



MODEL LAND COMPANY

FLAGLER SYSTEM

OFFICE OF PRESIDENT AND SECRETARY

J. E. INGRAHAM
PRESIDENT

S. HARRISON
SECT. AND TREAS.

CONFIDENTIAL:-

St. Augustine, Fla., Jan. 31st, 1918.

Mr. Fredk. S. Morse,
Miami, Fla.

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Dear Sir:-

Confirming telephone conversation with you this morning, beg to hand you herewith copy of telegram from Mr. Butterworth to Mr. Powers, which is not clearly understood by me, except it would seem to indicate that there is some sub-arrangement between Mr. Butterworth and Mr. Powers, which has not been brought out or stated.

Mr. Powers called at the office on yesterday with the following gentlemen;- J. C. Swindell, R. C. Swindell, G. C. Rogan and Mr. O. C. Lamphear, and he stated that these gentlemen were associated with W.J. Allen, J. R. Bayley and B. O. Rogers in the Cape Sable Improvement Co., and asked that our Company sell them Sections #10,11,12,13,14,17,18,19,20,21,22,27,28,29,30,32 and 33, Twp. #60, S.R.#32 East. They also wanted to make Contract for land in Sections #10,11,12 and fractional Section #15, Twp. #61-, S.R.#32 East, which they desire to use for a Townsite.

Their plans seemed very indefinite, and in fact no price or terms were discussed, but from the general trend of the conversation I think that these gentlemen were under the impression that they could get this large body of land at a very nominal figure,

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and that the Model Land Co. would be amply recompensed by the improvements which they intended putting on; however, these improvements were more or less a matter of conjecture and, as I understand it depend entirely upon the selling of lands which they own, or control, the cash received therefrom to be put into these improvements.

They also asked that the Model Land Co. clean out Cape Sable Creek and put in a tide-gate at a certain point, and in this way make a general reservoir for any future drainage which might be contemplated, or deemed necessary for draining all of the land in this Section, and further that we stand 50% of cost of construction of a roadway and ditch on each side from Florida Bay in Sec. #3-51-34, West to West line of Sec. #3-61-32, they in turn to dike the entire water front and fill in the lands proposed for a Townsite. They also want us to stand half of the cost of drilling an Artesian well.

I took this matter up with Mr. Ingraham this morning and he stated that he did not care to consider such a proposition; - In the first place the acreage is too great to allow of our selling at such a low figure as these gentlemen would require, and would mean our carrying them indefinitely, as I do not believe they would be able to get hold of sufficient capital to develop such a large acreage as it should be developed; and in the second place in selling Cape Sable lands to any Development Co. at prices lower than we would charge retail purchasers we do so for the purpose of sharing in whatever drainage or other improvements they may make, and consider than any reduction in price which we might allow, should be sufficient inducement for them to carry out all improvement plans

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without asking the Company to share in the expense.

As you are aware the Whelan Option expires to-night. Mr. Powers informs us that Mr. Stanton, who was to take over this Contract, has not as yet turned up; therefore, if he does not do so within the period of Mr. Whelan's Option all negotiations for the purchase of the Whelan lands are off so far as we are concerned, and any new arrangements through, or with, Mr. Whelan and his associates will be on an entirely new basis, and I have so advised Mr. Larson this morning.

Please keep me fully posted on Cape Sable matters, and impress on Mr. Powers that any options for any of these lands are void until approved by this office.

I am giving you a history of this transaction so that if anything further should come up in regard to it you will know how to handle it.

It seems that Mr. Powers has sold his launch to the above mentioned parties, who I believe are known as the Cape Sable Improvement Co., and it may be that Mr. Powers himself is interested in this organization; please, therefore, treat this letter as confidential and as information for yourself.

Yours very truly,

Dict. CSB
Encl.

Chas. H. Brumby
Assistant Secretary.