

Abplanalp's Investment Firm

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 5.9 of the 28.9 acres on Dec 15, 1970.

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 agreed that the most likely objective is the anonymity given the new owner. That is because a conveyance of title to the land would be publicly recorded, whereas the assignment of interest in the trust — usually — and in this case — is not recorded.....

"The point is," said one lawyer, "that it's nobody else's damn business who owns 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 the property had been sold nearly two years earlier.

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

ter that more than \$1 million in leftover 1968 Nixon campaign funds were used in the 1969 acquisition by the President.

A price of \$1,249,000 was paid by the Abplanalp firm for 20.1 acres of the Cotton estate and a contiguous 2.9 acre tract bought for \$100,000 by Mr. Nixon in 1969, according to the latest White House account.

Part of the price, it said, was cancellation of \$625,000 in loans to Mr. Nixon by Abplanalp in 1969 and 1970 in connection with the President's financing of the purchase.

This \$625,000 in financing had never been revealed in previous presidential financial reports.

COMMENT

Efforts by the Times to reach Abplanalp while he was on a visit this week to his estate in the Bahamas were unsuccessful.

Vincent Carberry, a spokesman for Abplanalp at his Precision Valve Corp., Yonkers, N.Y., was asked if Abplanalp would give any information about the investment company reportedly set up for the purpose of holding the San Clemente land.

"I don't believe so. I think he has personal reasons," he replied.

Last month Abplanalp was quoted in the New York Times as declining to discuss the transaction, adding: "I'm not trying to evade anything, but I just haven't seen the statement the White House has put out."

CALLS

Horning disclosed the \$1 million mortgage terms, including the 7.5 per cent interest rate, after observing the the cotton heirs felt "badgered" by calls from news persons around the country.

Horning described the original deal with Mr. Nixon as a "straightforward real estate transaction . . . no complications in it."

"The President has been an ideal purchaser," the attorney commented. "Payments have always been right smack on the due date."

L.A. Times Service