

Miami, Florida,
December 22, 1919.

TO THE OWNERS OF EQUITY IN THE
A.W. HOPKINS TRACT:

Gentlemen:

After nearly three years of stewardship of your interests in this property, I take this, the first opportunity and occasion to give you a brief resume of the properties and my activities connected therewith.

THE A.W. HOPKINS TRACT. In 1915-'16 it was my pleasure to identify myself with the promotion of the construction of the Tamiami Trail and in the course of my investigations in crossing to the west border of the Everglades, I was very much and favorably impressed with the western border of same, and I investigated the possibility of acquiring a large tract of land located between the so-called Everglades and the Gulf of Mexico and ascertained that Mr. A.W. Hopkins of Granville, Illinois was the owner of 207,360 acres of land in one solid body, and I immediately took an option to purchase same. Before completing this option, however, I had further investigations made of the property and made some in person, and sent John W. King, botanist, geologist and civil engineer of no small ability to make a report thereon. All of these investigations verified the future value of this property, although at the time of purchase by me it was the most isolated--and by reason of its isolation--was the least valuable area in all Florida.

On February 1917 I completed the purchase of this property and gave to A.W. Hopkins, a mortgage in the sum of \$300,000.00, and prepared a prospectus to possible investors to acquire equity in same, placing the value thereon in the sum of \$400,000.00. My proposition to those acquiring equity in this property was that this proposition should be acquired by a corporation, afterwards formed for \$400,000.00, and I, joined by my wife, Maude C. Jaudon, issued equity deeds therein and therefor as follows:

D.A. McDougal, Sapulpa, Okla, 10%. Paid in cash \$10,000 to J.F. Jaudon.
Louis C. Freeman, Cincinnati, O., 5%, paid \$5000 in cash to J.F. Jaudon.
L.H. Dasher, Larkins, Florida, 2%. Paid \$2000 in cash to J.F. Jaudon.
Theo. Junkin, Miami, Florida, 1%. Paid \$1000 in cash to J.F. Jaudon.
P.B. Jaudon 10%. Paid in cash to J.F. Jaudon \$10,000.
C. Towntenson 10% Milford, Iowa, 10%. Paid by note in a like sum to the Citizens National Bank of Spencer, Iowa.

Geo. F. Cook, Miami, Florida 5%, \$5000. Services to be rendered in the interest of this property accepted as payment.

Paul C. Taylor, 1%, \$1000.00. Services.

J.F. Jaudon, equity reserved 46%.

as Trustee for Maude C. Jaudon,

10%, \$10,000.

All of these deeds have been executed by myself and wife; some of which have been recorded.

CHEVELIER CORPORATION: In compliance with my agreement with those who acquired equity in the Hopkins Tract, I applied for charter for the corporation, capital stock of \$500,000, which was granted and issued by the Secretary of State on day of December 1917. To properly advertise, present and promote this property we have carried on the semblance of a corporation with the idea in mind of perfecting and making same operative when the necessity arose, but my idea has been to produce a purchaser for the property so that sale could be made direct from the holders to the purchase by Warranty Deed.

On 25th day of September 1917, I joined by my wife executed a deed to the Chevelier Corporation for the sum of \$100,000 and notes in the aggregate sum of \$75,000 (these notes issued by reason of the fact that the major part of the expense on the property and in the interests of the property was being met by myself personally) and to protect me in the matter of these expenditures; this deed also recited the fact that the Chevelier Corporation was to assume the \$300,000 mortgage, outstanding against the property and granted to the Tamiami Railway a right-of-way through same. This deed has not, however, been recorded except in Dade County--which was done for the sole purpose of protecting the purchasers of Timber Certificates, which I will hereinafter refer to.

It will be necessary that all equity deeds be surrendered, or if same have been recorded, deeds from the equity holders to the Corporation acquired to properly perfect the Chevelier Corporation.

TAMIAMI RAILWAY: For the purpose of promoting and properly advertising this property, I with certain associates, applied to the Governor of the State of Florida for a charter for the Tamiami Railway and the same was granted on 1st day of August, 1917. In the matter of this charter, I secured the services of Mr. Geo. T. Morgan and had him come to Miami and stay here for a number of months to legally and properly establish a status for this railroad, and I have certain surveys for rights-of-ways made for the Tamiami Railway between Miami and Fort Myers. In 1917, the Tamiami Railway applied to the City of Miami for a franchise to use certain streets and to secure the use of the Municipal railway and Municipal docks which by a vote of the citizenship of Miami was granted.

INVESTIGATION SURVEYS: Directly after I acquired this property I secured the services of F.K. Ashworth, C.E. and retained him for nearly two years in drafting and field work, sending him to the property on two occasions with a corps of men to verify his plats and to make reports on the property. I personally have made a great number of trips to the property and have visited almost, if not, every township therein. To be able to verify any claims we might make for the property I have carried onto it the following men, who are considered authorities in their several respective lines, each of whom were most favorably impressed with the opportunities of same and due publicity and records of their reports and investigations are in my files.

Ross L. Clark, Dallas, Texas and New York City--a very prominent stock and cattle man, whose reports on these lands as a stock farm and grazing proposition are most favorable.

E. Lundin, of Miami, Florida (who has since died) who was representing certain capital in the central west who wished to engage in the growing of sisal commercially and his report was most favorable, on the pine lands, for that industry.

Thomas Allen Box of Fargo, N.D. one of the men who was interested in establishing the sisal industry in Florida. He verified Mr. Lundin's report and findings fully as to the possibilities of that industry on this property.

Mr. McNab: a cypress timberman of considerable experience reported most favorably on the character and quality of the cypress timber in the northern and central portion of the tract and who desires to mill this timber into lumber if opportunity presents.

Mr. C.C. Clay of Demopolis, Ala. who is known as the Alfalfa King of the South, reports on the clayey lime-stone lands of the Chevelier tract was published in the press of Florida and was most favorable.

Mr. J.L. Long, of Jasper Alabama --a land, timber and turpentine speculator who passed on the property as to the three industries noted most favorably.

be Mr. Long, also of Alabama, who is an exponent of Bermuda grass, particularly, and who found on the Chevelier Tract, what he ~~was~~ said was the greatest opportunity in Florida for a stock farm proposition.

The entire Board of County Commissioners of Lee County, including their attorney and engineer. I took them to the property for the purpose of securing their endorsement and approbation in the change

in the routing of the Tamiami Trail, so that same would be produced a distance of twenty-two miles directly through our property instead of a minimum distance of three miles north of same--which was the instance in the original survey. This I succeeded in doing and this plan was concurred in by the Board of County Commissioners of Dade County.

In the Spring of 1919, I took to the property Messrs Brooks and Crowell of Orlando, Fla. together with Judge and Miss McDougal and Capt. Geo. F. Cook, owners of equity in the property--the first named for the purpose of effecting a sale, the second, for inspection.

A.L. White, a Civil Engineer of Fort Myers, who was favorably impressed with the property and who is a strong advocate of same in Fort Myers.

S. Rowland Ginsburg, Civil Engineer, of Romano, Santa Domingo and New York City, a member of the American Society of Civil Engineers and a sugar cane expert. Mr. Ginsburg's report on the property as a sugar cane proposition was most favorable, and I accompanied him to New York City, where the matter was laid before Mr. A.J. Greif--perhaps America's greatest sugar cane engineer; the result of which was that I returned to the property with Mr. A.J. Greif, T.J. Ryan, of the Cuban-American Sugar Company and Mr. B.M. Hall, of Atlanta, Georgia, who is one of America's greatest drainage engineers--all of whose reports on this property as a sugar cane proposition was most favorable.

ROSS L CLARK: Mr. Clark proposed to me that he could market deferred stock of the Chevelier Corporation to produce sufficient money to carry on our development work, or that he could finance the proposition along other lines, and a contract was entered into with Mr. Clark--which, however, has not been lived up to by Mr. Clark and was cancelled and resulted in nothing to the corporation except expense to the writer.

TIMBER CERTIFICATES: In 1918 Brossier and Cunningham of Miami, Florida proposed issuing a Timber Certificate in the sum of \$300,000 against the property, and a contract was made with them, a prospectus prepared by them and they attempted to carry out their part of the contract, but objected strenuously to the small number of officers and directors of the corporation and as I would not consent to making any changes therein and war conditions were such that at best only a limited number of these certificates could be marketed, so I did not renew contract with them when same expired and there was only issued \$ _____ in timber certificates against the property--which are now a lien against same and must at some future date be retired

or provided for.

CONSTRUCTION WORK: I was introduced to Capt. Paul Boysen by Capt. Geo. F. Cook, our Secretary, and as he appeared to be a most competent construction man, I employed him and rented from E.W. Crayton of Naples, a dredge and with same constructed three small canals into the property which has been of material benefit to us in ascertaining the possibilities of utilizing the lands where these canals were dredged. I found after purchasing the property that a lease had been issued for the Watson place, which covered a period of years, and to acquire possession of this property, as it was necessary and requisite, I purchased this lease from W.F. Brown, and have since said purchase retained possession and occupancy of this property, keeping Mr. Trueman Ivey and wife there until August of 1919 and since that time Capt. O.C. Bozeman and wife also William Coachman. However, I felt that the sugar cane crop grown on the Watson place could best be handled by W.F. Brown and have made arrangements with him whereby he acquires the crop for the season of 1919 and 1920. The house, cistern and property has been repaired and certain improvements made to the property which is a decided improvement on same.

With the idea in mind of issuing a bond against the property which would produce money to continue work on that part of the Tamiami Trail which we had contracted to construct, in June 1919 I started, on a much larger scale than I at first anticipated, on our part of this work. At that time, having in hand something like \$15,000 of my own personal money, I thought that I could continue this work for approximately sixty days and that during that interim a bond could be prepared, issued and sold by ourselves, or that Mr. E.L. Hollingsworth of Rensselaer, Ind, or the Van Sant Trust Company of St. Paul, Minn. could issue a bond against the property to produce the necessary cash to continue the work to completion. With the inception of this work, however, I begun negotiations with sugar engineers and as a sale of the property seemed very probable I did not continue this work--which ofcourse, has occasioned to the property a considerable loss--which I am sure is more than off-set by the condition of the property.

SALE ATTEMPTS: At the invitation of Mr. Ross L. Clark, in 1918, I visited New York to confer with Mandeville and Company, in the matter of a bond issue or loan against the property, but could make no favorable arrangements with them. Afterwards I went to Washington ~~and~~ with the assistance of Senator Fletcher, took up with the War Industries Board, the idea of the Government constructing a railroad, to acquire the cypress and pine timber for governmental use, but did not succeed. I then visited Chicago, Ill, as Mr. Albert Eugene Cook, had represented that he wished to acquire the tract or equity therein, but by reason of war and financial conditions Mr. Cook could not and did not

raise the necessary capital to acquire same. We have had so many inquiries and prospective buyers of timber lands that it would be an endless task to enumerate same. In addition to out of town trips made by myself in the interests of the property I have paid the expenses for Capt. Geo. F. Cook in railroad trips made in the interests of the property.

THE TAMAMIAMI TRAIL: I succeeded in forming the Southern Drainage District and was elected President of the Board of Supervisors, to the end that interest could be kept stimulated in the Tamiami Trail and the property during the period of the war and while at times, both Dade and Lee Counties have suggested abandoning the construction of the Trail, it has caused a considerable effort on my part to keep the necessary enthusiasm--that the construction of same was practical and could be accomplished.

OFFICE EXPENSES: For the purpose of exploiting and promoting the best interests of the property and to hold together the semblance of an organization I have maintained offices at Miami, Florida and to the end that the representatives of the Corporation could always be in said office, I assisted Capt. Geo. F. Cook in organizing Federal Farm Loan Associations throughout Dade County and permitted him to use my office for said Associations, thus securing to him a fixed revenue so that he could be in person at all times at our offices. I also had Mr. F.K. Ashworth, as engineer, and Paul C. Taylor, as Attorney. The latter has been very valuable to the Corporation in the matter of legal advice, drainage suits and has carried, I think, to a successful conclusion, the setting aside of equity claims set up by one Scott against the property. During the time of maintaining these offices I sold some 20000 acres of Tamiami Trail land--the profits and commissions from such sales, however, I used in the interests of the property. In fact, it has been simply a matter of desiminating my properties and other interests and converting same in promoting the Hopkins tract.

FIELD EXPENSE: The attempt to enumerate the disadvantages of even a trip of inspection to the property--guides, launch, yachts, boats and traveling expense would be touching on a very sore spot--in the matter of my pocket book. In fact, during the present summer, it has been necessary to incur abnormal expense but it looks as though present conditions have warranted same.

The lack of corporation on the part of those living in the area adjacent to our property is very marked and noted. There is no direct antipathy but the absolute lack of knowledge of the property and the equal lack of desire to see present conditions changed has been a serious obstacle.

AIM: It has been my constant aim to take this isolated piece of property and create a desire in the minds of

others to possess all or a portion of same. It is and has been my wish, and no doubt the wish of each of you to sell, at a profit, or promote this property to our mutual profit.

BOND PROPOSITION: We have before us a proposition to issue \$550,000 to \$600,000 worth of seven percent, ten year bonds against the property, giving a land bonus therewith, paying off the mortgage on these lands and produce a sufficient amount of money to pay off all the indebtedness of the property and have a sufficient amount of money in the treasury to construct the Tamiami Trail through the property and also have a sufficient amount of money to carry on work expenses until same can be completed and land sales made.

PROPOSITIONS FOR PURCHASE: We have on file now live propositions from R.V. Keller, Managing Editor "SUGAR" of New York City and Messrs A.J. Greif and S.R. Ginsburg, also George W. Chance, of Philadelphia, Pa. who represents the American Sugar Refining Company.

FINANCES OF THE PROPERTY: The property is now encumbered by a mortgage in the sum of \$300,000.00, with accrued interest, to A.W. Hopkins, et al; an obligation of \$12,000.00 to J.H. McCord and Franklin Floete, with interest; outstanding timber certificates for approximately \$3500.00; moneys advanced and expenses paid by J.F. Jaudon aggregating \$_____, in addition to which there is outstanding notes and debts to cover advances and expense to me on the property, aggregating approximately \$20,000. D.A. McDougal's equity has advanced \$_____ in the interest of the property. A note in the sum of \$8500.00, with accumulated interest to the C. Torstenson estate. Note in the sum of \$500.00 of the Chevelier Corporation, endorsed by myself, to the Bank of Bay Biscayne, to pay the office and other expenses incurred during the months of November and December, 1919.

On October 2nd, a visit by Judge McDougal and Capt. Geo. F. Cook, to Spencer, Iowa, resulted in a proposition being made for the issuing of \$550,000.00 worth of ten year bonds and to the end that work could immediately begin on same, it was agreed that the stock issued of the Chevelier Corporation be increased to \$200,000.00, and as Judge McDougal was to assume certain liabilities, responsibilities and obligations in connection with the Trusteeship therefore, I was desirous that he should hold a controlling interest of the stock, should said bonds be issued and plans were made whereby this could be accomplished.

To sum up-- I would say that for nearly three years now--one of the most strenuous periods in the history of our contry, I have been promoting this property and feel now is the assured and opportune time to finance same, and my aim is that a desire be created in the minds of buyers to acquire this property, or that it will be considered

satisfactory security for a bond or mortgage, seems to
have been accomplished

Respectfully submitted,

J. J. Jaudon.

JFJ:H