



## The Kearney Boom

(Article begins on page 2 below.)

This article is copyrighted by History Nebraska (formerly the Nebraska State Historical Society).  
You may download it for your personal use.

For permission to re-use materials, or for photo ordering information, see:

<https://history.nebraska.gov/publications/re-use-nshs-materials>

Learn more about *Nebraska History* (and search articles) here:

<https://history.nebraska.gov/publications/nebraska-history-magazine>

History Nebraska members receive four issues of *Nebraska History* annually:

<https://history.nebraska.gov/get-involved/membership>

Full Citation: Lena Briggs, "The Kearney Boom," *Nebraska History* 18 (1937): 196-199

Article Summary: This article, prepared in April 1911, is based on information from W T Scott of Kearney, who was George W Frank's secretary at the time of the boom. It complements the more extensive 1937 *Nebraska History* article on the same subject: ["The Great Kearney Real Estate Boom, 1887-1890."](#) by Maud Marston Burrows.

### Cataloging Information:

Names: George W Frank, J L Keck, H D Watson, Nahum Gould, Marshall E Hunter, J L Bennett

Development Companies: George W Frank Improvement Company, Kearney Land and Investment Company, South Platte Land Company, West Kearney Improvement Company, Midway Land Company

Nebraska Place Names: Kearney

Keywords: Kearney Canal, Burlington Railroad, Midway Hotel, cotton mills, State Normal School

### THE KEARNEY BOOM—ANOTHER STORY

(In the last issue of the *Nebraska History Magazine* was a marvelous account of the Kearney Boom by Maud Marston Burrows. It is a wonderful story, giving an intimate and vivid presentation of a great Nebraska social phenomenon. The State Historical Society has received many letters of commendation and calls for extra copies of this story. It is a permanent contribution, not merely to Nebraska history, but to the history of the human mind.

Examination of manuscripts under the caption "Kearney" in the many thousand manuscripts of the Historical Society discloses the existence of another article on the Kearney Boom, written twenty-seven years ago. This story is brief and different from the one by Maud Marston Burrows. It seems worth while to publish it in the present issue of the *History Magazine*, so that, by bringing the two together, we may gain a more adequate view of the phenomena presented by this historic boom and blow-up in Nebraska life.—Editor)

---

### THE KEARNEY BOOM\*

By Lena Briggs, Kearney

The Kearney Canal, started in 1882 by local pioneers of Kearney, was carried forward until \$67,000 had been spent—about all the money they could raise. In 1885 the stock of the Kearney Canal and Water Supply Company went to George W. Frank of Corning, Iowa, who owned extensive real-estate interests in and adjacent to Kearney. He agreed to complete the canal for water power and irrigation purposes. It was finished and water turned into the ditch in the spring of 1886.

The canal developed a fall of sixty-two feet at its lower terminus in the city limits of Kearney. Extensive manufacturing properties were planned to utilize this water power. Mr. Frank, during 1886-1887, negotiated with various persons and companies.

The officers of the Burlington Railroad came to Kearney, examined the situation and about completed negotiations for a half interest in all the property of Mr. Frank, including the canal, electric light plant that was operated by the water power, and two thousand acres of land in the city limits.

Through some inadvertent actions on the part of Mr. Frank the negotiations were abruptly terminated, the railroad officials withdrew and immediately established the large Burlington shops at Havelock, near Lincoln. The negotiations had looked to establishment of those shops at Kearney, and the construction of that line to Holdrege, thus putting Kearney on the main line of the Burlington to Denver.

---

\* From information obtained largely from W. T. Scott of Kearney, who was Frank's secretary at the time of the boom. Article prepared in April, 1911.

To further the sale of a part of the Frank interests and to induce large amounts of capital to come to Kearney, Mr. Frank arranged with J. L. Keck to come to Kearney and erect the original Midway Hotel. A considerable subsidy was raised and donated to Keck.

Other plans failing to secure capital to develop the water power and the city of Kearney, Mr. Frank, in the summer of 1888 at Kearney, gave an option to Mr. H. D. Watson of Greenfield, Massachusetts, to purchase half of the Frank interests. The Frank holdings were then incorporated into a company known as the George W. Frank Improvement Company, which company took over title to all the Frank real-estate holdings, the Kearney canal and electric plant.

At about this time the Kearney men purchased of the South Platte Land Company (the real-estate holding company of the Burlington Railroad) about eight hundred acres of land immediately south and west of the town of Kearney. The Kearney Land and Investment Company was incorporated, took title to that property, and immediately subdivided and platted different portions of the purchase into lots and offered them for sale at auction. This created public interest in Kearney and aided in the development of the so-called Kearney boom.

As soon as Mr. Watson secured the option to purchase the half interest in the Frank properties, he went to New England and brought to Kearney, during the following ninety days, three trainloads of manufacturers and investors. These men became so impressed with the value of the water power and the opportunity to develop large manufacturing interests that they furnished the money to take up the option on the half interest in the Frank properties, commonly estimated at the time as \$250,000.

Some of these investors were interested in cotton properties in New England and, at the suggestion of Mr. Watson, organized a company and constructed the Kearney cotton mills. These men demanded of the citizens of Kearney a subsidy in cash and real-estate, value estimated at \$250,000. This amount was raised by popular subscription and donated within a ninety-day period. At that time Kearney had an estimated population of 5,000 (though Dr. J. L. Bennett says the population at this time was over 10,000). In any case this subsidy represented a donation approaching fifty dollars for each person then living in Kearney.

During these months other enterprises were launched in Kearney, each one of which demanded and received a subsidy or donation to locate there. Paper mill, woolen mill, oatmeal mill, plough factory, canning factory, cracker factory, pressed-brick works and machine shops were among the planned industries. Prospects for these various industries caused a furor of excitement that was accompanied by a very rapid enhancement of the value of real estate in and adjacent to the city of Kearney.

The cotton mill was constructed at a cost of nearly \$400,000 for building and equipment. It operated for nine years. With this exception none of the subsidized factories operated for longer than a few months.

The West Kearney Improvement Company planned for the development of one square mile of ground which it owned adjoining the cotton-mill location. The Midway Land Company owned and developed a section of ground called East Lawn, near the Kearney Military Academy site.

During the boom days came many improvements. City water works, city gas plant, system of sewerage, city hall, opera-house block, and electric street railways were constructed.

An indication of the great enhancement in market values of building lots in Kearney during the boom days may be given. Two lots on the corner of Second Avenue and Twenty-fifth Street, that had been purchased by Frank for his niece at \$300 in 1886, were sold by Mr. Frank for \$12,500. The boom collapsed before they were ever paid for and the niece still owns them.<sup>2</sup> Four acres of ground, part of the present State Normal School grounds, which were part of the original purchase by Mr. Frank at \$2.40 an acre in the seventies, were sold by Bartlett to H. D. Watson in the fall of 1888 for \$2,400. Mr. Watson then subdivided the plot into forty-eight lots twenty-five by forty, and sold them as lots between December, 1888, and March, 1889, at \$29,200. The purchasers of these lots were almost entirely Kearney citizens who had known the history of that particular tract, among whom were George Downing and Dr. J. L. Bennett. The latter purchased eight lots where the north wing of the Normal building now stands and set out the trees that stand near this wing. He traded all except two of the lots for which he had paid \$500 apiece, and these two he sold after the collapse of the boom for \$133; or, after deducting taxes, about one hundred dollars. A Swedish woman who raised Belgian hares bought them and later sold them to the State Normal School.

Business lots advanced from \$40 a front foot to \$400. The collapse came in a single day. The immediate cause was a personal quarrel between Frank and Watson.

One real estate agent's commissions during the boom amounted to \$1,000 a day for many of the days.

Upon the hill beyond the lake was an eighty-acre tract settled and owned by Rev. Nahum Gould, who died in 1875, leaving the property in ten-acre tracts to his eight children. The southeast ten acres was sold at the time of the boom to Marshall E. Hunter for \$10,000, R. D. Gould receiving the money for it. Another heir, Mrs. Greenman, sold her ten acres to Watson for \$10,000. He paid her

---

<sup>2</sup> According to Dr. J. L. Bennett.

\$1,000 for one acre and she kept the remainder. Other heirs sold their ten acres for \$10,000 but when it was settled up some received only the one-third that was first paid down. All the land came back to the heirs except in the two instances mentioned. Incidentally, the one for which the entire \$10,000 was paid is the poorest one of the ten-acre tracts, for there is not a level place upon it.<sup>3</sup>

Dr. J. L. Bennett purchased the last twenty-two lots of the West Kearney Improvement Company without seeing the lots or knowing anything about them. He sold them in two weeks at an advance of \$500. The company offered a lot to everyone who would build, and he had the plans all made for a house on one of these lots. He also purchased a lot where the Midway Loan and Trust Company now stands and sold it at an advance of \$12,000. When the collapse came he sold \$19,000 worth of property to straighten out the debts.<sup>4</sup>

---

<sup>3</sup> This paragraph from information supplied by R. D. Gould.

<sup>4</sup> This paragraph from information supplied by Dr. J. L. Bennett.