United States. He considered himself rather above them in the social scale, for the reason that his father in "the old country" was a butcher and therefore a wealthier man than most of his neighbors. His connection with various enterprises in the east, in the Hudson Bay company's trade and in Oregon are too well known for recapitulation. His knowledge of the butcher's trade, doubtless acquired before leaving home, made him a judge of skins and furs. He always purchased the best and was not too proud to carry the bundle home upon his back. As a sharp trader he could not be surpassed and was the closest kind of an economist all his life, amassing a fortune even while he and his family were living in such humble quarters that the tax-gatherer passed them by almost in contempt.

The following is a copy of what might be termed a valuable paper:

On the fifteenth day of July next, I promise to confer from Mr. Griffith Evans or order one thousand dollars for fifteen hundred, at four per cent stock of the United States, and pay him or order at the rate of twenty-five shillings per pound and three farthings on the pound.

Philadelphia, the 16th January, 1790.

JOHN JACOB ASTOR.

Guaranteed by M. Gratacap.

It is believed that Mr. Astor signed this paper when in business on Chestnut street, opposite Independence hall. It is very evident, however, that he did not confine himself to the purchase of government stock (though he doubtless bled his money to some extent by it during the Revolution), for shortly after this he began investing largely in New York real estate, and so continued till the day of his death. He started in only a buyer, but a seller, and often, when he was a young man, he explained to an acquaintance the principle upon which he acted.

He had sold a parcel of real estate on Wall street for $6,000 to a man who, after the deed was signed, expressed surprise at the sale of the land at any figure.

"In three years," he said to Astor, "there lots will sell for $12,000, and I shall make $6,000 net."

"Yes, I know," was the reply, "and it was because I knew the lots would rise that I refused them to you. Property that is bound to rise will always sell, but with the $6,000 you paid me I have bought other property further up town that will sell for $20,000 by the time yours will bring $12,000, and I shall make $13,000 while you make but $6,000."

The man shook his head in doubt, but Astor's prediction came true. The secret of the latter's success in real estate was more than 6 feet in height and possessed of greater personal confidence than any other member of the family, but, favoring unfavorable, he was spared on an elegant estate, near the foot of West Fourteenth street, in a close and calculating school. Even in early youth he was inspired with notions of the strictest economy and, however all, the idea that the growth of New York was an inevitable as the revolution of the sun. He was hardly ever seen in a carriage, but invariably walked, an inherited peculiarity of his descendants, although they are pedestrians from higher motives than economy, and it is said by those who remember him that he passed the north streets as if he felt sure of losing his life in the attempt.

A stranger, noting this timidity, inquired his name and, being told, observed that he must be a close Astor, as he seemed so fearful of being damaged.

From the assessor's books in the tax department it is learned that the John Jacob Astor estate pays taxes on property from 125 Broad street to Thirty-eighth street, in which almost every thoroughfare is represented, valued at $7,000,000, and in the annexed district parcels valued at several more millions, while the William Waldorf Astor estate pays taxes on $11,573,900. But the list does not comprise all the realty holdings of the Astor families. Both branches own hundreds of plots of ground which are leased for long terms. In these cases the lessee pays the taxes, and the Astor name does not therefore occur on the taxbooks, but the occupants of the houses will tell the inquirer that the Astors are the owners.

There is the Sumner farm property in the Tenth and Seventeenth wards, along Avenue A from First street to Seventh street. It is occupied for the most part by tenements built by the lessee, whose leases run for 21 years with the privilege of renewal.

The old Clinton farm property was formerly in Greenwich village. It extends from Little West Twelfth street to Fifteenth street and from Eighth avenue to the river. This also contains many tenements and is held on ground leases.

The finest section of the Astor estates is undoubtedly the Middle road property on Fifth avenue, north of Thirty-second street. It consists for the most part of well built stone and brick residences. It is an elliptical section, taking in the houses on Thirty-third and Thirty-fourth streets, on both sides of Fifth avenue, on Thirty-fifth and Thirty-sixth streets east of Fifth avenue, and on the west side of Madison avenue, between Thirty-fourth and Thirty-sixth streets. It contains more than 100 houses within a radius of a block or two. In this section are the Astor mansion and the Hotel Waldorf.

The Eden farm property extends diagonally from the corner of Forty-third street and Broadway to the river at Fiftieth street. It contains the Lenox apartment house.

There are also lots on the Boulevard from Eighty-ninth street to One Hundred and Tenth street, and a large amount of suburban property in Harlem and in Westchester county, the theory of the Astors being that the city will grow in that direction.

It is all a romance of great riches, increasing from the sum of $25,000,000 that the original Astor left at his death in 1848 to $185,000,000, the estimated joint fortune of the cousins now in 1898.

There should be a line in reference to the degree of servants of the family. Three generations have succeeded the founder of the house, but during almost the entire period the same set of men have been employed and to watch over the interests of the estate. There are five divisions in the offices devoted to this purpose and one outside. Philip Kissam now acts for the Astors as well as the manager of the estate of the present John Jacob Astor, as he was for those of his father and grandfather. Albert Bartlett, who was an investor in real estate for both branches of the house, was said to be the best authority in New York on suburban real estate. Another faithful employee was John Downey, the builder, himself a millionaire, who erected all their houses and made all their repairs during a period of 30 years. It should be remembered, however, that about one-third of John Jacob Astor's estate is in the form of bonds, mortgages and other securities.

It is well known that 20 individuals and estates own nearly 10 per cent of the real estate on Manhattan Island and that part of Westchester county known before 1895 as the annexed district. About 150 others own 50 per cent. But it is with the Astor name that we are connected by social bonds and capitalistic interests, that John Jacob Astor will find his insurance patrons. The 20 great estate holders are:

William Waldorf Astor	$112,000,000
John Jacob Astor	25,000,000
Heirs of Daniel Goelet	15,000,000
Amos R. Eno	15,000,000
Rhinelander estates	12,000,000
D. H. Porter estate	11,000,000
Hilarides T. and Louise M. Gerry	10,000,000
James Stillman	9,000,000
Alfred Corning Clark estate	8,000,000
Estate Moses Taylor	7,000,000
William Rhinelander estate	7,000,000
Langdon estate	6,000,000
George Bliss	6,000,000
D. O. Mills	6,000,000
Solomon Loeb	6,000,000
Hudson estate	5,000,000
Parsons estate	5,000,000
Roosevelt estate	5,000,000
Mary Ann Wilks	5,000,000
D. Willis James	5,000,000
Total 20 holders	$252,000,000

There are other people of great wealth—the Ayers, Pearsons, Claflins, Schultzes and Green, worth from $5,000,000 to $50,000,000—residing in New York, but their investments are principally in other cities. It is possible that they also may become, to a greater or less extent, patrons of the Astor Insurance company. The totals given above in connection chiefly with realties—the buildings, few of their largest properties stand on either side of Broad street, at Wall, on sites that cost fabulous figures. The Mills building is the best known.

The big estates of Arnold Constable, Alfred Corning Clark, James McEvoy, George Bliss and Solomon Loeb were founded on money that was made in trade and then put in land as the safest of all securities.

The Rhinelander, Wendel, Langdon, Roosevelt, Parsons and Rutgers estates have reached big figures through generations of heirs shrewd enough to see that the wisest policy of management was one which held on to New York realty.

Again, there are a dozen other estates and individuals whose prominence as landowners is almost as great as those cited, but the figures of values given in the table shows what a powerful combination of business interests there can be if all these people enter the new enterprises of John Jacob Astor as their mediums of exchange, deposit and insurance.

The element of strength that was noted in the real property on Manhattan Island and the annexed districts during the recent panic, when land values everywhere else in the country were greatly declined, is established largely by the fact that property there is distributed among a very small number of persons, all of whom are so wealthy that a temporary stringency in the money market or even a protracted period of distress in mercantile circles does not cause them any inconvenience.

For the past five years there have been many owners of "gilt edged" realty whose necessities forced them to sell, but there has not been a piece of property thrown on the market but that the large landed proprietors have easily absorbed. Their investments in homes have afforded a sort of sinking fund for the rescue of landed property. This warrants the quotes frequently indulged on New York city real estate that it is as good as United States government bonds.

There have been overbuilding and reckless speculation, and there have prevailed inflation of prices, with the result of a gradual shading to normal figures. The great beehives of New York—Broadway—and the streets and avenues crossing and contiguous to it have held their own and even appreciated. Sensational failures, ruinous prices and interrupted enterprises.

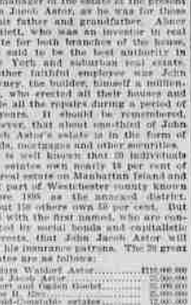
The great estates have been built up by close observation of the arteries of the city. Their founders followed the trend of population on Manhattan island and left an injunction to their successors to do likewise.

Property cannot legally be entailed in this country, and many of the successors of real estate have established a system which virtually and practically amounts to the law of primogeniture. Their holdings have been tied up in trusts, have been incumbered with prohibitions not to sell during the life of the longest living child of the largest living heir, and in other ways have been kept intact that they might increase ten, fifty or a hundred fold.

John Jacob Astor is making rapid progress in the extension of his business affairs. A short time ago he became president of the Tidewater Building company, which will in future do all the building for the Astor estate. He also controls the destinies of the Findlay, Fort Wayne and Western railroad.

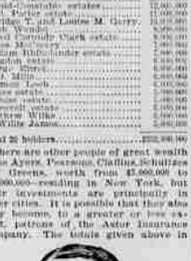
It is to be said of the Astors that while they live well and in excellent style in their homes they have always conducted themselves with extreme quietness and modesty in their intercourse with the outside world. The accumulations of real estate are made without flourish of trumpets, and they will build a score or more of big store edifices without ostentatious display or hardly permitting themselves to be seen giving more than a hasty glance at the fine structures as they go kneeling heavenward.

W. W. ASTOR'S ENGLISH HOUSE CLIVEDEN



J. J. ASTOR

MRS. W. ASTOR



MRS. J. J. ASTOR

His Choice.

"One day during last October," said a representative from one of the southern states to a Washington reporter, "I had occasion to get out in the mountains from one of the interior county seats where I had come to be located. My mission was to secure a deposition from the wife of a mountain farmer, and when the work was done I was asked to remain to dinner. It was not entirely to my liking, for I knew what that kind of a dinner meant, but I could not decline the invitation. It was a very homely affair, indeed, corn bread and bacon being the leading viands. At my right sat a boy of 15, who was rather a foxy youngster, though he had never been beyond the limits of the county. He was quite inquisitive after he had made a start, and during the course of his inquiries became quite personal.

"'I reckon you're utter lot'n you got here in the mountains?' he said with a nod to the spread before us.

"'Oh, I don't know,' I parried. 'It is different in the city.'

"'I reckon you have white bread all the time, haven't you?'

"'Oh, yes.'

"'No corn bread a-tall?'

"'Only when I want it.'

At that there was universality in his eyes; then it faded, and there came admiration and longing.

"'Geminetty gosh!' he exclaimed in a tone that showed that rubber-necktown was far heaven! I shore would!'

"And he was so seriously in earnest that I didn't care laugh."

Origin of the Word Filibuster.

The name "buccaneer" was chiefly affected by the English adventurers on the coast, while the French members of the profession often preferred the name "flibustier." This word, which has since been corrupted into our familiar "filibuster," is said to have originated from the Dutch, signifying nothing more than the French method of pronouncing the word "freebooters," which title had long been used for independent rovers.

Memorial of James R. Lowell.

The movement at Cambridge, Mass., to make the homestead of James Russell Lowell part of a public park will be a success. Subscriptions have reached $19,000, which is more than half of the required amount. Such memorials deserve more attention in other cities.

ALL ABOUT ANIMALS.

The Irish donkey has covered himself with glory in distant South Africa. His toughness taught to scorn the tsetse fly, so fatal to cattle and horses, and all the other Jacobitical pests of that region, and in the matter of diet he is so accommodating as at home. There is, in consequence, a great boom in the Irish "moke" market, English and Dutch syndicates having already invested $25,000 in donkey flesh in Clare, Tipperary and Limerick alone, and the whole donkey industry is opening up to the Irish farmer.

There is a certain breed of mice in Japan very sensitive and susceptible to impressions. Under proper conditions these little creatures will whirl like dervishes for hours at a time. They have been taken up by naturalists when in this condition and held stationary for several minutes, but will instantly resume the "whirling" when released.

France has a law forbidding the slaughter of birds smaller than larks. Nevertheless piles of such birds are offered for sale in the markets of many French cities. A movement is now under way for arresting the law and having the song birds put on the fields, which they keep free of injurious insects.

Hundreds of experiments have been made to determine whether toads could live when inclosed in blocks of stone, and in every case the toads died before the end of the second year.

Hamburg is a well known market for household pets. A civet cat costs $5, a tame jackal $7 and an affectionate Brazilian snake $40. An alligator one foot long can be had for $1.50, but at two feet he is worth $5 and at seven feet $25.

A horse has been known to jump 27 feet in a steeplechase.

Dr. A. Reichwein, a dentist of Grand Rapids, has a bull terrier of which he is very proud, and the dog recently lost two front teeth in a fight. Reichwein fixed the dog up in his chair, filled the teeth with pretty gold fillings, and the terrier is again on the warpath.

It is said that if the "voice" of an elephant were as loud in proportion as that of a nightingale his trumpeting would be heard around the world.

The marten, a carnivorous animal, has been known to eat fruit as a dainty.

On an estate in Scotland recently one was caught in the act of stealing raspberries.

The shah of Persia has a great reverence for cats. He has 50 of them, and each one has an attendant of its own, with a special room for meats. When the shah travels, the cats go along also, being carried by men on horseback.

Russia is said to own 20,000,000 horses, or nearly one-half of the whole number in existence. Most of them belong to the peasants of that vast empire.

The green ants of Australia make nests by bending leaves together and uniting them with a kind of natural glue. Hundreds have been seen on one tree. Pieces of bark on the ground, with an equal number waited to receive, hold and fasten it.

The tail of the fish is his sterling organ. He moves it first on one side and then the other, using his fins as balances to guide his motion. If the fish is moving fast and wants to stop, he straightens out his fins just as the rower of a boat does his oars.