

A S T A T E M E N T

THE TOPOLOBAMPO TERMINAL, CONTRACTING AND SURVEYING COMPANY, to start with, will own 11,748 acres of land, contiguous to deep water at Topolobampo, in the lower part of the Gulf of California, in the District of Fuerte, State of Sinaloa, Mexico.

The Company will establish for the basis of its business a town site to be known as Pacific City, and it will lease and sell lots for business and residence purposes. It will convey water from the Fuerte River for irrigation and other purposes. It will establish a general supply store, there being about 150,000 people whose supplies are largely imported through the various small landings along this coast, that will center at Topolobampo on the opening of the first section of 62 miles of railroad, and the Company will assist in the promotion of a ship yard, brick yard, door and sash mill, smelter, furnace, department store, bank and factories, and the opening up of plantations for the cultivation of sugar, cotton, rice, canaigre, etc.

Steps are being taken to avail of the Government rules whereby freedom from taxation can be obtained for a period of ten years and encouragements for certain new industries, and a concession is being sought whereby entry of personal effects, tools, machinery, can be had free of duty by those who come to settle. It is expected that a concession will convey a bonus per capita for imported laborers and settlers brought in from abroad.

Topolobampo is a deep water port covering an area of 54 sq. miles, of which 12 1/2 sq. miles possess a minimum of depth of 30 feet. Deep water lies close to the shore, ^{say, for a mile} say within 50 feet. The harbor is virtually mountain-locked, being thus protected from storms.

By water it is 186 miles south of Guaymas at which point

freight is handled by lighters. While at Guaymas there is deep water, the harbor area is only about one-half mile square, and that is open to southwest winds.

To the south of Topolobampo, the next harbor is Manzanillo, about 440 miles distant, a small harbor, which, necessarily at great expense, is now undergoing improvement by the Mexican Government.

Pacific City site on Topolobampo Bay, originally comprised 40 sq. miles, but only 11,748 acres constituting the most available part thereof, are now in question. These abut on the shore line for a distance of about six miles, two miles of which are directly on deep water.

The title of these 11,748 acres is as follows:-

Part of this (El Mapau) was originally taken up by Benjamin R. Carman (U. S. Consul at Mazatlan, State of Sinaloa, Mexico) and Carman secured the balance (Bachomobampo) from one Ybarra (a mexican).

Albert K. Owen, of Chester, Delaware County, Pennsylvania received Power of Attorney from Carman and Ybarra to locate and lay off a townsite for which he was to possess an ownership of 20 per cent of the 40 sq. miles tract.

Carman and Ybarra both died, and Owen has for some time been negotiating and arranging terms with their heirs, whereby title of the land would vest in him.

The matter stands thus to-day:

Owne has bought out Carman's interest and thus obtains possession of two large tracts of land on Topolobampo Bay, namely, 5,508 acres of the Mapau, and 6,240 acres of the Bachomobampo tract, total of 11,748 which with the riparian rights more than make 12,000 acres. In addition to this 11,748 acres there are the "Ybarra lands" also known as "Mapau" and "Bachomobampo" together with a tract called "Baviri", containing in all about 14,000 acres.

Mr. Owen has had friends to advance earnest money to the heirs of Ybarra and has these lands tied up with a view to their purchase. Mr. Owen owns already 20% in the said 14,000 acres and these vested rights are coupled with a Power of Attorney given Mr. Owen by Don Blas Ybarra. Again Mr. Owen has been in undisputed possession of these lands for over 20 years.

The soil is marvellously fertile, and all tropical fruits and vegetables grow in profusion. The great industry of the section, however, is sugar cane.

Saccharine matter in Mexican cane, runs 10% to 40%; in Louisiana and West Indies it runs from 6 to 10%.

A ready market of good prices is found for all sugar cane grown in this section.

Sugar mills in Mexico pay large profits.

The great desideratum for the development of this section is a steam railroad. A standard gauge railroad now under construction from Topolobampo to Kansas City is in operation between Pacific City site and Fuerte Valley, a distance of 40 miles, and the road will probably be extended to Baca, a distance of 103 miles, by January, 1904.

There is also a Mexican concession for another railroad from Terrazas through the Sierra Madre, via. the Yaqui River, and thence to Topolobampo. The Atchinson, Topeka & Santa Fe R. R. and the Juarez, Sierra Madre and Pacific R. R. had engineers last winter surveying this section. It is now understood that the Rock Island R. R. is desirous of acquiring this line in order to reach the Pacific at Topolobampo. There is also a concession for a road 450 miles in length, from the great Cananea Copper mines of Sonora, to Topolobampo. The Parral & Durango R. R. has a concession to build to Topolobampo via. Gaudelupe Calvo. The Hamburg Steamship Company of Germany has arranged to start a monthly service from Hamburg, Antwerp and London to Acapulco, Mazatlan, Topolobampo,

Hawaii, Manila, and Yokohama. The Pacific Coast Steamship Co. has already had its agent at Topolobampo to arrange for its steamers from the coast of Oregon and California, which now come to La Paz Mazatlan and Guaymas, to touch at Topolobampo.

Back from the coast some forty-five miles, is the nearest silver mine. Here begins a highly mineralized region and many silver, copper and gold mines are located further in the interior.

There is a very large carrying trade into the mining district from the coast, some six thousand pack animals being engaged therein. Topolobampo is the only available spot for hundreds of miles for the output of this section, which includes the districts of Alamos, Batopilas, and San Jose de Gracias, and the completion of the road to Baca will at once give life to the Pacific City Site.

As to the matter of fuel, apart from the available coal supply, Professor Edward Daniels, former State Geologist of Wisconsin, states as follows:

"All metallurgical recesses are more and more to be conducted with fuel gas. The discovery of natural gas has shown its perfect adaptability to all needs of man, in mines, furnaces and domestic use. But so abundant is this cactus and so easily available for gas, that I doubt, if it were known that the natural gas existed a thousand feet below the surface, it would ~~not~~ pay to bore it while this surface supply of fuel lasts. A thousand feet of fuel gas (for illuminating) can be made and put where it is wanted, with less outlay than is now done at Pittsburgh, and of better quality in all respects, free from much of the danger and all the unpleasant anxieties of that article. I estimate that the supply near Topolobampo would be ample for fifty thousand people for twenty years to come. This supposes that furnaces for glass, iron, pottery, and all the usual works of a city are added to the demand for light. This estimate I make with full knowledge of the immense mineral wealth of the vast region that will have its outlet at Topolobampo Harbor and make a vast demand for fuel."

Again, Professor Edward Daniels says:

"I made a thorough examination of the resources of the Topolobampo region during my stay of several months in that locality. I gave especial attention to material required in construction.

"The clays are of great variety and adapted to making brick of excellent quality. Excellent lime is also easily obtained from the vast shell beds, and when the railroad is completed to the mountains, it can be obtained from the limestone formation that exists there.

"Along the coast the volcanic rocks furnish materials which combined with lime and clay produces hydraulic cements of good quality. The famous Roman cement is made by combining volcanic rocks ground and burned with clay and lime. I tested several combinations of that kind at Topolobampo and exposed the mortar to both salt and fresh water with most satisfying results.

"I am sure that no City site on the Eastern coast of America is better supplied with permanent building material than Topolobampo."

Timber abounds in the mountains, or can be brought by ship load very cheap from Oregon.

Coal is found within a hundred miles of the harbor. Cord wood is to be had in exceptional variety and quality from the coast lands - particularly the Bojonea tract which has been partly paid for.

Water will be gotten at first from the Fuerte River. A canal has been dug therefrom, starting at a point 22 miles from Pacific City Site. The canal is now seven miles long, and it can be readily and quickly extended 15 miles to the twensite. The nature of the soil is such that this extension should cost only about \$5,000.

There is much activity in this section of Mexico. Not only are new mines being opened up, but large tracts of land are being acquired. The new railroad will greatly stimulate the mining business; it will aid in opening large areas to cultivation, and, as before stated, sugar cane will be one of the large and profitable crops.

Only casual acquaintance with current events is needed to convince the observer that great developments will be made on the Pacific Coast in the immediate future. Not only are trunk lines looking in that direction but the largely increasing Oriental trade will need all available facilities. At Topolobampo there is the finest harbor on the coast and as good a climate as can be found anywhere in the world.

Taking the railroad distances from the following points to

San Francisco and Topolobampo, they are in favor of the latter port as follows:

From New York - - - - - 800 miles
From Chicago - - - - - 500 "
From New Orleans - - - - -1200 "

and from many other places in like proportion.

The Vendor has claims to nearby lands, title to which it is next to certain he will secure for the Company.

These are:

Sixteen thousand (16,000) acres of the 64,000 acres forming the Los Mochis tract. When acquired these will be subject to the extent of about 6,000 acres to be transferred to sundry settlers now in Sinaloa.

Besides this the Vendor has had friends in Mexico to pay in part, for West Bachomobampo tract of 15,000 acres and for Bojonea tract of 17,950 acres. In all these lands amount to 65,950 acres, and have been selected because they are the most valuable in all Sinaloa.

The Company will issue \$6,000,000 of stock divided as under, all shares to be full-paid and non-assessable:

Preferred 7% non-cumulative -----	\$ 100,000.
Common -----	5,900,000.
	<u>\$ 6,000,000.</u>

No dividends will be paid on the Common Stock until the full rate of dividend has been paid on the Preferred Stock outstanding.

Shares of \$100. each, full-paid and non-assessable.

The Company will be formed under the laws of the State of Maine.

There will be retained in the Treasury for the Company's purposes:

Common Stock -----	\$ 3,000,000.
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The vendors will issue in full payment for their right, title and interest:

Preferred Stock -----	\$ 100,000
Common Stock,-----	2,900,000

In order to have \$100,000 in Company's Treasury to meet expenses during first six months, \$100,000 Preferred and \$500,000. Common will be sold by the Vendors.

The Preferred and Common Stock shall vote equally, that is to say, each share of Preferred Stock shall have one vote and each share of Common Stock shall have one vote.

All shares of stock outstanding shall be put under a voting trust for the period of five years, and certificates representing such stock shall be issued to owners of the stock pooled.

The Company at its discretion may, after the expiration of five years, from the date of this charter, call in the Preferred Stock or any part thereof at \$200.00 per share.

MEMORANDUM NO. 1.

Directors, Organization, Salaries, Office Expenses for one and for six months.

DIRECTORS.

A. K. Owen	Ernesto Augermann
James D. Richardson,	_____
George W. Corey	_____
Jose M. Oritz	_____

 Organization, Salaries and Office Expenses.

A. K. Owen,	President,		\$500.00
_____	Vice President		100.00
_____	Treasurer		150.00
Noble E. Dawson,	Secretary		200.00
Joseph Hampl	General Manager	}	300.00
_____	Secretary		50.00
E. A. H. Tays,	Chief Engineer	} Pacific City	150.00
_____	Assistants (4)		200.00
Ramon Corona	Attorney	} Mexico City	200.00
Edward S. Herrera	Secretary		100.00
_____	Attorney	} Fuerte City	200.00
_____	Secretary		50.00
New York Office			200.00
Pacific City Office			100.00
Total for One Month - - - - -			<u>\$2,500.00</u>
Total for Six Months - - - - -			<u>\$15,000.00</u>

N. B. After the first six months, the Directors will be paid a regular salary of say \$200.00 per month.

Expenses that are to be met during first six months by the
 Topolobampo Terminal, Contracting & Purveying Company.

Charter and stocks	\$1,000.00
Kellogg & Beckwith, 52 Broadway for attending to the purchase of the "Carman Lands", etc.	5,000.00
Probable cost to record transfer to Company of the Carman-Owen lands in Mexico.	3,000.00
Travelling and other expenses per- taining to getting contracts, etc. at Mexico City, for building vessels, etc., on Pacific City Site.	5,000.00
Half payment for the "Ybarra Lands" (14,000 acres).	26,000.00
(A 5% one year Mortgage for the remaining 26,000 plus 6,000 commissions equals \$32,000.00)	
Half cash payment on other important lands	10,000.00
Six per cent. two year Mortgage for the other \$10,000.	
To build a section of Company's Headquarters on Pacific City Site.	1,000.00
To stake out, to mark with plough both sides of the streets and to make one square mile of Pacific City Site attractive for visitors.	5,000.00
To extend Los Tastes Ditch to Pacific City Site	5,000.00
To publish prospectus with illustrations and maps	1,000.00
To publish in leading newspapers East, West, North and South, the purpose of the Company and the fact that it will give a premium of 10% from the gross receipts from all the first sales of Pacific City Site resident lots to the first 500 home builders pro rata with the first cost of their respective lots and houses.	2,000.00

	\$64,000.00
Salaries (Memorandum No. 1)	15,000.00
T o t a l - - - - -	\$79,000.00

Balance =	\$21,000.00

MEMORANDUM NO. 4.

To get charter, organize 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 parts in California, Oregon and Washington, and possibly, the Kosmos Company will have their monthly 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 coast 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 varies 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 the 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' equals 4 acres.
4. They to be offered Company's Preferred Stock at 50% of its market value 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 two thousand persons. These give an increased valuation of \$2,000,000. to the real estate of the one square mile that they will settle upon. Thus 500 pioneer home builders will take probably 8 lots (200' x 150') each. This would make 4,000 x \$100. equals \$400,000. The President of the Company will buy

48 lots. These are equal to one block 600' x 300' or to 4 acres. He will give the Company the order to put him up a residence upon this block that will cost not less than \$5,200, or \$10000 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 first persons 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 plants, 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, artisans, laborers, accountants, etc., and each of these will need lots and houses, and thus the order 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 settle and to manufacture.

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 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.

"Such climate, such a harbor, such rich natural resources as Sinaloa has will give capital security and profit which will please the sagacious investor."

"The actual experience of the Elyton Land Company of Birmingham, Alabama, will give the uninitiated an idea of the enormous profits of this business. That Company, on an investment of \$100,000. declared dividends as follows:

In 1883	200 per cent.
" 1884	95 " "
" 1885	45 " "
" 1886	340 " "
" 1887	2295 " "
" 1888	100 " "

"Total dividends, \$5,970,000. on a \$100,000. investment. This property was afterwards estimated as worth \$50,000,000. a result accomplished by the building of a city of only 26,178 people."

There is not any other investment as safe as well selected real estate where farms, factories and homes can be grouped together and made into a township, particularly is this the case if the site is one on a harbor which has to become the place for ships and railroads to exchange their cargoes and passengers.

It is a rule that well located and commercial sites increase in value \$1,000. to every man, woman or child who is permanently settled upon it.

Bulawayo, a City 1361 miles north of Cape Town, South Africa, which was laid out in April, 1894, by the Mashonaland Company, in advance of railroad, sold lots during the same month for \$352. (gold) and, in July of the same year, for \$4,500. and that too when there was less than a population of 4,000.

REPROVED NO. 4

About 40,000 "home seekers" settled in the State of Washington last Spring as a result of twelve weekly "home seekers excursions" organized by the Northern Trans-Continental Railroads.

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The Topolobampo, Terminal Contracting and Purveying Company can settle 10,000 people on Pacific City Site the first year if it will advertise its lots for sale in series of 480 lots (10 blocks) at fixed prices and be liberal in its expenditures to advance the city improvements.

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Ballinger, a little town site, on the Colorado River in Northwest Texas, was laid out in the spring of 1901 by a branch of the Sante Fe R. R. and the Company sold \$143,000. worth of lots at the first days' sale.

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The New York World, Aug. 7, 1903.

"IMMIGRATION WEST AND SOUTH

Two new towns in Oklahoma, Goltry and Helena, have been formed through the extension of a railway branch. The former has a population of 2,500 assured, the citizens of Karoma, Rusk and Alvaretta having put their houses on wheels to move to the new location. Every resident of Carwile has agreed to move to Helena.

"These migrations indicate a considerable if not yet stable population in the Territory. Indeed it grew from 61,000 to 398,000 in the ten years between 1890 and 1900, and it has now more than half a million people. This baby of the Territories numbers three times as many inhabitants as Delaware, about as many as Florida and nearly as many as Maryland, including Baltimore. And the mushroom "city" of Goltry passes in a week a hundred towns of historic fame in the South.

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A Statement.

The Hopobampo
Terminal, Contract of
& Purvey Company

Capital.

6,000 Shares of
\$ 100. = 6,000,000