

The Terms of Nixon's Mortgage

Los Angeles

For the first time since President Nixon bought four years ago, the terms of his estate at San Clemente of its \$1 million mortgage were disclosed yesterday — by the original sellers.

The fourth of a series of \$100,000 annual payments is due July 15 and a "balloon payment" of \$600,000 is due next July 15 to complete the mortgage payments, according to the information. The interest rate is 7.5 per cent.

The White House has said the lion's share of the remainder is owned by an investment firm created by industrialist Robert Abplanalp of Bronxville, N.Y., and the Bahamas, a close friend of Mr. Nixon.

Both Abplanalp and the White House have repeatedly declined to name the company.

TRUST

Meanwhile, full details of the San Clemente ownership remain cloaked behind a trust set up at the time of the Nixon purchase in July 1969, when a downpayment of \$400,000 was made.

A White House statement last month, which conflicted previously given out by presidential spokesmen revealed that Abplanalp had bought all but 2.9 of the 28.9 acres on Dec. 15, 1974.

The statement revealed that the sale was accomplished by assigning an interest in the original Nixon trust set up to hold title.

UNCOMMON

Several Los Angeles attorneys who specialize in trust and estate work told the Los Angeles Times they consider this to be a relatively uncommon way to transfer an interest in land.

They also said that the assignment of the interest in the trust to Abplanalp was not a common practice.

The assignment of the interest would be publicly recorded, whereas the assignment of interest in the trust usually is not in his case.

"The point is," said one attorney, "it is not unusual for a trust to be set up to hold title to real estate owned by a trust beneficiary who owns the title."

Other possible reasons for such trust transactions include tax advantages or investor security, other attorneys said.

TITLE

All details on the San Clemente property are concealed behind the name of the trustee, the Title Insurance and Trust Co.

The biggest title insurance firm in the country, it is a subsidiary of TI Inc., Los Angeles, headed by Rocco C. Siciliano, a past Nixon appointee in government posts.

Charles Horning, attorney for the Cotton estate, which sold the land to President Nixon, told the Times:

"We know no other names outside of TI. The downpayment (\$400,000) even was by TI's check, and all subsequent payment checks have been drawn on TI."

"We have no reason to look behind that — and no legal right."

Horning said that the annual mortgage payments are sent to him by TI and he turns them over to the heirs of the Cotton estate.

SURPRISE

The attorney said he was surprised to hear of Abplanalp's name last month as owner of the bulk of the property.

"I had never heard of him before in the matter," Horning said.

As recently as last October, John D. Ehrlichman told the Times that he assumed Mr. Nixon would find a buyer for the large parcel that does not include his home by the time the "balloon" payment came due in July 1974.

At no time in the interview did Ehrlichman indicate that he was properly informed of the mortgage terms.

Last month's White House statement disclosing the Abplanalp purchase was preceded by a denial of a report by the Santa Ana Regis-

tration that the \$1 million mortgage was being paid by the White House account. Part of the mortgage was cancelled in loans to Mr. Abplanalp in connection with the president's financial purchase.

This \$325,000 mortgage had never been reported in previous official financial reports.

COY

Effort was made to reach Mr. Abplanalp, but he was not available for comment. His estate attorneys were not available for comment.

Mr. Abplanalp is a spokesman for his firm, the Abplanalp Investment Firm, in Yonkers, N.Y. He is a former investment banker and has held various positions in the financial industry.

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