

MEMORANDUM.

The \$50,000. cash in the Treasury is to put the North Mexico Contracting & Purveying Company in first-class shape so that its stock can be sold; or exchanged, at par, for the stocks of the Companies that it assists to establish on Pacific City site. It is to pay for taking out a charter, printing stock, opening an office, transferring Pacific City site lands to the Company and for recording the same in Mexico City and Fuerte, staking out and planting trees on the streets of one square mile of Pacific City site, extending Los Tastes Ditch to the Bay, building a section of the Company's Headquarters, starting the "Topolobampo Weekly," erecting a section of a Department Store (which will sell at first largely on commission) obtaining concessions from Mexico to start a ship yard, to erect a smelter, and to encourage the settling of artisans and others, sending an agent to Japan to make contracts for a large supply of laborers for agricultural and other services and to publish and illustrate the Company's purposes and properties in leading papers of America and Europe.

The N. M. C. P. is to be a contracting and purveying Company to do all kinds of work necessary to develop and to supply a new section of continent, and the basis for its business will be the selling of the 50,000 or more residence lots, and the leasing of the factory, store, wharf, and truck garden areas on Pacific City site. The Company will be the contractor to build residences and structures on Pacific City site, and the purveyor to furnish materials and supplies for the same.

It is suggested that the Company sell the resident lots in

series of 480 lots (10 Blocks) at fixed prices, and give the persons ready to build the first choice of lots, and use 60% (see Paper No. 4) of the money received from the sale of resident lots and leases to improve Pacific City site and for the benefit of the settlers. The Company to have its own engineers, architects, constructors and artisans under salary and to do all kinds of work and to supply all kinds of materials for say 10% (ten per cent) over actual cost.

To attract at once 500 heads of families to build substantial and pretty homes on the Pacific City site, it is suggested that the Company agree to set aside 10% from the sales of all resident lots in Pacific City site to pay said pioneer home builders pro rata with the cost of their lots and residences. Also to set aside, from the 60% above mentioned, funds to secure the settler's homes from lots in case of fire, and the settlers themselves in case of illness, accident, or death.

As soon as 500 residences are built on Pacific City site, Pacific City can take out a charter for a home-ruled city under the laws of Mexico, and thus incorporated, can become an important factor to co-operate with the N. M. C. P. in the upbuilding, with order and system, of this great manufacturing and commercial terminal for railroads and steamships.

These first 500 residences constructed by one company will give a demand for manufactured material sufficient to inaugurate a series of home industries and to plant them permanently on Pacific City site and at once. The average cost of these homes will be probably about \$2,000. This would give \$1,000,000. for the 500 and 50% or \$500,000. of this can be counted upon for the cost

of the materials used. These materials would be mainly brick, tile, terra cotta, cement, glass, lumber, doors, sash and cabinet work, stone, sand, lime, paints, rugs, furniture, hardware, and assorted goods and foods. Therefore the N. M. C. P. will advertise for a brick, tile and terra cotta out-fit with foreman to go, at once, to Pacific City site. The N. M. C. P. to take 40% of the Brick Company's stock, at par, pay either in cash or to give its stock at par, for the same, to give free during 20 years, the lease of one block, 600' X 450' on Pacific City site to establish the plant; to guarantee to exempt the plant and its products, for 20 years, from municipal taxation, and to agree to buy, at a rate of say 10% over cost, the brick, tile and terra cotta that the Company makes that the N. M. C. P. can use for constructions on the Pacific City site. In like manner, it is suggested that the N. M. C. P. merge its interests with a department store company, glass factory, saw mill, door-sash, and cabinet work factory, lime burners outfit, cotton mill, tannery, shoe manufacturing company, smelting company, iron furnace, foundry, fish-catching-curing-canning outfit, wheelwright, ship wright, paper mill, etc, etc., and in every case to encourage the employes of these companies to buy lots and to build homes in Pacific City and to take stock in the N. M. C. P. and in the industries in which they find employment.

Such a "community of interests" between all the companies and all the persons employed, or engaged in the settling, in the laying out, and in the building up of a great metropolis will be exceptionally attractive to home builders and to investors, and therefore the enterprise must prove of large and quick profit to all concerned. Especially will it be of importance to Sinaloa and

to Mexico to see quickly and substantially built, on the shores of the Gulf of California, a city of greatness and influence in the exchanges between North America and the Pacific nations, and therefore Mexico's encouragement may be largely counted upon for the inauguration of Pacific City and its early industries.
