

VINCENT R. COON

LARGE CONSTRUCTION LOANS NEGOTIATED
ENGINEERING FINANCING CONSTRUCTION
RAILROAD AND PUBLIC WORKS

DETROIT, MICHIGAN

Nov 17th. 24

INVESTIGATIONS
VALUATIONS
AND REPORTS

Mr J. F. Jaudon.
Miami. Florida.
Dear Sir;

As we have not as yet received the letter from your Mr Taylor, we will now write you for the purpose of eliminating any further delay, and it is probable that this letter will also reply to Mr Taylors letter.

Any form of general contract between us, will have to be worked out down there, after we have completed our investigation and have been over the route.

However, our proposition is, That we agree to take care of the underwriting of a 6%, first mortgage, twenty year, railroad bond issue, for an amount of \$3,000,000.00 bonds, at an underwriting price of eightyfive cents on the dollar, net to your company, and to arrange for the cashing of this amount of bonds to your satisfaction.

The above net proceeds of bond issue underwriting, to be used in the construction and equipping of your proposed railroad.

We will also aid your company in any way we can in its proceedings with the I. C. C..

As General Contractors, we will have the contract to supervise the entire construction and equipping of your proposed railroad, in accordance with plans, estimates and specifications of your company and its Chief Engineer, who will approve all of our procedures.

Our contract will stipulate and set forth, a detailed estimate of all costs, and at a maximum figure or estimate, and over this maximum estimate we will not go, so that under this estimate, you will know at all times, just how far we can go, and do go, and a close check is had on the development, by all parties interested, especially the Trustee of the Mortgage and bond holders.

As our compensation and profit, as General Contractors, we are to receive an amount of eight percent, added to the net actual cash costs of the complete construction and equipment, and we are to receive our eight percent general construction compensation, each thirty days, on progress estimates, as and when made and paid.

The idea being to build and equipp this proposed railroad in a first class manner, at the lowest possible net cash cost, as well as limit us to a maximum estimated costs, over which we cannot go.

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You then know just what compensation and profit we are receiving for our services in the financing of your bonds, and the supervision of the construction and equipping, in cooperation with your company and its chief engineer.

We handle the bonds at the same price we underwrite the paper, so that we do not participate in any bond issue profit.

Our financing of this amount of your total bond issue, arrangement, will be with a seasoned New York Stock Exchange Member Banking House, and upon the completion of our negotiations with your company, we will be very glad to disclose to you, the name of our banking connection in connection with this certain bond issue, and we will also arrange with this banking house, so that you can submit to the I. C. C. proper assurances of the financing of your project, when you go before them, and this is really the keystone to your whole proposition.

We can see no difficulties in our working out a general contract with you upon the completion of our investigation into the general merit of your project, for our compensation depends upon our financing and building the railroad for your company.

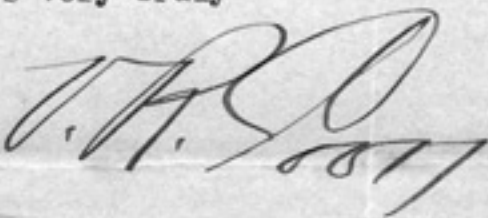
We have no wish to have any control or voice in the management of your company, but we do want to work and cooperate with you, build that railroad in a first class manner, for the least number of dollars and then we want our compensation as we go along.

We are ready to go ahead and we ask that you let us have some wire advices in advance from you, on the 22nd.

Yours Very Truly

C/C

3735 Hogarth Ave



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