FINANCING SUBURBIA
Prudential Insurance and the Post–World War II Transformation of the American City

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In the years immediately after World War II, American suburbanization shifted into overdrive. For more than a century, since before the invention of the automobile or even the streetcar, people had been moving to houses at the city's edge. But in the late 1940s, this movement entered a new era quantitatively and qualitatively. Sprawling residential subdivisions sprang up around every U.S. city and town, each developed from raw land to finished houses by a single "community builder." Entrepreneurs created the first regional shopping centers, huge assemblages of stores that boldly challenged the dominance of downtown. And more quietly, employment began to shift outward from old office towers and factories to freshly built office parks and industrial parks on the suburban rim. This rapid decentralization of stores and jobs as well as housing has created a new kind of city, many observers agree, in which suburbia is no longer a tributary of downtown but instead a virtually independent urbanized region that thrives even as the center city withers.[1]

Historians have attributed the dramatic postwar suburban transformation to three main factors. Automobile ownership jumped as World War II–induced prosperity allowed Americans to buy cars in record numbers, while new federal highway programs, including the 1956 *Interstate Highway Act*, constructed expressways that carried drivers to the suburbs. Federal aid to homeowners provided the second stimulus, notably, the mortgage insurance programs of the Federal Housing Administration (FHA) (in 1934) and Veterans Administration (VA) (in 1944) that enabled even blue-collar Americans to afford home loans. The third factor typically cited is the baby boom, the demographic bulge created as returning GIs started new families by the hundreds of thousands.[2]

In addition to those important stimuli, a fourth factor helped drive the suburban transformation—innovations in financing that provided dollars for develop-

AUTHOR'S NOTE: *I thank archivist Dorothy Wolfe for her gracious assistance at Prudential and Richard Longstreth and Carol Sawyer for their helpful comments on an early draft. The views expressed are solely my own.*

JOURNAL OF URBAN HISTORY, Vol. 26 No. 3, March 2000 312-328

ment on a scale previously unknown. This article will explore activities of the largest single player in this little-known financing revolution, the Prudential Insurance Company of America. Prudential supplied the money for a surprising number of the landmark projects that redefined suburban America in the 1940s and 1950s, including Levittown, the pioneering enclosed Southdale Mall, and Dallas's much-publicized Brook Hollow Industrial Park. Prudential was ranked as the nation's biggest mortgage lender in the postwar period and also emerged as America's largest private owner of retail property. The company's internal magazine, the *Prudential Mortgage Loan Mirror,* is a source untapped by historians that offers a glimpse of Prudential's activities and the ideas that guided its reshaping of the North American landscape.[3]

SEEKING LUCRATIVE INVESTMENTS: NEW LAWS AND NEW MONEY TRANSFORM THE GAME

Life insurance firms gather money from insurance policy holders, put it to work in investments, and then pay back a set amount upon each buyer's death.[4] Investments must be both lucrative and safe over the long term. Traditionally, firms placed their dollars into four areas: stocks, government bonds, corporate bonds, and real estate mortgages. Stocks were least desirable because markets fluctuate unpredictably. Government bonds were next in desirability, very safe but giving low rates of return. Bonds issued by industrial corporations were more lucrative. The best and safest return, though, came from making mortgage loans on real estate. Rate of return ran high, and should the mortgagee be unable to pay, the insurance company could seize the land and building and then resell it to recoup the investment. A study of 1927 data, for example, showed that life insurance companies placed nearly half of their dollars in mortgages, with most of the rest in corporate bonds.[5]

While real estate constituted the traditional mainstay of insurance investment, events of the 1930s and early 1940s blurred that focus. The Great Depression shook the industry with widespread mortgage defaults and industrial bankruptcies. Life insurers began moving cash into the safe haven of government bonds. This movement accelerated in World War II, as companies patriotically made heavy purchases of war bonds. By the war's end, 46 percent of insurance investments lay in extremely low-yield government bonds—so low that the total return on all insurance dollars dipped to a minuscule 2.9 percent.[6] Even while battles still raged in Europe and Japan, executives at America's leading insurance firms began looking forward to getting out of government bonds and back into the lucrative arena of real estate.

The largest of those firms was the Prudential Insurance Company of America. Founded in 1873, it had grown as an aggressive and efficient player in real estate.[7] By the late 1920s, the New Jersey–based Prudential vied with New York–based Metropolitan Life for the title of America's largest mortgage lender. During the 1930s, two innovations pushed Prudential into the lead. First, the New Jersey firm inaugurated a system of regional branch offices, each charged with "putting out money" in productive investments. Second, Prudential leaped into the new market in federally insured mortgages. Introduced in 1935 by the FHA, the FHA mortgage revolutionized home finance. The federal government promised to repay the lender in the advent of default by the homebuyer. Instantly, nearly every American became a good risk for a mortgage. Metropolitan Insurance regarded the new program with suspicion, but Prudential jumped on it. Within five years, Prudential booked $178 million of the new loans, compared with zero dollars for slow-on-the-draw Metropolitan.[8] By 1945, Prudential had twenty regional branches employing fifteen hundred people across the United States and Canada and stood secure as North America's biggest mortgage maker.[9]

With real estate so financially attractive, why not get into the business of owning and developing buildings directly, in addition to simply making loans? In 1945, laws prohibited it. To protect consumers' hard-earned savings, each state in the union regulated the kinds of investments that insurance companies, banks, and other financial institutions could make. Since 1905, when hearings by the Armstrong Commission exposed rampant abuses in the insurance industry, states had rigidly defined proper fields of endeavor. The list of activities did not include real estate ownership and development.[10] Only a handful of special exceptions had been made. In 1922, New York State gave temporary permission for Metropolitan Life to own and develop an experimental apartment project in Long Island City, an attempt to alleviate severe housing shortages following World War I.[11] In 1938, the midst of the Great Depression, New York again passed such a temporary relaxation, resulting in Metropolitan's Parkchester, Riverton, and Stuyvesant Village projects.[12] These efforts generated much favorable publicity, and California and New Jersey passed similar laws, which like New York's were limited to low- and moderate-income housing, usually in slum-clearance areas.

Now, with war bonds about to mature and dump cash into company coffers, insurance executives seized these precedents as the entering wedge for a dramatic expansion of powers. In 1945, Prudential and the other life insurance leaders descended upon every state capitol in the nation in a concerted lobbying effort. In state after state, they requested laws granting broad permission to develop real estate not just for low-cost housing but for any type of for-profit use—apartments, stores, factories, offices. The laws were "sold to the legislatures on the basis that they would help to alleviate the housing shortages that existed following World War II. The insurance companies were frequently supported in their requests by organizations interested in veterans housing," an industry insider candidly explained. "It should be recognized, however, that the insurance companies were primarily interested in investing in commercial real estate even though the legislation was enacted primarily to permit construction of housing projects."[13] The laws opened a new era. By 1948, nearly every state in the United States plus most Canadian provinces allowed insurance companies to act as owner-developers.[14] In addition to rebuilding its mortgage activities, Prudential could now put its huge capital to work in real estate directly.

And capital there was, in abundance. Though no one could have known it when the laws started changing in 1945, the insurance industry was about to enter a golden era thanks to post–World War II demographics. Baby-boom parents, basking in postwar prosperity and eager to safeguard the futures of their young families, bought insurance policies in record numbers during the late 1940s and 1950s. Life insurance owned by Americans jumped $6 billion dollars in the first half of 1947 alone, up a total of 53 percent over prewar levels.[15] Between 1945 and 1960, the assets of life insurance companies in North America fully tripled.[16] Suddenly, the economy was awash with huge sums of money in search of lucrative investments.

At Prudential, the growth of real estate operations was astounding. In the three and one-half years after World War II, Prudential's real estate portfolio more than doubled, from $967 million at the start of 1946 to more than $2 billion by late 1949.[17] In the single year 1950, Prudential made an eye-popping $1.38 billion worth of mortgage loans and property purchases.[18] Total realty investment would surpass $7 billion by the close of the 1950s.[19] Much of the sevenfold increase from 1946 to 1960 resulted from greatly stepped-up mortgage lending, but some also came from the new field of property purchase and development.[20]

The *Prudential Mortgage Loan Mirror* reflected this swarm of activity. Launched in 1945 just as New Jersey opened the door for real estate ownership by the company, the periodical sought to bond together the growing regional office staffs, which would jump from 1,500 employees to more than 2,500, and keep them firmly in touch with company headquarters in Newark. The monthly magazine, edited by Prudential's publications department and printed on glossy paper with abundant photographs, was no solemn source of policy directives but rather a gossipy celebration of branch office achievements. Although not a perfect or complete reflection of company policy, the *Mirror* provides fascinating evidence of Prudential's growing impact on housing, commercial construction, and industrial development in post–World War II suburbia.

HOUSING: BUILDING APARTMENTS, LENDING TO SUBURBAN HOMEBUILDERS

Prudential shaped America's suburban housing in two important ways during the postwar years. As an owner-developer, the company leaped into the construction of suburban apartment complexes during the late 1940s, helping make this once-urban building type popular in suburbia. As a mortgage lender, Prudential set policies that expressly favored new subdivisions over existing urban neighborhoods.

Prudential's first company-owned postwar housing development broke ground on June 12, 1947, in the university town of Orono, Maine. The project was a suburban garden apartment complex of thirteen two-story buildings arranged in courtyards on a grassy lawn.[21] Apartments at the city's edge were still a novel concept in the mid-1940s. Theorists such as Clarence Stein and Miles Colean had long been urging Americans to build multifamily dwellings surrounded by greenery, and small apartment blocks had popped up along suburban trolley lines in the 1920s.[22] Now, with hundreds of thousands of returning veterans seeking housing, larger efforts seemed possible. By September 1947, Prudential purchased land for twelve major projects, with construction costs estimated at more than $57 million, all garden apartments featuring several buildings deployed on multiacre sites.[23] The company also bought up more than a dozen similar projects just completed by developers, including South Moreland Garden Apartments in Cleveland's posh Shaker Heights suburb, the Northwood Apartments on Baltimore's elite north rim, and Leaside Development in Toronto's wealthy northeast suburbs.[24]

Unlike the low- and moderate-income projects of the 1920s and 1930s that had marked the insurance industry's entry into real estate development, Prudential's post–World War II apartments aimed unabashedly at white-collar renters. "Tenancy . . . consists of high-class business and professional people," the *Mirror* said of Leaside.[25] Prudential had constructed three low-income housing projects in Newark prior to 1945 and had been dissatisfied with the return on investment. Company Vice President Charles Weatherfield now spoke out strongly against such efforts at social betterment. "Shall we hazard the savings of our 25 million policy holders by putting them in low rental enterprises which we know cannot pay off if constructed under existing conditions?" he wrote in 1949. "We believe the answer must be an emphatic 'NO!' "[26]

Prudential's enthusiasm for upper-income apartments was even more evident in the company's mortgage lending in the late 1940s. The *Mirror* carried frequent articles mentioning such Prudential-financed projects as suburban Cincinnati's 161-unit Colonial Village (1949).[27] An important spur to this type of lending came from the FHA 608 program offered from 1946 to 1950, under which the federal government insured mortgage loans for virtually 100 percent of construction cost.[28] A developer could borrow all the money needed to erect an apartment complex, then set rents to cover expenses and repay the loan and pay himself a profit on his "investment." Lax FHA oversight allowed many to do even better than this. Numerous builders succeeded in getting loans—at low 4 percent interest—for substantially more than the project cost, and pocketed the surplus. The 3,000-unit Glen Oaks Village on Long Island, for instance, won a $24 million loan from Prudential but only cost its builder $20 million to erect, an instant $4 million in the bank.[29] Before evidence of the abuses surfaced, Prudential financed FHA 608 apartments by the hundreds—a whopping

572 mortgages during the first six months of 1948 alone, totaling $182 million.[30] When Congress shut the program down, Prudential and other life insurance companies would shy away from apartment construction for many years. But by the early 1950s, the suburban apartment complex had become a familiar sight in nearly every city in the nation.

While suburban apartment complexes had a high profile in the late 1940s, the bulk of Prudential's real estate business in the postwar era remained firmly in single-family mortgages. Prudential continued to write conventional mortgages as it had always done and also continued making FHA single-family home loans, the new government-insured low-interest program that had propelled Prudential past Metropolitan in the 1930s. In addition, Prudential's mortgage staff was quick to seize on another federal program that debuted in 1944. To reward returning World War II fighters, Congress agreed to back low-interest home loans to veterans on an even more generous basis than FHA mortgages—VA loans required little or no down payment. At Prudential's urging, New Jersey allowed insurance companies as well as banks and savings and loans to get into the act as VA lenders. Within three years, Prudential had made more than 40,000 VA loans worth almost a third of a billion dollars.[31]

In all postwar home lending, Prudential frankly favored new subdivisions in the suburbs. "You may have wondered why we do not lend in all residential districts, and why we do not favor old houses," said public relations vice president Charles Fleetwood in 1948. He continued,

> The average American family is not content to stay put and live from generation to generation in the same house. As our children grow up they move to new residential districts, into new houses with all the latest gadgets, and the older houses decline in salability. As a result, people discard older houses in older neighborhoods long before their usefulness is at an end. We have found that in times of depression it is almost impossible to sell such houses. Remember, that in considering any loan we always ask ourselves, "If the worst happens can we get our policyholders' money back without loss?" In the case of the old house in the older neighborhood the answer is generally "No."[32]

These were powerful words. To accountants who had so recently weathered the Great Depression, undoubtedly such restrictions seemed merely prudent. But they boded ill for American cities. When the nation's biggest mortgage maker set a policy against loans in older neighborhoods—a policy almost certainly emulated by smaller financial institutions cautiously following the giant's lead—it could became a self-fulfilling prophesy. Henceforth, even people who wished to buy older homes in the city would find it difficult to get mortgages.

As Prudential explicitly turned its back on older neighborhoods, it eagerly embraced the new generation of "community builders" transforming the suburban rim. Thanks to FHA financing guarantees, giant development-construction-sales firms had begun to spring up all over the United States in the

1930s.[33] Where previous suburbs had been created piecemeal through the efforts of many separate lot sellers and carpenter-builders, the new firms used mass-production techniques, bulldozing land and erecting hundreds of dwellings at a time. Prudential loved these entrepreneurs. By arranging to supply mortgages to buyers in an entire subdivision, Prudential could make one blanket appraisal and mass-produce paperwork. Especially, FHA/VA applications could be streamlined since government inspectors could quickly gauge the nature of the entire neighborhood and grant approvals en masse. For mortgage makers eager to place large sums of postwar cash, big developers were a godsend.[34]

Prudential carefully cultivated relationships with the busiest suburban homebuilders in every American city. Articles in the *Mirror* celebrated such men as “Herbert C. Huber, Builder Extraordinary,” who created the Hills-Dale and Huber subdivisions outside Dayton;[35] Louis S. Schafer, who developed the Diamond S Ranch district of Seattle’s Bellevue suburb;[36] and Ben Weingart, who constructed 3,500-acre Lakewood (Long Beach) and 1,600-acre Valleywood (San Fernando Valley) in suburban Los Angeles.[37] An illustration of an ongoing relationship was that with Kemmons Wilson, the leading homebuilder in Memphis. After scattered small loans to Wilson, Prudential arranged to provide $700,000 in mortgage loans to the individual homebuyers in the builder’s 1950 Magnolia Hill subdivision and subsequently financed structures erected by Wilson in a suburban industrial park. “All in all,” wrote a Prudential staffer in June 1953,

> at the time of this writing we have received from Kemmons Wilson about a million dollars worth of prime conventional residential loans, about $150,000 in FHA loans, and two industrial loans for $100,000. He has also steered several other builders our way and has been generally helpful in our operations. We look forward to a continuation of this pleasant relationship for a long time to come.[38]

The most famous Prudential-assisted suburban community was Levittown, Pennsylvania. After launching their first Levittown on Long Island in the late 1940s, developer Abraham Levitt and his sons turned to the Philadelphia market in 1951, where they set to work transforming Bucks County farmland into a suburb of 16,000 homes with its own fifty-five-acre shopping center. Prudential arranged with the Levitts to become the project’s main lender and succeeded in placing $2.5 million in mortgage loans with Levittown home buyers.[39]

Prudential was not alone in shifting housing loans out of America’s cities. A careful study of sample census tracts in the Chicago metropolitan area showed that 23 percent of urban tracts received no mortgage money from life insurance companies in the years 1945-1954, a figure that jumped to 38 percent during 1955-1964, and by 1966-1967 hit 67.7 percent.[40] Prudential might still back an occasional in-city residential project, such as Seattle’s thirteen-story Decatur Apartments tower in 1951 or Brooklyn’s 1,334-unit Shore Haven project in

1950, but increasingly in the post–World War II period, the company's residential dollars went to suburbia.[41]

COMMERCIAL: MOVING TOWARD SHOPPING PLAZAS AND OFFICE PARKS

Along with developing apartment houses, Prudential used its newly won ownership powers to move aggressively into the store and office arena after 1945. "The acquisition of commercial store properties constitutes our most important activity," Vice President John G. Jewett announced in March 1946. "Our plan is to purchase store buildings in good locations leased for long terms to major chains or strong local merchants."[42] The definition of "good location" would undergo an important shift during the fifteen years following World War II.

Initially, Prudential focused its commercial ownership on existing structures in the heart of the city. We "seek investments particularly in downtown business properties," officials stated in 1947, and by late that year the company had purchased more than one hundred "centrally located properties" leased to such blue-chip retailers as Lord & Taylor, Bonwit Teller, Woolworth, Grant, and J. C. Penney.[43] Much thought went into identifying prosperous sites. "The best retail locations invariably are occupied by chain stores and ladies' wear merchandisers. And where are the highest retail values found? Almost invariably in that limited section of every city where the largest number of ladies gather to spend money," explained Vice President Jewett.[44]

That spot might not always be in downtown. Prudential indicated a willingness to consider "well-established sub-centers where the density of population will provide adequate support."[45] In 1947, officials announced construction of Prudential's new West Coast office on a ten-acre tract along Los Angeles's Wilshire Boulevard.[46] During the late 1920s and 1930s, Wilshire had emerged as one of the nation's first upscale shopping corridors for automobile drivers, rivaling downtown Los Angeles as prestige locale for women's clothing and beauty shops. Prudential's contribution to the corridor was a ten-story office tower joined to a low-rise shopping structure. As prime retail tenant, occupying a large 126,500-square-foot store, Prudential brought in Ohrbach's, a well-known New York City women's clothier.[47]

Willingness to dabble occasionally in suburban retailing during the late 1940s was also evident in Prudential's mortgage lending. In summer 1946, the company financed Bellevue Shopping Square, "the first suburban shopping center in Seattle," which was created to serve the newly opened Bellevue suburb.[48] In 1948, Prudential wrote the mortgage for the Town and Country Shops, built by residential developer Hugh B. Coddington to serve his subdivisions near Santa Rosa, California. The *Mirror* described a "redwood, early Californian" style building with eleven small shops and offices.[49] These small "community centers," offering convenience shopping between trips downtown, were typical of the limited nature of suburban shopping in most of America prior to 1950.

Prudential's interest in stores in the suburbs increased sharply during the next decade. Nationally, a new era in shopping plaza history dawned in 1950 with the completion of America's first large regional centers: Northgate in Seattle and Shoppers World outside Boston (both with mortgage financing by the life insurance giant Equitable).[50] These models appeared just as insurance companies were making the decision to get out of apartments. Metropolitan and Prudential had been stung by criticism that their pre-1945 low-income projects were racially segregated, and then in 1950, Congress pulled the plug on FHA 608 subsidies for middle- and upper-income apartments. By 1952, equity investments in housing by insurance companies ceased completely. Instead, insurance firms put nearly $1 billion into ownership of commercial real estate between 1950 and 1955.[51]

From the mid-1950s onward, Prudential emerged as a major player in shopping centers. As an owner, its most ambitious project was New Jersey's Short Hills Mall, opened in 1956 and expanded in 1960.[52] Located in one of the highest-income suburbs of the United States, the mall set a new standard for luxury shopping, with architecture by noted modernists Skidmore, Owings & Merrill and featuring the first Bonwit Teller branch to locate in a shopping center. As a mortgage maker, Prudential backed the even more important Southdale Mall in Minneapolis.[53] When it opened for business in late 1956, Southdale won worldwide acclaim as the first fully enclosed mall, model for hundreds of giant climate-controlled centers that would remake retailing during the next thirty years.

In addition to nationally significant landmarks, Prudential provided the mortgage money that built numerous shopping centers of regional impact. *Mirror* profiles included Bishops Corner Mall outside Hartford, Connecticut (opened 1955);[54] Normandale Shopping Center in Montgomery, Alabama (opened 1954, expanded 1956);[55] Cincinnati's Kenwood Plaza (1957);[56] Phoenix's Park Central (1958);[57] Waterbury Plaza (1958) at Waterbury, Connecticut;[58] Northshore (1958) on Boston's Route 128;[59] Prince Georges Plaza (1959) in the Maryland suburbs of Washington, D.C.;[60] and Lloyd Center, hailed as "Portland Oregon's 'New Downtown' " (1960).[61] For each, Prudential staff took a close day-to-day role in the development process. They assisted with economic surveys, helped set tenant mix (national chain stores were essential if the developer wished to get a sizable mortgage),[62] okayed the choice of architect and contractor, determined whether building would occur in phases, and inspected during construction. The profile of the Portland project, for instance, listed eight Prudential officials who had " 'lived' Lloyd Center for five years" and thanked three secretaries "who handled the mountainous paper work necessary to complete the appraisal exhibits, records and letters . . . during the 28-month construction and leasing period."

Along with shopping centers, Prudential also evinced a growing interest in suburban office buildings. It liked such sites for its own branches, as first shown in the Wilshire Boulevard project in Los Angeles in the late 1940s. The next Prudential regional headquarters were also in the suburbs—the Southwest Home Office tower amid "27 1/2 acres of beautiful wood-land" four miles south of downtown Houston (announced 1950) and the North Central Home Office on a similar thirty-three-acre tract overlooking Minneapolis's Brownie Lake (announced 1952)[63]—and the company briefly considered moving its main headquarters from Newark to suburban Short Hills.[64] These actions put Prudential at the forefront of experiments in corporate office suburbanization—a trend that would gain national attention in 1954 when General Foods and Readers' Digest departed Manhattan for sylvan campuses outside New York City.[65] Prudential chose to keep a high downtown profile when it announced landmark towers for the hearts of Boston, Chicago, and Jacksonville in mid-decade.[66] If articles in the *Mirror* were any indication, though, by the late 1950s, most Prudential branches were heading for suburbia.[67]

Prudential underwrote a variety of other suburban office projects, as well. In Los Angeles, it financed the multitower Uptown Wilshire Center created by noted New York City developer Tishman Realty beginning in 1951.[68] In Houston, Prudential dollars added buildings to the suburban Texas Medical Center in 1956.[69] In Detroit, Prudential made mortgages for low-rise office structures adjacent to Northland Mall in 1958.[70] The same year, Prudential helped construct the suburban Stanford Research Institute in Menlo Park, California.[71]

In both office and store investments, Prudential by no means abandoned downtown during 1945-1960. The company garnered much publicity by acquiring the mortgages for Manhattan's famous Empire State Building and San Francisco's huge Russ Building.[72] *Mirror* articles noted financing for center-city Belk department stores in North Carolina and described "Prudential Investments in Downtown Minneapolis."[73] Prudential also actively sought participation in federally subsidized urban renewal projects, such as William Zeckendorf's Hilton Hotel/May Department Store by architect I. M. Pei in the heart of Denver.[74] But over the course of the 1950s, downtown dropped from being the prime investment site to being merely one among many. Prudential put more and more of its eggs in the suburban shopping basket.

INDUSTRIAL: NEW PLANTS IN THE SUBURBS

Compared with its residential and commercial work, Prudential's investments in industrial real estate were small. In general, insurance companies shied away from backing special-purpose buildings that could not be easily sold to another buyer if the original user failed. Manufacturing plants constituted serious risks in this regard. Prudential did choose to get involved in the industrial realm, exercising great caution in selecting projects. In practice, that meant investing only in new buildings, virtually all of them at the urban rim.

As soon as Prudential won the power to own real estate, it launched a modest but innovative program developing factories and warehouses. Prudential officials created a "sale-leaseback" system in which an industrialist could construct a plant, then immediately sell it to Prudential, who would lease it back to the manufacturer.[75] This apparently pointless maneuver in fact held two major benefits for the manufacturer and two for Prudential. The manufacturer immediately retrieved the working capital, and future lease payments were 100 percent deductible under federal income tax law, which considers rent to be a business expense. Prudential avoided the hassles of development and got ownership of a productive new building—a much better risk than merely holding a mortgage.

"The type of plant we prefer is a new, modern, general purpose plant," Prudential Executive Director C. J. Faherty told a national convention of industrial developers. "A modern one-story building with general purpose use with a square foot area of between 25,000 and 50,000 square feet seems to be the most desirable."[76] Larger buildings or special-use structures might be approved, but only for companies with strong track records and outstanding credit histories—a criteria that favored America's corporate giants, although Faherty ensured that smaller and newer companies would be considered as well. The best investments, Faherty added, "are usually those in a planned industrial area."[77]

Prudential, in other words, favored the suburban industrial park—a planning innovation just then taking hold in America. Planning theorists had discussed moving industry out of the inner city at least since the Garden City writings of the 1890s, and a number of industrial satellite towns had appeared during the early twentieth century.[78] The idea took on fresh urgency after World War II due in part to fears of atomic attack on the concentrated factory zones of America's metropolises. During the 1950s, suburban industrial parks blossomed outside nearly every U.S. city.[79] Their sprawling acreage offered abundant room for the type of one-story modern plant Prudential analysts admired.

Throughout the 1950s, Prudential helped arrange construction of numerous individual buildings in suburban industrial parks all over the United States. One *Mirror* story described the postwar transformation of Teeterboro, New Jersey, from farmland to New York industrial suburb, where Prudential helped develop structures for Pepsi Cola and two other firms by 1952.[80] Another ballyhooed a "new Oklahoma land rush" to the Oklahoma Industries park outside Oklahoma City, whose buildings included a 1952 Prudential-owned baking plant.[81] Yet another *Mirror* story chronicled Prudential's $3 million involvement with Brook Hollow Industrial District. Launched in 1953 along the soon-to-open Stemmons Freeway in Dallas by energetic developer Bill Windsor Jr., it quickly became one of the era's most written-about suburban industrial projects. Publications ranging from *Dun's Review* to the *Saturday Evening Post* touted Brook Hollow as a model for the industrial future of

America and, indeed, the world. The *Post* quoted German economist Dr. Hans Wesemann, touring U.S. industrial facilities, as saying that "the most impressive thing he had seen on this side of the Atlantic was the Brook Hollow Industrial District, in Dallas. 'This,' he said, 'is what Germany needs.' "[82]

CONCLUSION

The experience of Prudential Insurance in the real estate arena from 1945 to 1960 helps illuminate the processes that reshaped the American city in the postwar era. Two findings particularly stand out. One is the impact of changes in state laws starting in 1945 that allowed life insurance companies to jump into the development of buildings. Rich with cash from baby-boom policyholders, Prudential and other companies provided ownership capital that made projects possible on a huge new scale: apartment complexes, shopping centers, industrial parks. The other noteworthy finding is the existence of explicit policies against putting money into existing neighborhoods or factories. In both home loans and industrial investments, Prudential consciously directed its massive resources into new suburban construction.

Sometimes Prudential was at the cutting edge of innovation, for example, with its own suburban office buildings or its financing for the enclosed Southdale Mall. But its more important role was as an accelerator of trends. America's giant life insurance firms possessed the power to turn a tendency into a certainty. When a company such as Prudential let it be known that it liked large community builders, or new suburban industrial parks, or regional shopping malls, those innovations gained considerable momentum. When Prudential refused to lend in older neighborhoods, it helped seal their fate.[83]

Prudential's influence as a property developer and lender continued to grow after 1960. By the early 1970s, experts identified Prudential Insurance as America's largest landlord.[84] Company literature listing the firm's retail properties in 1982 boasted that "Prudential has the largest retail inventory of any private property owner in the nation," 25 million square feet.[85] Indeed, life insurance companies and pension funds owned most of America's shopping plazas. Major players after Prudential in the 1970s included Connecticut General with $1 billion in shopping center mortgages plus ownership interest in nine regional malls including Paramus Park in New Jersey and South Center in Seattle, and Northwestern Mutual Life with half a billion in loans and $250 million in equity.[86]

Today in metropolitan areas across the United States, most residents work, shop, and dwell outside the center city. Americans have embraced this suburban world, though it is not without problems, which range from environmental costs to lack of employment for the inner-city poor.[87] The lending policies and large-scale capital projects initiated by Prudential and other life insurance firms in the years after World War II did much to make this new world a reality.

NOTES

1. On post–World War II suburbanization, see for instance, Robert Fishman, *Bourgeois Utopias: The Rise and Fall of Suburbia* (New York: Basic Books 1987), especially 184; Kenneth T. Jackson, *Crabgrass Frontier: The Suburbanization of the United States* (New York: Oxford University Press, 1985), chaps. 13-15; Peter O. Muller, *Contemporary Suburban America* (Englewood Cliffs, NJ: Prentice-Hall, 1981); David R. Goldfield and Blaine A. Brownell, *Urban America: A History* (Boston: Houghton Mifflin, 1990), chaps. 11-13; and Raymond A. Mohl, "The Twentieth Century City" in *The Making of Urban America*, 2d ed. (Wilmington, DE: Scholarly Resources, 1997), 211-29. For a review of the literature and debates concerning this new urban form, read William Sharpe and Leonard Wallock, "Bold New City or Built-Up 'Burb?: Redefining Contemporary Suburbia," *American Quarterly* 46 (1994): 1-30.

On nineteenth-century suburbanization, key works include Sam Bass Warner Jr., *Streetcar Suburbs: The Process of Growth in Boston, 1870-1900* (Cambridge, MA: Harvard University, 1962); Stuart Blumin, *Emergence of the Middle Class: Social Experience in the American City, 1760-1900* (Cambridge, UK: Cambridge University Press, 1989); and Henry Binford, *The First Suburbs: Residential Communities on the Boston Periphery, 1815-1860* (Chicago: University of Chicago Press, 1985).

2. Fishman, *Bourgeois Utopias*, 16-7, 178-207. Jackson, *Crabgrass Frontier,* chaps. 13-15. Muller, *Contemporary Suburban America*, 48-56, 119-81. Goldfield and Brownell, *Urban America*, chaps. 11-13. Mohl, "The Twentieth Century City," 211-29.

3. The *Prudential Mortgage Loan Mirror* appeared monthly from 1945 to 1973, when it was supplanted by the *Real Estate Investment Department Quarterly.* The only known run of the *Mirror* is in the collection of Prudential's Archives Preservation Office in the company's Washington Street Building in Newark, New Jersey.

On the need for historians to chronicle life insurance financing activities, see Marc Weiss, "Real Estate History: An Overview and Research Agenda," *Business History Review* 63 (summer 1989): 241-82. Work that exists on the subject consists largely of studies by economists and housing advocates who do not deal with wider implications for urban history. Robert E. Schultz, *Life Insurance Housing Projects* (Homewood, IL: Richard D. Irwin, 1956). Harold Wayne Snider, *Life Insurance Investment in Commercial Real Estate* (Homewood, IL: Richard D. Irwin, 1956). George A. Bishop, *Capital Formation through Life Insurance* (Homewood, IL: Richard D. Irwin, 1976). Haughton Bell and Harold G. Fraine, "Legal Framework, Trends and Developments in Investment Practices of Life Insurance Companies," *Law and Contemporary Problems* 17, no. 1 (winter 1952): 44-85. Karen Orren, *Corporate Power and Social Change: The Politics of the Life Insurance Industry* (Baltimore: Johns Hopkins University Press, 1974).

4. In 1945, 76.5 percent of Prudential income came from policyholders' premiums, 23.5 percent from investments. "Life Insurance Dollars," *Mirror* 1, no. 8 (August 1945).

5. Bell and Fraine, "Legal Framework."

6. Robert Sheehan, "Life Insurance: $84-Billion Dilemma," *Fortune* 51, no. 2 (February 1955): 112-4, 186-92. "The Insurance Billions—World's Greatest Pool of Capital in Hand—Their Problem: Where to Invest It," *Fortune* 37, no. 4 (April 1948): 109-12, 168-73. Paul A. Johnson, "Insurance Companies Move out of U.S. Issues," *Barron's* May 16, 1949, 5. Bell and Fraine, "Legal Framework."

7. William H. A. Carr, *From Three Cents a Week . . . : The Story of Prudential Insurance of America* (Englewood Cliffs, NJ: Prentice Hall, 1975). Earl Chapin May and Will Oursler, *The Prudential: A Story of Human Security* (Garden City, NY: Doubleday, 1950). Robert Sheehan, "That Mighty Pump, Prudential," *Fortune* 69, no. 1 (January 1964): 98-103, 180-8. Among its real estate finance innovations, the company claimed to have originated the idea of a long-term self-amortizing loan (later made standard across America by the Federal Housing Administration [FHA]) and also to have made the first construction loan. "Seventy Years of Progress, 1875-1945," *Mirror* 1, no. 10 (October 1945): 3-5.

8. Marquis James, *The Metropolitan Life: A Study in Business Growth* (New York: Viking, 1947), 306, 312. For background on FHA, consult Jackson, *Crabgrass Frontier*, 203-18, and Gail Radford, *Modern Housing for America: Policy Struggles in the New Deal Era* (Chicago: University of Chicago Press, 1996).

9. "City Branch Offices and Territories They Cover," *Mirror* 1, no. 1 (January 1945): back cover. The branch office system, launched in 1932, replaced an earlier system of individual "loan correspondents." "Seventy Years of Progress, 1875-1945," *Mirror* 1, no. 10 (October 1945): 3-5.

10. Bell and Fraine, "Legal Framework." States, rather than the federal government, regulate the insurance industry due to the 1868 Supreme Court ruling *Paul v. Virginia*, which held that the insurance business was not "interstate commerce" and thus did not fall under federal purview. C. Joseph Pusateri, *A History of American Business*, 2d ed. (Arlington Heights, IL: Harlan Davidson, 1988), 291.

11. On Metropolitan's 1924 Long Island City project, see Richard Plunz, *A History of Housing in New York City: Dwelling Type and Social Change in the American Metropolis* (New York: Columbia University Press, 1990), 150-1, 167-71, and Schultz, *Life Insurance Housing Projects*, 6, 25-8.

12. Plunz, *A History of Housing in New York*, 253-4, 258, 282-4. Schultz, *Life Insurance Housing Projects*, 7-8, 28-34, appendix. Louis Winnick, *Rental Housing: Opportunities for Private Investment* (New York: McGraw Hill, 1958), 122-8. Alan Rabinowitz, *The Real Estate Gamble: Lessons from 50 Years of Boom and Bust* (New York: AMACOM, 1980), 149-52.

13. Snider, *Life Insurance Investment*, chap. 2. The book was published for the Life Insurance Association of America. On Prudential lobbying, see "John G. Jewitt Outlines Real Estate Investment Program," *Mirror* 2, no. 3 (March 1946): 3, and "Our Real Estate Purchase Program," *Mirror* 3, no. 9 (September 1947): 6.

14. Schultz, *Life Insurance Housing Projects*, chap. 2. Dorothy Rosenman, *A Million Homes a Year* (New York: Harcourt, Brace, 1945), 201-3. Ernest M. Fisher, *Urban Real Estate Markets: Characteristics and Financing* (National Bureau of Economic Research, 1951), 131-4. Miles Colean, *The Impact of Government on Real Estate Finance in the United States* (National Bureau of Economic Research, 1950), 65-6. "Our Real Estate Purchase Program," *Mirror* 3, no. 9 (September 1947): 6. New Jersey's law allowed Prudential to put up to 5 percent of its total assets into real estate purchase (an amount pegged at roughly $550 million in 1948 according to Vice President Charles Fleetwood). "Prudential Plays Major Role in National Housing Program," *Mirror* 4, no. 8 (August 1948): 3-4.

15. "Interesting Facts," *Mirror* 2, no. 10 (October 1947): 14.

16. Martin Mayer, *The Bankers* (New York: Weybright and Talley, 1974), 190.

The life insurance industry, dominated by a handful of giant firms, including Prudential and Metropolitan Life, held 25 percent of America's mortgage debt in 1950. Commercial banks held a slightly larger percentage, but no individual bank approached Prudential in size or power. The remainder of mortgage debt was carried by even smaller players such as savings-and-loan banks and pension funds. Asa V. Call, "Real Estate and Life Insurance," *Best's Life News*, December 1951, 11. Charles H. Schmidt and Eleanor J. Stockwell, "The Changing Importance of Institutional Investors in the American Capital Market," *Law and Contemporary Problems* 17, no. 1 (Winter 1952): 3-25.

17. "A-T-O-M: The Story of the Second Billion," *Mirror* 5, no. 9 (September 1949): 2-3, 7.

18. "A Survey of Mortgage Lending for 1952," *Mirror* 8, no. 5 (May 1952): 12-4. "The Post War Years," *Mirror* 9, no. 3 (March 1953): 10, 15.

19. "A Decade of Dynamic Growth, 1946-55," *Mirror* 12, no. 5 (May 1956): 2-5. See also "Investment Climate," *Mirror* 13, no. 3 (March 1957): 10-1, and "Report on 1959," *Mirror* 16, no. 3 (March 1960): 2-5.

20. At the end of World War II, Prudential had most of its assets in government bonds and only 15 percent in real estate. In 1946-1947, it set a goal of putting 48 percent of holdings into real estate. "Announcing the All-Purpose Program," *Mirror* 3, no. 3 (March 1947): 3. "Objectives of the All-Purpose Program," *Mirror* 3, no. 4 (April 1947): 2, 6. "Prudential Plays Major Role in National Housing Program," *Mirror* 4, no. 8 (August 1948): 3-4. "A Survey of Mortgage Lending for 1952," *Mirror* 8, no. 5 (May 1952): 12-4.

21. "Ground Broken for Housing Development," *Mirror* 3, no. 6 (June 1947): 9. *Best's Life News*, July 1, 1947, 79-80.

22. Clarence Stein, *Toward New Towns for America*, rev. ed. (Cambridge, MA: MIT Press, 1957). "Garden Apartments," *Architectural Forum* 72, no. 5 (May 1940): 308-10. Plunz, *History of Housing in New York City*, 122-69. Gail Radford, "New Building and Investment Patterns in 1920s Chicago," *Social Science History* 16, no. 1 (spring 1992): 1-21. Larry Kreisman, *Apartments by Anhalt* (Seattle, WA: Office of Urban Conservation, 1978).

23. "Our Real Estate Purchase Program," *Mirror* 3, no. 9 (September 1947): 6. *Best's Life News*, June 2, 1947, 73-4

24. "Shaker Heights Development Becomes Prudential Investment," *Mirror* 3, no. 11 (November 1947): 18-9. "Norwood Apartments Have Novel Attraction," *Mirror* 4, no. 3 (March 1948): 12-3. "Leaside Development is Prudential Owned," *Mirror* 4, no. 10 (October 1948): 12-4. For background on the Leaside suburb, one of Toronto's most affluent, see Richard Harris, *Unplanned Suburbs: Toronto's American Tragedy, 1900 to 1950* (Baltimore, MD: Johns Hopkins, 1996), especially 47-8. On another early purchase, in Cincinnati's Westwood section, see "One of Our Newest Investments: A Property Purchase in Cincinnati," *Mirror* 4, no. 5 (May 1948): 12-3. For financial data on these and other projects, see Schultz, *Life Insurance Housing Projects*, appendix.

25. "Leaside Development is Prudential Owned," *Mirror* 4, no. 10 (October 1948): 12-4.

26. “Housing, the Veteran, and the Prudential,” *Mirror* 5, no. 2 (February 1949): 4-5. On problems with Prudential’s Douglass, Harrison, and Chellis-Austin projects, read Schultz, *Life Insurance Housing Projects*, 29-31

27. “The Colonial Village,” *Mirror* 6, no. 1 (January 1950): 6-7. For a photograph of a six-thousand-unit garden apartment complex, financed by Prudential but not identified by name, see the cover of the *Mirror* 5, no. 2 (February 1949). An overt expression of the suburban preference is in a survey of Prudential’s work in Washington, D.C.: “The City of Apartment Buildings,” *Mirror* 16, no. 6 (June 1960): 17.

28. Irving Welfeld, *HUD Scandals: Howling Headlines and Silent Fiascos* (New Brunswick, NJ: Transaction Publications, 1992), 5-17. J. Paul Mitchell, *Federal Housing Policy and Programs, Past and Present* (New Brunswick, NJ: Rutgers, 1985), 87-8, 95. Winnick, *Rental Housing*, 16-7, 156-7, 166. Gail Sansbury, “Calculating Cost and Value: The 1954 Investigation of the Federal Housing Administration,” unpublished paper for the UCLA Department of Urban Planning, September 1995. On the strong preference of FHA 608 for suburban garden apartments, see “FHA Impact on the Financing and Design of Apartments,” *Architectural Forum* 92, no. 1 (January 1950), 97-108, and “FHA’s Five-Year-Old Scandal,” *House and Home*, May 14, 1954, special section.

29. Joseph B. Mason, *History of Housing in the U.S., 1930-1980* (Houston: Gulf, 1982), 68. Mason notes that the FHA 608 program financed seven thousand apartment complexes during its brief life from 1946 to 1950.

30. “Prudential Plays Major Role in National Housing Program,” Mirror 4, no. 8 (August 1948): 3-4.

31. “Housing, the Veteran and the Prudential,” *Mirror* 5, no. 2 (February 1949): 4-5. On the insurance industry’s affinity for Veterans Administration loans, see Bishop, *Capital Formation through Life Insurance*, 117-8

32. “Public Relations Vice President Charles Fleetwood Addresses Home Office Conference Delegates,” *Mirror* 4, no. 4 (April 1948): 3, 9.

33. Marc Weiss, *The Rise of the Community Builders: The American Real Estate Industry and Urban Land Planning* (New York: Columbia University Press, 1987). Greg Hise, “Homebuilding and Industrial Decentralization in Los Angeles: Roots of the Post–World War II Urban Region,” in Mary Corbin Sies and Christopher Silver, eds., *Planning the Twentieth Century American City*, (Baltimore: Johns Hopkins University Press, 1996), 240-61.

34. On life insurance companies’ preference for large loans, see Henry Hoaglund, *Real Estate Finance* (Homewood, IL: Richard D. Irwin, 1954), 238-9.

35. “Meet Herbert C. Huber, Builder Extraordinary,” *Mirror* 7, no. 9 (September 1951): 6-7, 16.

36. “Bellevue—Seattle’s Leading Suburban Community,” *Mirror* 8, no. 10 (October 1952): 3-6.

37. On Lakewood: “A City is Born,” *Mirror* 8, no. 2 (February 1952): 2-7. On Valleywood, an FHA 213 development, see “Valleywood, ‘The Living City,’ ” *Mirror* 14, no. 4 (April 1958): 2-5.

Another Los Angeles developer tied to Prudential was the Grandview Building Company (Edward K. Zukerman and Barney Morris), who arranged Prudential mortgages for the 1,330 homebuyers in their 1954-1956 subdivision, Hollypark, adjacent to the Western Avenue Golf Course. “The Johnson Rancho,” *Mirror* 12, no. 6 (June 1956): 8-9.

On the importance of life insurance mortgages during the postwar housing boom in Los Angeles, see James Gillies and Clayton Curtis, *Institutional Residential Mortgage Lending in Los Angeles County, 1946-1951: Six Significant Years of Mortgage Lending* (Los Angeles: UCLA Bureau of Economic Research, 1956), 93-127.

38. “Meet Kemmons Wilson,” *Mirror* 9, no. 6 (June 1953): 3-5, 15. Wilson went on to create the Holiday Inn motel chain. John Jakle, Keith Sculle, and Jefferson Rogers, *The Motel in America* (Baltimore, MD: Johns Hopkins University Press, 1996), chap. 9.

39. “Levittown, Pennsylvania,” *Mirror* 9, no. 2 (February 1953): 3-6. For background on the Levittowns, see Jackson, *Crabgrass Frontier*, 234-8, and Barbara M. Kelley, *Expanding the American Dream: Building and Rebuilding Levittown* (Albany: State University of New York Press, 1993).

40. Orren, *Corporate Power and Social Change*, 115-6.

41. “The Decatur Apartments,” *Mirror* (January 1951): 18-9. “A Project Grows in Brooklyn,” *Mirror* (March 1950): 4-5.

42. “John G. Jewitt Outlines Real Estate Investment Program,” *Mirror* 2, no. 3 (March 1946): 3. “Our 7 Point Plan,” *Mirror* 2, no. 5 (May 1946).

43. “Our Real Estate Purchase Program,” *Mirror* 3, no. 9 (September 1947): 6. “Commercial Property Purchases,” *Mirror* 4, no. 9 (September 1948).

44. “John Jewett Discusses Commercial Loans,” *Mirror* 5, no. 3 (March 1949): 2-3. On the reasoning behind approval of such mortgages, see also “The City Department Committee,” *Mirror* 5, no. 3 (March 1949): 10-1.

45. “The City Department Committee,” *Mirror* 5, no. 3 (March 1949): 10-1.

46. “Prudential to Have West Coast Head Office,” *Mirror* 3, no. 5 (May 1947): 3. On Wilshire Boulevard’s history, read Richard Longstreth, *City Center to Regional Mall: Architecture, the Automobile, and Retailing in Los Angeles, 1920-1950* (Cambridge, MA: MIT Press, 1997), chap. 5, especially 105 and note 80.

47. “Space in Pru’s West Coast Building Leased to Orbach’s, Inc.,” *Mirror* 3, no. 6 (June 1947), 9.

48. “Bellevue—Seattle’s Leading Suburban Community,” *Mirror* 8, no. 10 (October 1952): 3-6. Bellevue seems to have been one of the very first big new shopping centers in the nation created after World War II, and it marked the first experiment in the shopping center arena by department store giant Marshall Field. James L. Palmer, *The Origin, Growth and Transformation of Marshall Field & Company* (New York: Newcomen Society, 1963), 18.

49. “All Purpose Program Geared for Service,” *Mirror* 5, no. 4 (April 1949): 10-1.

50. Homer Hoyt, “Impact of Shopping Centers in 1956,” *Urban Land* 15, no. 8 (November 1956): 7. Snider, *Life Insurance Investment*, 125. Longstreth, *City Center to Regional Mall*, 332-5. Meredith L. Clausen, “Northgate Regional Shopping Center: Paradigm from the Provinces,” *Journal of the Society of Architectural Historians* 43 (1984): 144-61. Kathleen Kelly Broomer, “Shoppers World and the Regional Shopping Center in Greater Boston,” *Society for Commercial Archeology News Journal* 13 (1994-1995): 2-9. Other less influential large centers that debuted in 1949-1951 included Cameron Village in Raleigh, Boardman Plaza in Youngstown, and the Town and Country Plaza in Columbus, Ohio.

51. Winnick, Rental Housing, 121-30. Similarly, Hoaglund, *Real Estate Finance*, 245.

52. In suburban New York, Prudential had contemplated relocating its Newark headquarters in the late 1940s and acquired a rural tract in Short Hills. Plans changed, and it leased a fifteen-acre portion for Chubb Insurance headquarters and then in 1954 began developing the Prudential-owned Millburn Plaza (renamed Short Hills Mall circa 1961). “Millburn Plaza,” *Mirror* 16, no. 1 (January 1960): 2-5. James S. Hornbeck, ed., *Stores and Shopping Centers* (New York: McGraw-Hill, 1962), 161-3.

53. “Southdale Regional Shopping Center,” *Mirror* 12, no. 4 (April 1956): 2-5, 16.

54. “A Shopping Center of Distinction: Bishops Corner,” *Mirror* 11, no. 9 (September 1955): 2-5.

55. “Dream as Big as the Sky,” *Mirror* 14, no. 2 (February 1958): 2-6.

56. “The Kenwood Plaza Shopping Center,” *Mirror* 14, no. 1 (January 1958): 8-10.

57. “Seven Years of Preparation,” *Mirror* 14, no. 10-11 (October-November 1958), 10-2.

58. “An Uncommonly Sound and Attractive Security,” *Mirror* 14, no. 12 (December 1958): 10-1.

59. “This is Northshore,” *Mirror* 15, no. 7-8 (July-August 1959): 2-5.

60. “Prince Georges Plaza,” *Mirror* 15, no. 12 (December 1959): 6-9.

61. “We Helped Build Portland, Oregon’s ‘New Downtown,’ ” *Mirror* 17, no. 2 (February 1961): 4-5, and Hornbeck, *Stores and Shopping Centers*, 173-8.

62. Homer Hoyt, “The Status of shopping Centers in the United States, October 1960,” *Urban Land*, (October 1960): 5.

63. “Why did Prudential Choose Houston?” *Mirror* 6, no. 6 (June 1950): 4-5, 15. “Southwestern Home Office: Official Opening,” *Mirror* 8, no. 8 (August 1952): 12-3, 16. “North Central Home Office in Minneapolis,” *Mirror* 8, no. 2 (February 1952): 2. “Prudential’s North Central Home Office,” *Mirror* 11, no. 8 (August 1955), back cover.

64. “Millburn Plaza,” *Mirror* 16, no. 1 (January 1960): 2-5.

65. Frederick Clark, “Office Buildings in the Suburbs,” *Urban Land* 13, no. 7 (July-August 1954): 1, 3-10. William Whyte, *The City: Rediscovering the Center* (New York: Doubleday, 1988), 284-5. Muller, *Contemporary Suburban America*, 146-58.

66. “The Jacksonville Story,” *Mirror* 14, no. 12 (December 1958): 24-6.

67. On Prudential’s office in suburban Menlo Park, California, see “FOP Nine Triple O Four Formally Opened,” *Mirror* 14, no. 4 (April 1958): 18-20. On departure of the Birmingham office from downtown, read “Mid-South Mortgage Loan Office Established 25 Years Ago,” *Mirror* 14, no. 7-8 (July-August 1958): 16-9.

68. “From African Diamond Mines to California Jewels of Steel, Brick and Mortar,” *Mirror* 13, no. 11 (November 1957): 16-9.

69. “Progress in Medical Research,” *Mirror* 14, no. 5 (May 1958): 6-9.

70. “Hottest Spot in Detroit,” *Mirror* 18, no. 9 (September 1962): 17-9.

71. “Stanford Research Institute,” *Mirror* 16, no. 6 (June 1960): 2-5.

72. “The Russ Building: Prudential’s Largest Loan on the West Coast,” *Mirror* 11, no. 6 (June 1955): 2-4.

73. “A Vast Mercantile Empire,” *Mirror* 13, no. 12 (December 1957): 18-20. “Prudential Investments in Downtown Minneapolis,” *Mirror* 10, no. 9 (September 1954): 3-5.

74. “Pattern of the Future Today,” *Mirror* [1959?], 24-6.

75. “Prudential’s Views on Industrial Financing,” *Mirror* 10, no. 5 (May 1954): 2-5. “The Insurance Company and the Financing of Industrial Development,” *Mirror* 13, no. 10 (October 1957): 18-20. “Real Estate Leasebacks—A Popular System,” *Mirror* 15, no. 2 (February 1959): 14-5, 25. One of Prudential’s first such arrangements was with Westinghouse in Los Angeles in 1950. “The Hub of Los Angeles Industry,” *Mirror* 6, no. 9 (September 1950): 4-5.

The sale-leaseback technique originated in 1938 in a Safeway grocery chain transaction arranged by real estate broker David B. Gadlow but remained a rarity until the insurance industry seized upon it in the late 1940s. Important early transactions included the sale of seven existing Sears stores to Mutual Life in 1946 and the creation of the landmark Northgate Shopping Center in Seattle by Allied Stores through a sale-leaseback deal with Equitable. Snider, *Life Insurance Investment*, 67-70, 125. “Retailers Unload Real Estate,” *Business Week*, January 4, 1947, 48-52. “New Financing Trend,” *Business Week*, April 17, 1948, 96-100. “Taxation a Factor in Sale and Lease,” *New York Times*, August 15, 1948, III, 1. John Kobler, “Real Estate’s Mighty Atom,” *Saturday Evening Post*, February 12, 1949, 39, 86. Mark Levy, “Leaseback Financing Expanding,” *Best’s Life News*, June 1949, 37-42.

76. “Prudential’s Views on Industrial Financing,” *Mirror* 10, no. 5 (May 1954): 2-5. “Our Real Estate Purchase Program,” *Mirror* 3, no. 9 (September 1947): 6. “Efficient Factory Space,” *Mirror* 11, no. 4 (April 1955): 8-9. “Real Estate Leasebacks—A Popular System,” *Mirror* 15, no. 2 (February 1959): 14-5, 25.

77. “750 million for Investment in 1955,” *Mirror* 11, no. 1 (January 1955): 3-5.

78. Graham Romeyn Taylor, *Satellite Cities: A Study of Industrial Suburbs* (1915; reprint, New York: Arno, 1970).

79. H. M. Conway, L. L. Listo, and R. J. Raul, *Industrial Park Growth: An Environmental Success Story* (Atlanta: Peachtree, 1979), especially 5-7. Truman A. Hartshorn, “Industrial/Office Parks: A New Look for the City,” *Journal of Geography* 72, no. 3 (March 1973): 33-45. Muller, *Contemporary Suburban America*, 135-40. Richard T. Murphy Jr. and William Lee Baldwin, “Business Moves to the Industrial Park,” *Harvard Business Review* 37 (May 1959): 79-88. Kenneth Henry, “Planned Industrial Districts: Packaged Sites for Industry,” *Duns Review and Modern Industry* 73 (March 1959): 94-6.

80. “The Biggest Little Industrial Town in the Nation,” *Mirror* 8, no. 4 (April 1952): 10-1.

81. “There’s a New ‘Run’ on in the Oklahoma Country,” *Mirror* 11, no. 8 (August 1955): 2-5.

82. “Factories Fit to Live In,” *Saturday Evening Post*, March 2, 1957. “Dallas’ Brook Hollow District: A Pleasant Place to Work,” *Mirror* 14, no. 3 (March 1958): 6-9. Conway et al., *Industrial Park Growth*, 5. “Planned Industrial Districts: Packaged Sites for Industry,” *Dun’s Review and Modern Industry* 73, no. 3 (March 1959): 95. “Dallas Gets New Industrial District,” *American City* 68, no. 11 (November 1953): 102. “New Concept in Office Location: A Home and Regional Office ‘Empire,’ ” *Industrial Development* 130, no. 5 (May 1961): 18-32. “Brook Hollow Industrial District Called Nation’s Fastest Growing,” *Dallas Morning News*, March 27, 1955.

83. The problems resulting from disinvestment in America’s cities spurred a community reinvestment drive starting in the 1970s. Federal laws required banks and other lenders to lend in all communities and to divulge loan location statistics. Gregory D. Squires, *From Redlining to Reinvestment: Community Responses to Urban Disinvestment* (Philadelphia: Temple University Press, 1992).

84. Andrew Tobias, *The Invisible Bankers: Everything the Insurance Industry Never Wanted You to Know* (New York: Simon & Schuster, 1972), 34. Robert A. Sigafoos, *Corporate Real Estate Development* (Lexington, MA: Lexington Books, 1976), 20-2.

85. *Prudential’s Retail Properties* (circa 1982), brochure in the Prudential Archives Preservation collection.

86. “Why Shopping Centers Rode Out the Storm,” *Forbes*, June 1, 1976, 35-6. Insurance companies were “the primary source of financing for most shopping center developments and therefore deeply involved in their construction and planning,” wrote Victor Gruen and Larry Smith, *Shopping Towns USA: The Planning of Shopping Centers* (New York: Reinhold, 1960), 28.

87. Joel Garreau, *Edge City: Life on the New Frontier* (New York: Doubleday, 1991). Sharpe and Wallock, “Bold New City.” William Julius Wilson, *When Work Disappears: The World of the New Urban Poor* (New York: Knopf, 1996).