

Nixon/Property/Auditors' accounting HW 8/29/73 Based on texts NYTimes 8/28/73

After one hasty reading when I was sort of under the influence of extra hot extra stagnant extra extra polluted air, I'd say that Nixon bought both Key Biscayne properties without putting a penny of his own down and borrowing what he borrowed without security. As I read the San Clemente deal he put up in his own cash a total of only \$20,000 +/-. And this for the most valuable single property in the rich county, listed at \$1,400,000 prior to and exclusive of all those millions of tax dollars. He had played a few tricks to pretend to have more equity in his own cash, like including improvement costs and furnishings, which are utterly irrelevant. What surprises me is that the press I've seen is without comment on this. There still is no explanation of why Rebozo was in on any part of the deal, unless it was supposed to be a deal from which he would profit that had to be scratched once there was publicity. The Abplanalp part and the "revocable" trust look fishy but I can't put a finger on it save for the obvious, that GL got most of the most valuable part of the property free, less obvious in this statement than in the earlier one. Some of the figures look a little fishy. Unless he got a cheap swimming pool, he doesn't have much of a one with an installed heater for just under \$15,000. Basis: I have a rectangular 20x40, concrete, without heater, and I'm told that replacing it would cost \$10,000. On the value of the property alone, a pool of this value/size is inappropriate. The shaped pools are more expensive, unless those poured from standard forms may not be. The landscaping cleaning up after the installation is a considerable factor that is paid separately or is included in the price. In a place like that where the flushing water can't be wasted on the ground, there must be sewer connection or some sort of dry well for the wasted water used to wash the filtering system. He undoubtedly ran a fresh-water supply from the house for replenishing water, another cost, varying with the distance from an adequate source of water and the landscaping after pipe installation. The accompanying story says what I don't see in the statement, that Nixon had "seriously overextended himself." There is no accompanying financial statement. I'm certain he was not over-extended on the down payments he didn't make, for the sale of his coop apt in New York brought a figure well over \$100,000. The point here is not simply the judgement of a political figure who buys more than he can afford or pay for but the Times glossing over this and giving him an alibi for the dubious deal with wealthy friends. The Miami mortgages he took in June, 1969 are at 6%. This was far under the going rate. And there also furnishings are listed as "improvement", which tends to inflate his cash invested in the properties. What would be included was not left up to independent auditors. He told them. What the breakdowns mean is not specified, but when furnishings become improvements, the whole thing is in doubt. This statement has nothing in it that couldn't have been done by a secretary of high-school trained bookkeeper. It is no more than a recap of records he supplied.