

Nixon Denies Homes Face Probe by Cox

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SAN CLEMENTE, July 3 —

The White House vehemently denied today reports that special Watergate prosecutor Archibald Cox is investigating the purchase and improvements of President Nixon's estates here and in Florida.

"The President is appalled by the consistent effort undertaken to imply wrongdoing in the purchase of his property," White House press secretary Ronald L. Ziegler told newsmen at a briefing here.

A Justice Department spokesman said Mr. Nixon was so concerned about the reported inquiry that he called Attorney General Elliot L. Richardson, who called Cox. The special prosecutor subsequently issued a short statement disavowing any such investigation.

The furore stemmed from a report in this morning's editions of The Los Angeles Times, which said Cox had started a preliminary inquiry into Mr. Nixon's real estate transactions, focusing primarily on the \$1.5 million paid for his San Clemente home.

The Times quoted one source as saying that a key aspect of the investigation would be to determine whether any of the money came from union funds, corporate treasuries or Republican campaign coffers.

Clearly stung by the account, Ziegler "flatly and categorically" denied any financing from such sources. He branded the article as typical of a "rush of unsubstantiated charges" that were, Ziegler said, "thoroughly unjust and unfair."

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[The New York Times in Wednesday's paper quoted Samuel Dash, majority counsel to the Senate Watergate Committee, as saying that John W. Dean III would be recalled this fall to testify about Mr. Nixon's personal financial dealings in his purchase of the San Clemente estate. Dash was quoted as saying that former White House council Dean would be questioned to determine if any GOP re-election campaign funds had been in-

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involved in the purchase.]

The White House press secretary declined to comment on another story in The Santa Ana (Calif.) Register that Mr. Nixon has been undertaxed at least \$25,000 over the past three years on his San Clemente home because of an unrealistically low property assessment.

According to The Register story, the Orange County, California, tax assessor's office valued the 24.6-acre estate at only \$1.29 million last year, despite the fact that it was purchased in 1969 for \$1.5 million and that the government has spent more than \$700,000 since then on improvements.

Ziegler denied that the White House had ever sought a low assessment or used any influence to get one. He told reporters to put any other questions to the assessors.

"We have absolutely nothing to do with tax assessments . . . The tax assessors should assess. That's their job," Ziegler said.

In Washington at the same time, Cox acknowledged ordering a staff review of "relevant public knowledge" about the purchase and improvements of Mr. Nixon's properties, but said he did this simply "because he did not have even the most elementary knowledge of the facts" about them yet.

Denying that this amounted to a "preliminary inquiry," the special prosecutor described it as a small step that "did not—and indeed could not—carry any implication of any impropriety . . ." Cox said the talk that he had launched a preliminary inquiry apparently stemmed from a staff assistant's request for pertinent clippings from The Los Angeles Times along with press releases from the General Services Administration, the government's supply and construction agency.

The GSA disclosed June 21 that it had spent \$703,367 on improvements at San Clemente and \$579,907 on the President's Key Biscayne complex. The total for the San Clemente improvements, which included such items as \$4,800 for furniture in Mr. Nixon's den, \$2,389 for a painted flagpole, and \$13,500 for new gas furnaces, contrasted with the \$39,525 that the White House claimed in May to have been spent by the government.

Cox, however, was standing pat on his statement at a June 18 press conference that he had not decided whether to conduct an inquiry into Mr.

Nixon's property transactions. He was asked the question in light of authority given him by Richardson to investigate any "allegations involving the President," even if they did not constitute criminal conduct.

Adding his own press release to Cox disclaimer this afternoon, the Attorney General said the special prosecutor had assured him that "press reports" about an investigation of the real estate transactions and improvements "are not correct." Richardson then re-issued Cox statement out of the Justice Department press office, just to make sure, a spokesman there said, that no reporters missed it.

"Mr. Richardson saw the wire stories (about an investigation) first and he called Cox," the spokesman said. "Then the President called Richardson and Richardson called Cox again. Both agreed they should get out a statement."

At the Western White House here, Ziegler insisted that "we have provided precise accurate and factual information on the purchase of the President's home." He said that "from the President's standpoint, a malicious accusation has resulted."

In a three-page statement issued May 25 in response to an earlier story in The Santa Ana Register, the White House said that Mr. Nixon bought the San Clemente estate with the help of a \$625,000 loan from industrialist Robert Ablanap, a close personal friend. The White House said that an investment company subsequently set up by Ablanap bought all but 5.9 acres of the 29-acre tract.

Reminded today that there are apparently no public records reflecting the property split, Ziegler said the documentation consisted of the White House statement outlining the transaction.

The California State Board of Equalization, meanwhile, confirmed that it was reviewing the San Clemente tax assessment. One board member was quoted as saying that "the President's property hasn't been assessed at anywhere near its real value."