

# Nixon Role in Coast Land Deal Unclear

NYTimes 067 15 1972

By WALLACE TURNER

Special to The New York Times

SAN FRANCISCO, Oct. 14—More than a million dollars worth of real estate controlled by President Nixon was not included in the statement on his net worth issued by the White House on Sept. 16.

The property involved is the Western White House, a 22-acre estate and Spanish-style mansion in San Clemente, Calif. Mr. Nixon took possession of the place in the summer of 1969 and has spent a few weeks at a time there in different seasons since then.

While White House staff members have said that Mr. Nixon will eventually own only a quarter of the property, the records on file show that it has not been divided, and the people who formerly owned it say they have been paid off.

Land ownership records show that the title rests with a trustee but that someone borrowed \$1-million and gave the property as collateral.

## Some Aspects Unclear

The complexities of the transaction, and the absence of any full explanation of Mr. Nixon's interest, make it unclear whether Mr. Nixon owns all, or just part, and which part; whether he has a debt, and if so, how much and to whom it is owed; or whether some friend owns the property or a large part of it, and gives Mr. Nixon the use of it.

Three years ago White House staff members said that Mr. Nixon owned only about a quarter of the acreage, plus the house; that he had paid \$100,000 down and had assumed a \$240,000 mortgage. But none of this is reflected in land title records.

To outsiders, it is very plain that Mr. Nixon lives on all the estate and completely controls the use of all of it. Secret Service agents under his orders bar all persons from the grounds

Continued on Page 44, Column 2

Continued From Page 1, Col. 7

cept those he wants to admit, and a wall built at public expense encircles the entire 22 acres, not just a quarter of the land that includes the house.

The house has been refurbished, and extensive repairs have been made. More than \$0,000 in Federal tax money was spent by the General Services Administration to build the

ucco wall around the land and to construct gazebos and gatehouse. The Government pays a gardener who has retored and maintains the grounds.

## Company Holds Title

On the record, title to the entire property rests with the Title Insurance and Trust Company, a subsidiary of TI, Inc., company headed by Rocco L. Siciliano, an appointee of Mr. Nixon to various jobs, such as Under Secretary of Commerce and as the only business member of the Pay Board.

The document that establishes current title to the property is a "corporation deed of trust" filed by Title Insurance and Trust Company on July 15, 1969. A "deed of trust" in California property titles means that the property has been put up as surety for a loan.

The loan mentioned on the document bearing on the Nixon state is a \$1-million promissory note. The document does not say to whom the money is owed. Mr. Nixon's staff says that he owns only a part of the property, but, insofar as the public records show, Title Insurance and Trust Company holds title to all of it.

On May 12, 1969, two months before the transaction was closed, Mr. Nixon's staff announced that he was acquiring a part of the property. The announcement was made in releases from the White House press office and in statements to reporters by John D. Ehrlichman, special counsel to Mr. Nixon.

## Library Action Expected

It was said that Mr. Nixon was acquiring only the house and about five acres. He would pay \$100,000 down and would assume a debt of \$240,000, to be paid in five years, Mr. Ehrlichman told reporters that day. The total sales price for the house and 22 acres was \$1.4-million.

Mr. Ehrlichman said that the approximately 17 acres not acquired by Mr. Nixon was being held "for the beneficial interest of the President at the present time—in other words, we are retaining the capacity to determine who will be the purchaser of the balance."

It was also announced that day that the Richard Nixon Foundation had been incorporated in California to build the Nixon Library. There was a broad hint that the foundation would buy the rest of the estate and locate the library on it.

However, this has not occurred. In Sacramento, the state capital, the reports of the foundation show that no such transaction is in progress. They also show the foundation to be lacking the resources to make such a purchase.

No document on file in the

Santa Ana courthouse substantiates Mr. Ehrlichman's 1969 statement accounting for only \$340,000 of the \$1.4-million purchase price—Mr. Nixon's \$100,000 down-payment and the \$240,000 mortgage—or his statement that Mr. Nixon had acquired "about a quarter" of the property.

Instead, the documents all show that the property is one piece of land, undivided into any parcels such as the five acres described by Mr. Ehrlichman. They show further that the property is encumbered by a \$1-million promissory note, not a \$240,000 mortgage.

The \$1-million promissory note, according to the deed of trust, is payable to the successors in ownership of Hamilton Cotton, a onetime Democratic leader who built the mansion half a century ago.

But, according to two of them, the note is not owed to them. Mrs. Lionel Ogden, the former Victoria Reyes Cotton, one of the two daughters of Hamilton Cotton and one of three heirs to the estate, said when asked over the telephone recently about the promissory note, "It is not ours, it does not belong to us. We are out of it. We have been paid."

She would not discuss the transaction further.

"It is not up to us to explain that," she said. "I am not supposed to talk about it. You mustn't ask me."

## Tried to Keep It Quiet

She turned the telephone call over to her husband, who also said that he did not want to discuss the matter.

"I've tried to keep it as quiet as I could all through this," Mr. Ogden said. "I didn't want to know any of the details and I kept my nose out of it and so did our attorneys."

Mr. Ogden was asked if "you people are completely out of it now?"

"You could say that, yes," he replied. "That was other people's business and not yours or anybody else's."

In an earlier telephone conversation in late June, Mrs. Ogden also said of her family's interest in the estate, "we're out of it."

At that time, she referred calls to France Miller Raine Jr., of Palos Verdes, Calif., whom she described as a friend of the President and who she said "was in with Mr. Halde-man and that group." Mr. Raine is married to the former Hortense Elizabeth Haldeman, who is the sister of H. R. Haldeman, an assistant to President Nixon.

When the deed of trust was filed to switch title from the Cotton heirs to Title Insurance and Trust Company, the papers were returned to Charles E.

Horning Jr., lawyer in Los Angeles. Mr. Horning said in a telephone interview in June that he represented the sellers—the Ogdens—and that he would not discuss the transaction.

## Has Beneficial Interest

In a telephone interview with a representative of The New York Times on Wednesday, Mr. Ehrlichman, the counsel to the President, again said that Mr. Nixon owned only five of the 22 acres. He qualified that to say that the President had a "beneficial interest" in five acres.

Mr. Ehrlichman said again, as he did in 1969, that Mr. Nixon had paid \$100,000 down and had assumed a \$240,000 debt. He was asked who had paid for the rest of the property, and replied that it was the Title Insurance and Trust Company.

He was asked where it had gotten the money, and replied, "From the President to the extent that they had to pay any. I assume most of the money paid has been interest so far."

We paid some down and the owners have the balance due under a lengthy deferred payment scheme—a purchase agreement."

Mr. Ehrlichman was asked how the heirs to the Cotton estate had been paid off. He replied, "they haven't been paid off yet."

In the normal course of real estate transactions in California, a person who has paid off a promissory note secured by his property would ask and receive a reconveyance of title, which he would record in county property ownership records to clear his title, so that he could sell it, make further borrowings or use it in another way.

## Net Worth Listed

However, if Mr. Nixon's property was free and clear of debt, he would have no reason to record a reconveyance of title unless he intended to borrow or sell or somehow involve the property in a transaction.

In his May 12, 1969, statement of net worth, Mr. Nixon listed his real estate holdings as being worth \$365,400 and as subject to mortgages or sales contracts of \$25,500. This was before his acquisition of the San Clemente property.

In his statement of Sept. 16, 1972, which was described as reflecting his net worth as of June 30, he said that he had real estate in Florida and California worth \$809,747, while he owed mortgages and trust deed obligations of \$518,038.

Nowhere in this statement is there any reflection of any ownership pattern or debt structure that gives Mr. Nixon the full control he has exercised over all the \$1.4-million property acquired from the heirs of Hamilton Cotton.