

MEMORANDUM NO. 3.

REMARKS.

To get charter, organize and and open New York office requires about ten days.

The Company's Head-Quarters can be started and the General Manager, Chief Engineer and their assistants can be on Pacific City site at work by the time the New York office is open.

To obtain contracts, etc. from Mexico will not require probably more than six weeks from the time the charter is issued.

The President accompanied by one other member of the Company will go to Mexico City for this purpose.

To publish "Prospectus" will not require more than one week after the contracts have been secured from Mexico.

The Company's plan clearly set forth with maps and photographs, which is to occupy one page of leading newspapers scattered over the United States, can be attended to at the same time the "Prospectus" is being prepared.

In all it will require about two months to get the Company fully equipped for business and its properties and purposes attractively before the public. Immediately following this there will be a large constant and ever increasing revenue from the sales of resident, lots, ~~factory,~~ business sites and farms; and leases of wharf sites and truck garden areas upon parts of Pacific City site which will not be used for several years. Added to this the Company will have its Treasury stock to dispose of or not as it may elect.

By the middle of July the Topolobampo section of railroad will be open to the public. The Pacific Coast Steamship Company will be running its steamers regularly to and from Topolobampo to Guaymas, Mazatlan, La Paz and to all ports in California, Oregon and Washington, and possibly, the Kosmos Company will have their montly

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steamers plying from Hamburg, Antwerp and London to the west coast ports of South and Central America and Mexico to Topolobampo, Hawaii, Manila and Yokohama. The Mexican sailing craft which ply up and down the Gulf of California touching at all small places on the coasts of Lower California, Sonora and Sinaloa, are at this time in and out Topolobampo every day; and the excitement of Americans and Europeans to get into Topolobampo and to get connected in investments or services with its great and varied mining, lumbering and agricultural industries will be at fever heat by early Fall so there need not be any fear that the Company's income will not pay at least 10% on its full capitalization the first year.

To make this doubly sure 500 house builders must be attracted at the earliest possible date to build and settle on Pacific City site. It is suggested that this is a way to do this:

1. They to be known as "The Pioneer Founders of Pacific City" and the Company to give each a bronze medal commemorating this fact.
2. They to participate, pro-rata with the first cost of their respective lots and houses, in 10% from the first sales of the total number of resident lots sold by the Company.
3. They to have the first choice of lots at the fixed price of \$100. per lot (25' x 150') to the extent of 48 lots which equals one block 600' x 300' = 4 acres.
4. They to be offered Company's Preferred Stock at 50% of its market price to the amount of one share to each lot they buy.

This plan will attract 500 home builders to buy lots and to start their houses within one year from the publication of the Company's declaration that it will carry such a plan into effect. If concrete houses are selected, they can be poured, as Thomas Edison has suggested, rather than built, and all can be made within the year. One thousand dollars in United States money will be sufficient, it is thought, to put up a house on Pacific City site that would cost \$3,000. in New York City. Five hundred families

stand for 2,000 persons. These give an increased valuation of \$2,000,000. to the real estate of the one square mile that they will settle upon. These 500 pioneer home builders will take probably 8 lots (200' x 150') each. This would make 4,000 x \$100. = \$400,000. The President of the Company will buy 48 lots = 600' x 300' = one block, and give the Company the order to put him up a residence upon this block that will cost not less than \$5,200. = \$10,000 for the lots and house. This will set the pace and establish the locality where the city will begin. As lots will be sold in series at fixed prices and the choice given to the person first ready to build, those who build will be attracted to build close together, that is to say, they will not scatter over wide area. To build 500 houses will require first class brick, tile and terra cotta plant, Sash and door and concrete factories, grist and flour mill, bakery, Department Store, gas, ice, water and electric plants, tramways, Market House, City Hall, Public Schools, Library etc., etc.; and to build, furnish and supply these will require mechanics, artizans, laborers, accountants, etc., and each of these will need lots and houses, and thus the orders that the first 500 house builders will give to the Company will necessitate the Company advertising for and arranging with companies, firms and individuals to go forward to work and to settle.

The Company will make more money and make it quicker by appropriating 50% of all receipts from sales of Pacific City site lands to make streets, parks, public buildings and utilities than it would if it used all receipts for its own profits. Settlers will willingly pay handsomely for house lots if they know that they are not going to be overloaded with taxes for city improvements, and as the Company owns all the real estate it is to its interest to beautify and make it as attractive as possible from the start to the finish.

There must be fixed plans and business management, rather than no plans and political control, if a city is ever to be made a fit place to live in. The Company must have matured and comprehensive purpose and a generous and attractive policy to settle Pacific City site quickly and to make it the most delightful city to live in on this continent.

Primer - 10.3

MEMORANDUM NO. 4.

Steps have been taken so that Pacific City Development Company can settle, if it is desired, 350 Finn, 250 Italian, 250 Mormon and 250 other families upon the Company's lands during 1904. This would make in all 1000 families, or 4,000 persons.

The Company is to lay out, make roads and to put a mother or main ditch for irrigation upon its tracts No. 2, No. 6, No. 7 and No. 4, with the view to especially please these four distant groups of settlers. For a basis the tracts to be laid out in 20 acre farms and every other farm to be sold to these settlers. Each head of family to pay \$2.00 per acre for the land he wishes to occupy before he leaves his present place of abode and to sign a contract that he will go upon the lands, raise certain staple products and pay the Company 20% of his receipts from the sale of the same until he has paid \$50.00 per acre for the lands he contracts to buy; the Company to handle, store and sell all products for a charge of say 10% of total price realized.

By this plan the settlers will not undersell one another, will be sure to have a competent and trustwothy agent ready to take their products to market as soon as they are marketable, and will get for them their full price instead losing any of their own time in doing so.

As the Company is to be the general purveyor for all classes and conditions of persons in all that section of country far and near, it can readily give to the settlers upon its own lands 30% credit, on the receipt of their goods, which credit can be used, at once, for cash in getting anything at the Company's general department store.

In this way Pacific City Development Company can assist and protect and encourage its settlers as has never before been attempted.

Under this plan 1,000 families would take 20,000 acres paying, at once, \$40,000. to the Company. These settlers would be required to pay their own expenses to Sinaloa and to cultivate their own crops. If each family would cultivate 5 acres each the first year it would make a total of 5,000 acres. One crop from these well watered lands in this favored

of all climates for growth, should, at the very lowest, be worth \$100. per acre equals \$500,000 for the 5,000 acres first cultivated. The Company's portion of this would be 10% for handling, storage and sales, and twenty per cent on account for its lands, equals 30%, in all equals 30% of \$500,000, equals \$150,000.

NEW YORK TRIBUNE

September 13th, 1903.

In the East the main question is the agricultural one: Will irrigation pay? Our work in the East has gone far enough to show that in raising small fruits and vegetables at least, irrigation pays well. Experiments have been carried on in New Jersey for a number of years. Our receipts show that for the years 1898 and 1899 irrigated blackberries yielded about 54% more than unirrigated, the increase in yield being worth more than \$93. an acre. The increased yield in currants was 43%, worth \$42.60 an acre. The increased yield of sweet corn was 51.5 per cent; sweet potatoes 72.6 per cent, worth \$43.68 an acre; lima beans 23.8 per cent; watermelons, 40 per cent and Irish potatoes, 36.4 per cent.

These returns were from experimental plots and from market gardens. In almost every case the increased yields for a single year were enough to pay the entire cost of the plant necessary to furnish water and operating expenses leaving the increased yields of future years above operating expenses as profit. New Jersey is typical of a large area along the Atlantic Coast, and the question of the profitableness of irrigating there is considered settled.

(Signed) Wilson,

Secretary U. S. Agricultural Dep't.