



A. W. HANNAH, PRES.

DAVID HOGG, TREAS.

LAURENCE R. ADAMS, SECY & MGR.

Hotel Brevoort

Chicago September 7th, 1918.

120 W. MADISON ST. NEAR LA SALLE

Mr. J. H. McCord,
Mr. Franklin Floete,
Spencer, Iowa.

Gentlemen:-

In pursuance of and in compliance with my letter to you under date of August 1st and 20th, I have now for over a month worked as I never worked before, and after having called on our prospects in Washington, New York, Chicago, Minneapolis and St. Paul, to make a sale of the entire property, equity in same, or borrow enough on second mortgage to take up my past due payments to you, but I have completely failed in each of the above.

Clarks people in New York could not get the money for us on bonds as was contemplated, for the very good reason that the excess profit which buyers of bonds would make, would have to pay 80% and their profits would have had to be paid in cash whereas we were giving them timber and equity in the property which was not cash; we were willing to give \$2.00 in timber for each dollar of cash and give them in addition an equity in the property. You can see that the party who was to buy the bonds would have been forced to pay in cash 80% on each dollar of profit, and equity that they would have received in timber, and they could not afford to do it.

I was in hopes to close some kind of a deal with Mr. Box and his associates who wanted to grow Sisal, but I find that they have not been able to even keep up their Sisal Nurseries, nor pay for the 160 acres of land on which they are located, and although they say they expect to have plenty of money in the fall, they cannot nor will not give me any definite promise or assurance that they will actually produce any definite sum of money and by reason of the delay in the progress of the work on Tamiami Trail, and the fact that it seems to be almost a certainty that Lee County



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cannot nor will not complete its part of the work for over two years as they have not nor will not call an election to provide additional funds sufficient to complete, and as they only have 125,000 dollars to build 54 miles of road, they cannot even build a grade with the funds on hand and it is a public secret that they can see no way nor have they made plans to complete, so really two years at least, perhaps more, will be the earliest that they hope to complete their part of the work, and as people I am trying to deal with know this to be a fact, I very much fear that I cannot count on them.

I have had the matter ^{up} of giving you second mortgage subject to your first mortgage for a sufficient sum to pay you up past due amount and also retire the timber certificates outstanding, but I cannot get money on a second mortgage at any price or discount.

As I told you we have something like \$10,000.00 worth of these timber certificates outstanding, and under War conditions we cannot comply with the provisions and promises on their face so we must retire them. It looks as though I am up against it. This coupled with the tardy progress of the work on Tamiami Trail in Dade County, they now expect and I believe that Dade County's part of the Trail will not be complete short of a year. It looks like hard times ahead for us.

However, we now have a proposition which to accept will cost us a large discount as well as a large proportion of equity in the property but if you will make us a concession which I believe we are entitled to, as you will also greatly benefit by same, we can close a deal as soon as the papers are drawn, and pay you the amount I will herein indicate, in a lump sum, upon you satisfying the present mortgage against the property.

We are offered on first mortgage loan against the entire tract the sum of \$450,000.00 at 80%



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of face value of loan or a net sum of \$360,000.00. We also to convey 45% of equity in the property which would mean us receiving \$360,000.00 in cash, and retaining 55% equity, or interest in the property.

Now you recall at the time of purchase of the property by me you offered that if I would pay you \$1.50 per acre cash, you would give me title in fee to the property. If we could not pay you all cash you rebating us the present accumulated interest, it would figure as follows:

207,360 acres (of land) (including water) at \$1.50	\$311,600.00
We have paid you cash \$20,000.	\$20,000.
Would pay my note to you	25,000. X
Note of A.W. Hopkins Cook-Torsensen	8,500. X
Retire Torsensen note & equity	\$10,900. X
Paid Brown to release Watson lease	4,200.
Court Costs Scott et al	1,000.
Total	\$68,600.
Pay you now and in addition	242,000.
Total	311,600.

This, of course, figures the property on your original cash offer of \$1.50 per acre without interest, and surely when we will have to make such a sacrifice to get the money and deliver to you in a lump sum immediately upon your acceptance of the proposition, and your satisfaction of the mortgage. From the \$360,000.00 which we would receive we would also have to pay as follows:

Retiring outstanding certificates	\$10,000.00
We have a floating indebtedness for dredging, office expenses etc	30,000.00
You balance mortgage	242,000.00 250
Cook Torsensen note	8,500.00
Torsensen note and equity	10,900.00
Total	301,400.00 309,400
Note to you	25,000.00
Total	\$326,400.00 334,400



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So out of the \$360,000.00 which we would receive net from the mortgage we would give, we would have left a balance of \$31,400.00 for this year's taxes, and next year's interest and our current expenses until such a time as we can sell property to pay our future payments. By this you would receive of course all in cash at a time when money is worth more than it has been worth for a long time, which condition is likely to continue for some time to come, and you will receive net \$1.50 per acre, in cash, as per your original offer. You, of course, will be losing interest, but no one has really benefited from the property for the past year, and in fact it has been a great expense to me.

Now I am positive I can get this trade through just as soon as the papers can be drawn, and you indicate that same is acceptable to you, and I don't doubt that you will do so as this will close the transaction as far as you are concerned and you will really be the beneficiary in every sense of the word.

I do not see any other way to raise the money I now owe you unless we resume the sale of the timber certificates which we have discontinued as I considered it dangerous as we cannot proceed with our work, as we represent we will on the face of the certificate under present war conditions, and if you consent to the above there will be no delay in the matter as I have positive assurance that the transaction will be closed just as soon as the proper papers can be drawn.

With kindest personal regards, I am,

Yours very truly,

J. F. Jardon