BIG LAND OWNERS.

HOW AMERICANS ARE BUYING UP CUBA BY THE THOUSANDS OF ACRES.

More Than Fifty Million Dollars Already Spent—Large Tracts Cheap—Government Lands and Timber Properties—The American Colonies and How They Are Exploited—Big Profits in Fruit Raising—The Cuba Road and Sir William Van Horne's New Farm Settlements.

(*Special Correspondence of the Deseret News by Frank G. Carpenter.*)

SANTIAGO.—Since our war with Spain more than 13,000 Americans have bought lands in Cuba and their purchases amount to over fifty million dollars. There are 7,000 American titles registered in the province of Puerto Principe alone, at a purchase value of twenty eight millions, and estates are being bought in large tracts in nearly every part of the island. It is said that seven-eighths of the land, in the Sancti Spiritus district of Santa Clara, is now owned by Americans, and a large number of important purchases have been made about Cienfuegos. Great tracts are being bought along the northern coasts, and millions of dollars worth of real estate, in and about Havana, has gone into American hands. Some of this property has changed owners several times, but the greater part of it is still in large tracts awaiting development or colonization by small farmers.

AMERICANS OWN VAST ESTATES.

Indeed nearly all the sales so far made are in thousands of acres. The eastern part of the island, where most of the sales have been made, is divided up into large tracts, the holdings ranging all the way from 1,000 to 75,000 acres or more. Some of these estates have been in the hands of families for generations; and, when sold, they must go as a whole. The Cuban, who has 10,000 acres, does not like to sell a 50-acre or even a 500-acre strip. He may be willing to sell 5,000 acres, in order to get enough money to develop the remaining 5,000, but, as a rule, he wants to sell outright, and that for cash or on short time. This has resulted in the American purchasers being syndicates or individuals of large means. I venture that 10,000 of the 13,000 purchasers have been of this nature. Most of the transfers are for thousands of acres, and the average sale price represents a large sum.

About Nipe bay a tract of 180,000 acres of some of the best lands of Cuba was bought five years ago by Mr. Hippolyte Dumois for himself and other parties connected with the United Fruit company of Boston. This has been divided, Mr. Dumois and his immediate associates taking 40,000 acres, and the balance going to the Nipe Bay company, an association of New England capitalists, which will invest millions in sugar mills and plantations. I have already described the banana, pineapple, coffee, cacao, orange and sugar plantations upon the Dumois purchase which in full bearing I am told will bring in something like a million dollars a year.

In that same vicinity several other large tracts are for sale. They contain from forty to sixty thousand acres each, and must be bought as a whole, the largest requiring at least a half million dollars to buy it. Once in the hands of Americans, these lands may be divided into small tracts for colonists. If so, they will be sold from $30 and upwards per acre instead of $10.

BIG TRACTS CHEAP.

Indeed, about the only cheap land in Cuba is in large tracts. It is easier to buy a 10,000-acre farm than one of 200 acres, and in the New Cuba, which means the large territory opened up by the Cuban railroad, almost everything is sold that way. Hundreds of Americans are quietly traveling over this island picking up the desirable plots and holding them for speculation or further development. There are real estate agents in the cities who have such tracts for sale, and good lands can be bought in big blocks at from $1 an acre and upward. The same lands, when divided and colonized, will be worth $30 or more per acre.

I have before me the lists of several of the American real estate agents showing their properties and prices. I do not mention names, but merely quote some items to give a general idea of the prices asked. Here is a tract of 15,000 acres in Santa Clara province which has 250 acres of cane on it. It is for sale at $5 per acre. On the same page is a tract of 10,000 acres, including 2,000 acres of guinea grass, at $4.50 per acre. The most of this tract is in woods, but it is described as rich land, suitable for sugar cane. On another page I see a tract of 56,000 acres offered at $5 per acre, and one of 11,000 acres at $40,000. Further on is a tract of 9,000 acres at $4 per acre. This lies on the north coast and adjoins one of the best-known of the American colonies, where lands are sold in 40-acre tracts at $50 per acre.

There is no doubt but that all good Cuban land will double in value in the near future, and some of it will be worth many times what it is now. I refer, of course, to undeveloped properties.

The government lands of Cuba include about 1,250,000 acres. They are mostly forest lands; some of them have been rented and others disposed of in the form of grants, the government holding an unlimited mortgage at 5 per cent per annum upon their fixed value. A large part of the government holdings is now offered for sale by the president of the republic. The sales will be at public auction, and in payment therefor the certificates and warrants issued to the soldiers of the war of independence, will be accepted.

These timber lands have valuable hard woods. They have mahogany and cedar, the mahogany bringing in from $27 to $100 per 100 feet, and the cedar from $20 to $50 per 100 feet, according to the grade and locality where sold. Jucaro wood is worth 7 cents a foot, while granadillo, yamaguey and cerilla bring in from $25 to $30 a ton.

TIMBER IN THE SANTIAGO HARBOR.
Photographed for the Deseret News by Frank G. Carpenter.

TIMBER IN EASTERN CUBA.

A large industry in getting out Cuban timber has grown up since the war. Scattered along the line of the Cuba road from Santa Clara to Santiago are scores of saw mills with great piles of mahogany and hardwood logs about them; and rafts of logs may be seen floating in nearly every harbor. In 1903 Cuba exported about $2,500,000 worth of forest products, and such exports are steadily increasing. Some Canadians have bought a large tract of timber not far from Camaguey, which they expect to exploit; and Michigan parties have just purchased 25,000 acres of timber along the line of the Cuba road not far from the borders of Puerto Principe. The latter company will cut out the most valuable trees and ship them to the markets and then use the land for grazing and sugar plantations. It expects to establish a town upon its lands, and will divide a part of it into 40 or 50-acre tracts for sale to Americans. I understand that the price paid for the land was in the neighborhood of $5 per acre, or about $125,000.

Cuba has large areas of forests. Nearly the whole of the eastern part is covered with woods. Nearly all the way from Camaguey to Santiago is through virgin forest. This is so on the branch line of the Cuba road from Alto Cedro to Nipe bay, and I understand that the forests extend back for many miles on both sides of that road.

These Cuban forests are rank and thick; the trees are large and bound together with vines. Nearly every one carries a machete in traveling through the woods, in order to cut his way from one place to another. The trees include mahogany, cedar, ebony, walnut, majagua, ceiba, oak, pines, rosewood, logwood, cottonwood, lignum vitae and about 20 varieties of palms. There are also a large number of dyewoods and many medicinal bushes and plants.

Much of the wood is good for furniture, and a Grand Rapids company has bought 18,000 acres and is about establishing a factory in the northern part of the island, to make furniture for the Cuban market. At present nearly everything of this kind is imported and all home-made furniture is high priced.

AMERICAN COLONIES IN CUBA.

The fact that most of the lands are for sale only in large tracts has led to the organization of American colonies. Private parties and syndicates are buying up estates of from 10,000 to 200,000 acres and dividing them up into 20, 40 and 50-acre tracts, which are sold at prices ranging from $30 and upward per acre. There are at present perhaps a dozen or so such colonies in active operation, but so far they have not been in existence long enough to say that they will be lasting successes.

These colonizing companies present their lands to customers chiefly as tropical fruit growing propositions. They send out glowing prospectuses, stating that such tracts can be made to produce $200 or $300 and upward an acre per year. They say a farm of 50 acres in Cuba is worth more than 100 or 200 acres in the United States, and if the land is rightly chosen as to location and quality I doubt not that they are correct. The soil here is rich and the products are enormous.

FORTUNES IN FRUIT.

I have before me a number of such prospectuses. They say that land planted in cacao, the tree that yields the chocolate bean, should yield at least $300 an acre per year. The cacao trees come into bearing in four or five years, and when full grown should average eight or ten pounds per tree. Two hundred and fifty trees can be grown on an acre, and the cacao beans will sell, so it is stated, at 15 cents a pound. As to pineapples, these prospectuses say 6,000 can be grown on one acre and they will sell from 5 to 10 cents apiece, which seem to me high prices.

The stories of orange growing are even more glowing. A 10-acre grove, according to these estimates, will make a man independent and 50 acres will net him a fortune. In one advertisement I see that 10 acres of oranges should yield within five years after planting $9,600, from which, deducting the cost of the land and the trees ($520), leaves a cash profit of $8,780. These figures are based on the hypothesis that a man cares for his own orchard and that the trees begin to bear at three years. It is stated that after the fifth year the yield will greatly increase, and that at the age of 10 years the 10-acre grove should produce from $8,000 to $10,000 a year.

It is a common statement here that a good orange grove in Florida is valued at at least a thousand dollars an acre, and that inasmuch as Cuba has no frost and the cost of getting the fruit to the markets is about the same, such Cuban lands should eventually be worth double that.

Another estimate which I have before me, taken from an article in the Havana Post, states that the cost of setting out 40 acres of oranges, including the houses and other buildings, is $8,000, and that a $20,000 outlay will result in an excellent 40-acre grove at the end of five years. Such a grove, according to this, should produce, at one box to the tree, $4,000 a year, and when the grove reaches its maximum in the tenth year six boxes per tree, or $24,000 per annum. These are interesting figures, and even if divided by half they make orange growing attractive.

PROFITS IN COLONIZING.

At the same time I wonder whether there is not even more profit in buying the big tracts of land and selling them again than in putting them out in oranges. Take, for instance, one of the best advertised colonies which is backed by a rich banker of New York. Its owners have 200,000 acres of land, most of which they have bought, at a liberal estimate, from $1 to $5 an acre. They have 2,000 acres under cultivation, having planted it in orange groves, and they are selling land, both in the wild and cultivated state. They began by selling wild lands at $30 an acre, but have since raised their prices to $60 an acre. The cultivated land, set out in oranges, was originally sold at $500 an acre, the understanding being that the land would be cleared and planted and cared for until the trees were three years old. This year the price of such lands has been increased to $720 an acre, and I am told that the sales are numerous and increasing. This colony has established a bank. It is building shipping houses where oranges can be packed and sent out on the railroad to the Cuba road, whence they will be shipped to Nipe bay and thence to New York. The proposition, based on the product of orange growing, must be attractive or there would not be purchasers. It does seem that the difference between $5 and $720 ought to cover the cost of taking care of an acre of land and still yield a profit of somewhere between 5 and 10,000 per cent. In this I do not mean to say that the man who buys the $720-acre land may not still make an interest on the investment, but it does seem as though the exploiter was getting more than his share of the profits. As to the $60 per acre wild land, the purchaser of such tracts, if they belong to a colony, buys not only his land, but American neighbors, including school and church advantages, as well as better shipping facilities.

THE CUBA ROAD COLONIES.

The most interesting of the land development projects going on in Cuba are the town and farm settlements of the Cuba railroad in connection with the lands along its tracks. These are railroad enterprises rather than land speculations, their aim being to build up the traffic by the increase of the population and business. The lands are sold for comparatively low prices and on installments to approved purchasers. Sir William Van Horne estimates that one Cuban acre is worth as a producer more than ten of the best American acres. He says that one acre of good Cuban sugar land will at a low estimate yield $25 per annum, and lands set out in oranges and other tropical fruits even more.

His farm settlements combine the advantages of the Canadian and American farm home with those of the farm villages of Europe. The unit of division is the caballeria or 33 1-3 acres. Each farm settlement consists of eight caballerias in the form of a square, cut by two roads running at right angles to the middle of the square, and by additional lines bisecting the square and joining the corners. This makes eight triangular divisions of square, which meet at the center of the block. The idea is to have a square park in the center and facing it the houses of the eight families which shall own the eight tracts of land. Each man's house will be on his own land, and at the same time his family will be close to those of his neighbors, affording social intercourse. Nine units of this kind forming nine farm settlements will be joined together in another great square at the center of which is a town site. At the latter there will be a postoffice, a school, a store and a blacksmith shop. Such a town would have 72 families tributary to it, and it would probably have telephonic connection with each little settlement. It would be large enough to support a doctor, and as there would be more than 150 school children in the different families, there would be no difficulty in getting a good teacher for a public school, and as none of the subordinate settlements would be more than a half mile from the town site, the children could easily attend school.

According to Sir William Van Horne's estimate such a farm of 33 acres is equal in its money-producing power to one of 300 acres in the United States, and it is about as much as one family can attend to without outside help. Those who wish more lands can buy additional units, the scheme being capable of indefinite expansion. The plan is much liked here and it will probably be adopted by other development companies in opening up their properties. If it becomes common it will result in giving the farmers of eastern Cuba more social advantages than their class anywhere the world over.

A PERSONAL INVESTIGATION NEEDED.

In closing this letter I urge all would-be investors in Cuban lands to come to the island and look over the country themselves before making purchases. The opportunities for making money are enormous. Lands are bound to rise in value. The soil is amongst the most fertile of the world, and the island will probably become the fruit and winter market garden of the United States.

There is, however, a great difference in lands and locations, and freight rates will often mean failure or success. There are honest real estate agents here, but there are also land sharks. There are development companies operated as fairly as any in the United States, and although the lands sold by some of them are apparently high, taking everything into consideration they are comparatively cheap. The man who buys land in Cuba, however, should be on the ground and study the conditions; he should look at the property himself before he hands over his money. He should, if possible, see the real owner, either himself or by agents, and, what is very important, he should have the title examined by a respectable native lawyer, and if possible by one who resides near the property. Each province in Cuba has its local conditions, and the local lawyer often understands the titles about him better than those who live far away. Lawyers' fees are not high, and money so spent may be cheap in the end.

FRANK G. CARPENTER.

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