

Nixon used friend's loan to buy California home

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By ADAM CLYMER
Sun Staff Correspondent

Miami—President Nixon financed the purchase of his San Clemente (Calif.) estate with \$625,000 secretly borrowed from a millionaire friend, Robert Abplanalp, the White House said yesterday.

The loans from the developer of the aerosol valve were liquidated in December, 1970. Mr. Nixon is a frequent visitor to Mr. Abplanalp at the Bahama island of Grand Cay.

Mr. Nixon did not pay them

off in cash, but instead conveyed title to 23 of the 28.9 acres of the estate to a company Mr. Abplanalp set up.

This left the President and Mrs. Nixon owing \$340,000 on the 5.9 remaining acres, the White House statement said.

Previously, the White House had always asserted that Mr. Nixon put up \$100,000 of his own money in July, 1969, when the property was purchased.

Today's statement made it appear that until December 15, 1970, he never put up any

money of his own, and indeed had borrowed more from Mr. Abplanalp than the purchase price and improvement cost of the San Clemente estate. No answers were provided to questions about those discrepancies.

When White House officials were asked why the loans had not been made public at the time, they said they did not know.

In recent conversations on the subject, they have stressed See CLEMENTE, A8, Col. 1

CLEMENTE, from A1

that John D. Ehrlichman, the assistant to the president who lost his job April 30 in the Watergate scandal, and Herbert W. Kalmbach, who ceased to be Mr. Nixon's personal attorney at the same time, had handled the matter and are no longer available to provide much information.

Mr. Ehrlichman told reporters in October that Mr. Nixon was the sole owner of the property and never mentioned the company Mr. Abplanalp had set up.

Yesterday's statement was given to reporters covering Mr. Nixon's holiday weekend at nearby Key Biscayne on board the airplane that brought them south. It was also given out at the White House, but no questions were allowed. No news briefings are scheduled for today or tomorrow, either.

The statement had been promised almost daily since May 14, when the White House took umbrage at a newspaper report that said the mortgage had been financed with leftover 1968 campaign funds.

According to the statement, Mr. Nixon had borrowed the \$625,000 at 8 per cent interest. A White House official said the first loan, for "in excess of \$400,000," was made at the time the property was bought for \$400,000 down payment and a mortgage to the owners of 26 acres, secured only by the land, of \$1,000,000.

He said the excess over \$400,000—an amount he could not specify—was used for furniture and moving costs.

It may also have gone in part for a \$20,000 down payment (accompanied by a comparable mortgage for another \$80,000), on an additional, ad-

acent 2.9 acres bought in September, 1969.

The next loan, dated only as "in 1970" in the statement, amounted to "less than \$200,000," according to the official. He said it went for 1970 mortgage payments and for improvements.

(The statement says that improvements from 1969 to date, paid for by the Nixons, have cost \$123,514.)

From the time that Mr. Ehrlichman first discussed the purchase publicly, May 12, 1969, it had been stressed that the Nixons only wanted 5.9 acres. He said then they were putting \$100,000 down and taking out a \$240,000 mortgage.

He spoke of selling the remainder of the land to a "compatible" buyer, perhaps the Nixon foundation for a library.

December 15, 1970, according to the statement, the Nixons

liquidated their notes by selling the 23 acres to "an investment company set up by Mr. Abplanalp for the purpose of acquiring and holding this land."

Questions about the company, its name, and its officers were not answered by the White House.

Mr. Abplanalp, reached by telephone in the Bahamas, said he would have to look up the details of the transaction. He said he did not recall the name of the company he formed.

The Nixons, who had paid an average of \$51,903 an acre for the whole tract, kept the improved part of it, and according to Mr. Abplanalp, did not sell his company any of the oceanfront property, which is more valuable.

However, his company paid \$54,304 an acre for the other 23 acres, for a total of \$1,249,000.

This was not paid in cash either, but by canceling the \$625,000 loans from the Nixons (but not the accrued interest), assuming the remaining \$64,000 mortgage on the small adjoining parcel of land bought in September, 1969, and assuming \$560,000 of the \$900,000 remaining to be paid on the original 26 acres.

Mr. Abplanalp heads the

Precision Valve Corporation, whose 1971 gross sales were \$50 million. It makes 60 per cent of the world's aerosol valves, which control, among other products, the spray of paint, shaving cream and deodorants.

A contributor to Mr. Nixon's 1960 election campaign, he met Mr. Nixon first in 1963, when Mr. Nixon was an attorney in New York, and told him he thought the candidate had been "robbed" in that election.

A resident of Bronxville, N.Y., Mr. Abplanalp became a close friend of Mr. Nixon then and owns one of the five houses, which the government leases from him, in the Nixon compound at Key Biscayne.

The White House has said in the past that his firm does no business with the government. A spokesman said he would check on that again yesterday.

It was not immediately clear why the President needed to borrow \$400,000 in 1969. In that May 12 briefing, Mr. Ehrlichman indicated that Mr. Nixon had just sold his New York apartment for \$326,000 although that was a "gross sales price" and the net may have been somewhat lower. The White House did not say.



ROBERT ABPLANALP

Mr. Nixon had also just sold stock in a company developing an island in Biscayne Bay here, Fisher's Island, for \$371,782. The statement indicated that his cash and receivables on hand then were \$571,000.

Although he had also just bought Key Biscayne real estate, his equity at that time was only \$87,300, and that was aside from the \$571,000 in cash and receivables he presumably had to spend. His salary is \$200,000 a year, plus a \$50,000 tax-free expense allowance.