

Another Charge Against CREEP Promised Help Says Builder

Knight News Services

MIAMI — A Florida builder in trouble with the Federal Housing Administration has told investigators that top-level fund raisers for the Nixon reelection committee promised him Cabinet-level help in exchange for a \$50,000 contribution.

The builder, John Priestes, a Democrat, says he delivered half the amount personally to Maurice Stans, chairman of the Finance Committee to Re-elect the President.

Check Returned

One of Stans' deputies, Benjamin Fernandez of Los Angeles, confirmed that he solicited the check with a promise to "dig into" Priestes' problems with the Federal Housing Administration.

Fernandez said the \$25,000 check was returned one or two weeks later when Stans informed him "we want absolutely nothing to do with it." Associates of Priestes said, however, that the check was returned so the money could be hidden in small contributions to several Nixon committees.

Priestes had been put under suspension by the FHA for "irregularities," and although the suspension was never rescinded, it subsequently had been interpreted by the FHA so that he has continued to be able to build lucrative government-subsidized housing. There is no evidence linking the loose interpretations to the campaign contribution, however.

Phone Call

Priestes' account of CREEP solicitations, which

he described to one friend as a "shakedown," was recent-

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ly detailed in a sworn statement to FBI and Internal Revenue Service agents.

Former business associates and an ex-girlfriend gave this account, and Priestes himself confirmed its accuracy.

Early in March, 1972, Priestes received a telephone call from Fernandez, who was national chairman of a committee soliciting campaign gifts from Latin supporters of President Nixon.

In the previous month, the Miami Herald had revealed how FHA favoritism had turned Priestes, an obscure hearing-aid dealer, into one of Miami's biggest home-builders, and Priestes knew the FHA was about to suspend him.

Fernandez and Priestes met in a hotel room, where they discussed Priestes' problems with the FHA, and Fernandez asked Priestes to contribute \$100,000.

Costume Ball

When Priestes termed that figure exorbitant, Fernandez suggested \$50,000, sources said, and Priestes reluctantly agreed to pay.

They agreed that after half the contribution was paid, Fernandez would arrange a meeting between Priestes and Stans, who purportedly would exert the influence to drop the FHA suspension order.

Priestes was to make the first payment of \$25,000 to Fernandez at a costume ball on Key Biscayne March 4, 1972.

But Priestes showed up without the money and said he needed more time to raise it.

According to Priestes' girlfriend at the time, now-married Mrs. Rosie Janne of Miami, "Fernandez never mentioned any figures, he just asked John if he had brought the check, and John told him he was still trying to raise the money, and he would have it for him next week in Washington.

"Fernandez said something like, 'Be sure you get it,' and John reassured him that he was going to get it," she said.

"Fernandez said, 'When we're in Washington we'll get in touch with Stans and Romney, just be sure you've got the money.'"

Romney

At the time, George Romney was secretary of the Department of Housing and Urban Development, parent agency of the FHA.

(Romney said Friday that no representative of the Re-election Committee had ever contacted him about Priestes or any other FHA matter, and he said he strongly doubted that any of his ranking assistants was contacted.)

The next week Priestes finally persuaded Miami-area landowner Martin Woolin to write a \$25,000 check on his own account as a loan to Priestes, sources said.

But Woolin, suspicious of Fernandez' little-known Hispanic Finance Committee to Re-elect the President, insisted on making the check payable to the Republican National Committee.

Courier

On March 13, 1972, Priestes traveled to Washington, where Fernandez introduced him to Stans, sources said.

The three men discussed Priestes' problems with the FHA. Priestes handed the \$25,000 check to Fernandez, who presented it to Stans.

Two or three weeks later, a CRP courier returned the \$25,000 check, sources said, and asked that the \$25,000 contribution be disguised through smaller cashier's checks to Fernandez' committee.

But Priestes refused to contribute cash or provide cashier's checks unless he could personally deliver them to Stans, and after a series of telephone conversations between Priestes and Fernandez, their negotiations broke down and no contribution was made.