

1944-1955

Fairhope Single Tax Corporation Annual Reports

Fairhope

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1944 Reports of FAIRHOPE SINGLE TAX CORPORATION Fairhope, Alabama

INTRODUCTION

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There are two primary factors that promote community growth. One is the individual use of land in the best interest of the community and the other is adequate public revenue. It is the aim of the Fairhope Single Tax Corporation to fix its rents so that those who hold its lands must pay the community the full value of the services the community makes available to them. Since they cannot fully use these services without developing their land in the best interest of the community, they must do so, or suffer a personal loss. The rent being equivalent to the value of the community service will be adequate to pay its cost.

FINANCIAL STATEMENT

1944

RECEIPTS	
Rent	\$37,353.63
Penalties	957.15
Lease Fees	113.00
Improvements Sold on	
New Leaseholds	1,686.50
Improvements Sales	
Contracts	269.22
Bonuses on Leases	85.00
Garden Leases	26.09
Pecans Sold	4.41
Interest on Sales	
Contracts	139.11
Interest on Corporation	
Owned Bonds	219.25
Interest on Library	
Owned Bonds	108.75
Tax Payment Refunds	111.75
Bonds Sold	19,000.00
Sources Unknown	.36

Cash on hand Jan. 1, 1944	60,056.13
	296.11
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	\$60,352.24

DISBURSEMENTS	
Taxes for Lessees	\$20,653.00
Taxes on Corporation's	
Land and Property	5,257.17
Capital Stock and	
Income Taxes	3,139.97
Salaries and Account-	
ant Fees	3,555.12
Office and Corporation	
Business Expense	646.55
Land, Highway and Prop-	
erty Expense	335.84
Library and Cemetery	
Maintenance	889.00
Civic Contributions	345.00
Improvements Purchased	175.25
U. S. Bonds Purchased	24,000.00
Refunds	184.95
Interest Collections paid	
to Library	156.25

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Cash on hand Jan. 1, 1945	1,023.14
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FIFTIETH YEAR

Mr. President and fellow members, fifty years have passed since Fairhope's founders started to clear this land so they might build their homes and become the first residents of our community. Certainly the achievement that has resulted from their brave start and adherence to firm convictions would be worthy a jubilant celebration were our world in happier times.

I am sure we are all most grateful for the courage of their response to a lofty inspiration, and for the determination with which they labored to bring into being the community we now enjoy. Our great regret must be that their high sense of justice was not shared by more, and that many who did share it had not and do not have the courage to try to establish it. If the broad acres of the world were as freely open for creative development, as are ours at Fairhope, the causes of the present war would never have come into existence.

LAND TRANSACTIONS

The nature of your corporation makes a report largely one of land and finance. During the year, your executive council approved 48 applications for land. All were for town lots except one and that one took the last acre of the corporation's more than 3000 acres of country lands, and many prospective applicants for such land had to be turned away. Six of the applicants were lessees desiring to add to their existing leaseholds. So far, at least nine of the new lessees have built or are building on their newly acquired holdings, others have applied for government permits to build and practically all have plans for building at the earliest opportunity.

Ten surrenders were accepted. Four of the surrendered lots were leased again before the end of the year, and one has been built on. Three surrendered because they had purchased improved leaseholds, the others because circumstances

necessitated a change in their plans.

Transfers of 72 leaseholds were approved, six of which were transferred a second time before the close of the year. Of the 56 residence leaseholds involved, 42 are occupied as their homes by the transferees. Scarcity of houses in relation to demand and federal restrictions on new building are keeping prices high, but not as high as they would surely go if those who can secure permits were not able to lease land and build for themselves.

Applications and transfers brought 68 new names on our books some of whom were altogether new while some had formerly been on our rolls. Transfers and surrenders took from the roll 35 names so the net was a considerable increase.

1944 RENT CHARGES AND COLLECTIONS

The 1944 rent charges on our some 800 leaseholds totaled for the year a net of \$35,856.94. At the first of the year the charges amounted to \$35,116.95, but this was boosted \$929.33 by the 48 applications and reduced \$189.84 by the ten surrenders.

Our financial statement indicates the fiscal efficiency of our plan. Of the \$37,353.63 of ground rent paid to our treasurer during the year \$34,848.00 was paid on current 1944 rent charges. Thus a fraction more than 97 per cent of the 1944 rent charges were paid before the end of the year in which they became due. In fact only 29 failed to pay their 1944 rent in full. The remaining \$2,505.63 went in greater part to reduce old accounts which have shrunk rapidly in the past few years.

TAXES

Advalorem taxes paid for our lessees on their improvements and personal property were \$1,143.53 greater than were paid in 1943 and our corporation income taxes increased by \$760.00. Lessees' adva-

lorem taxes are certain to continue to increase and income taxes will probably go up too, as long as our country is burdened with the great expense of war.

It will be noted that very nearly 78 per cent of the people's ground rent which we collected in 1944 was distributed to their fiscal agents, the Town of Fairhope, Baldwin County, the State of Alabama and the Government of the United States. Had these agencies of the people of this nation received a proportionate amount of the ground rent from all the lands within their respective borders, the entire burden of advalorem taxes could be lifted from the shoulders of tax payers and other taxes greatly reduced, if not altogether abolished as we believe they could be, in peace times.

U. S. BOND INVESTMENTS

You will note that our U. S. Bond transactions during the year left our investment in those securities increased by \$5,000.00. The \$19,000.00 of bonds which were sold were short term (one year) bonds which were purchased throughout the year with the primary purpose of making our current income available for government use until needed at the end of the year to pay taxes. However it did net us \$69.25 in interest payments.

The \$5,000.00 of bonds we hold are three year bonds and are counted on to help pay for our post-war improvements, as are an additional \$5,000.00 of like bonds purchased in 1943. In 1941, 1942 and 1943 we accumulated U. S. Government 10 year bonds to the amount of \$6,000.00 which are being held as a protection against any unanticipated general increase in property taxes such as occurred in 1931, when all assessments in our section of the county were greatly increased by an agent of the State Tax Commission.

1945 RENTS

In fixing the rents for 1945 consideration was given to the obviously

increased local demand for land and to the fact that there had been no general increase since 1930 when the multiplier was increased 10 per cent from 2.42 to 2.66, an increase that remained in full effect only through 1933 after which the multiplier was reduced 4.2 per cent to 2.55 at which figure it has remained for the past eleven years. Considering the very apparent increase in demand resulting from a very nearly trebled population since 1930, and the greatly increased value of the public service that has become available in the past fifteen years, it was decided to raise the multiplier approximately 6 per cent to 2.70, only about one and one-half per cent greater than it was in 1930, and at that time there was not a paved street in Fairhope nor a paved highway in this section of Baldwin County. Rents on country lands were also increased six per cent.

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Our most active trustee, J. Francis Lemon, continued to the end of the year with his oversight and inspection of the financial records of the corporation. Having left for California this week he is not present to make his customary report. However on his own initiative, and unofficially he had published in the January 11 issue of the Fairhope Courier, what might be considered a report.

With reference to our financial status and the administrative conduct of the corporation's business Mr. Lemon states: "As the active trustee and auditor for the past five years, the undersigned, now leaving Fairhope, declares his confidence in the ability and honesty of the administrators of the colony's financial affairs."

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Not properly a part of the report on 1944 is the death of our brother member, Marion Smith which occurred at his home on Morphy Avenue in Section 15 Monday of this week. Since acquiring his membership certificate in 1911 Mr. Smith had worked for his corporation's interest as he had for its great cause for many more years. In 1912 he was elected president and was reelected for 2 additional terms. He was elected to the executive council in 1928 to fill out the term of J. G. Lorenzen, resigned. The next year he was elected for the regular two-year term and was re-elected every two years thereafter until failing health caused him to hand in his resignation in 1942.

1944 Reports of FAIRHOPE SINGLE TAX CORPORATION Fairhope, Alabama

INTRODUCTION

The following reports are made available to you as a service of the Corporation.

The purpose of the Fairhope Single Tax Corporation is to demonstrate the community advantages of collecting ground rent for public revenue in lieu of taxes on improvements and personal property.

Ground rent is a natural product of community growth. It is based on the market value of the community's service to the individual. A tax on improvements and personal property is an unnatural product created by legislative act. It is based on the value of the individual's service to himself. While rent is always high where the community service is great and low where that service is little, taxes are often low where the community service is great and high where it is little. The failure of the community to collect the ground rent results in the individual getting something for nothing and the collecting of a tax on improvements and personal property often results in the individual having to pay something for nothing.

There are two primary factors that promote community growth. One is the individual use of land in the best interest of the community and the other is adequate public revenue. It is the aim of the Fairhope Single Tax Corporation to fix its rents so that those who hold its lands must pay the community the full value of the services the community makes available to them. Since they cannot fully use these services without developing their land in the best interest of the community, they must do so, or suffer a personal loss. The rent being equivalent to the value of the community service will be adequate to pay its cost.

FINANCIAL STATEMENT 1944

RECEIPTS	
Rent	\$37,353.63
Penalties	957.15
Lease Fees	113.00
Improvements Sold on New Leaseholds	1,686.50
Improvements Sales Contracts	260.22
Bonuses on Leases	85.00
Garden Leases	26.09
Pecans Sold	4.41
Interest on Sales Contracts	139.11
Interest on Corporation Owned Bonds	219.25
Interest on Library Owned Bonds	108.75
Tax Payment Refunds	111.75
Bonds Sold	19,000.00
Sources Unknown	.36

	60,056.13
Cash on hand Jan. 1, 1944	296.11
	\$60,352.24

DISBURSEMENTS	
Taxes for Lessees	\$20,653.00
Taxes on Corporation's Land and Property	5,257.17
Capital Stock and Income Taxes	3,139.97
Salaries and Account- ant Fees	3,555.12
Office and Corporation Business Expense	646.55
Land, Highway and Prop- erty Expense	335.84
Library and Cemetery Maintenance	880.00
Civic Contributions	345.00
Improvements Purchased	175.25
U. S. Bonds Purchased	24,000.00
Refunds	184.95
Interest Collections paid to Library	156.25

	59,329.10
Cash on hand Jan. 1, 1945	1,023.14
	\$60,352.24

FIFTIETH YEAR

Mr. President and fellow members, fifty years have passed since Fairhope's founders started to clear this land so they might build their homes and become the first residents of our community. Certainly the achievement that has resulted from their brave start and adherence to firm convictions would be worthy a jubilant celebration were our world in happier times.

I am sure we are all most grateful for the courage of their response to a lofty inspiration, and for the determination with which they labored to bring into being the community we now enjoy. Our great regret must be that their high sense of justice was not shared by more, and that many who did share it had not and do not have the courage to try to establish it. If the broad acres of the world were as freely open for creative development, as are ours at Fairhope, the causes of the present war would never have come into existence.

LAND TRANSACTIONS

The nature of your corporation makes a report largely one of land and finance. During the year, your executive council approved 48 applications for land. All were for town lots except one and that one took the last acre of the corporation's more than 3000 acres of country lands, and many prospective applicants for such land had to be turned away. Six of the applicants were lessees desiring to add to their existing leaseholds. So far, at least nine of the new lessees have built or are building on their newly acquired holdings, others have applied for government permits to build and practically all have plans for building at the earliest opportunity.

Ten surrenders were accepted. Four of the surrendered lots were leased again before the end of the year, and one has been built on. Three surrendered because they had purchased improved leaseholds, the others because circumstances

necessitated a change in their plans.

Transfers of 72 leaseholds were approved, six of which were transferred a second time before the close of the year. Of the 56 residence leaseholds involved, 42 are occupied as their homes by the transferees. Scarcity of houses in relation to demand and federal restrictions on new building are keeping prices high, but not as high as they would surely go if those who can secure permits were not able to lease land and build for themselves.

Applications and transfers brought 68 new names on our books, some of whom were altogether new while some had formerly been on our rolls. Transfers and surrenders took from the roll 35 names so the net was a considerable increase.

1944 RENT CHARGES AND COLLECTIONS

The 1944 rent charges on our some 800 leaseholds totaled for the year a net of \$35,856.94. At the first of the year the charges amounted to \$35,116.95, but this was boosted \$929.83 by the 48 applications and reduced \$189.84 by the ten surrenders.

Our financial statement indicates the fiscal efficiency of our plan. Of the \$37,353.63 of ground rent paid to our treasurer during the year \$34,848.00 was paid on current 1944 rent charges. Thus a fraction more than 97 per cent of the 1944 rent charges were paid before the end of the year in which they became due. In fact only 29 failed to pay their 1944 rent in full. The remaining \$2,505.63 went in greater part to reduce old accounts which have shrunk rapidly in the past few years.

TAXES

Advalorem taxes paid for our lessees on their improvements and personal property were \$1,143.53 greater than were paid in 1943 and our corporation income taxes increased by \$760.00. Lessees' ad-

valorem taxes are certain to continue to increase and income taxes will probably go up too, as long as our country is burdened with the great expense of war.

It will be noted that very nearly 78 per cent of the people's ground rent which we collected in 1944 was distributed to their fiscal agents, the Town of Fairhope, Baldwin County, the State of Alabama and the Government of the United States. Had these agencies of the people of this nation received a proportionate amount of the ground rent from all the lands within their respective borders, the entire burden of advalorem taxes could be lifted from the shoulders of tax payers and other taxes greatly reduced, if not altogether abolished as we believe they could be, in peace times.

U. S. BOND INVESTMENTS

You will note that our U. S. Bond transactions during the year left our investment in those securities increased by \$5,000.00. The \$19,000.00 of bonds which were sold were short term (one year) bonds which were purchased throughout the year with the primary purpose of making our current income available for government use until needed at the end of the year to pay taxes. However it did net us \$69.25 in interest payments.

The \$5,000.00 of bonds we hold are three year bonds and are counted on to help pay for our post-war improvements, as are an additional \$5,000.00 of like bonds purchased in 1943. In 1941, 1942 and 1943 we accumulated U. S. Government 10 year bonds to the amount of \$6,000.00 which are being held as a protection against any unanticipated general increase in property taxes such as occurred in 1931, when all assessments in our section of the county were greatly increased by an agent of the State Tax Commission.

1945 RENTS

In fixing the rents for 1945 consideration was given to the obviously

increased local demand for land and to the fact that there had been no general increase since 1930 when the multiplier was increased 10 per cent from 2.42 to 2.66, an increase that remained in full effect only through 1933 after which the multiplier was reduced 4.2 per cent to 2.55 at which figure it has remained for the past eleven years. Considering the very apparent increase in demand resulting from a very nearly trebled population since 1930, and the greatly increased value of the public service that has become available in the past fifteen years, it was decided to raise the multiplier approximately 6 per cent to 2.70, only about one and one-half per cent greater than it was in 1930, and at that time there was not a paved street in Fairhope nor a paved highway in this section of Baldwin County. Rents on country lands were also increased six per cent.

CRITICISMS AND ADVICE

Our most active trustee, J. Francis Lemon, continued to the end of the year with his oversight and inspection of the financial records of the corporation. Having left for California this week he is not present to make his customary report. However on his own initiative, and unofficially he had published in the January 11 issue of the Fairhope Courier, what might be considered a report.

With reference to our financial status and the administrative conduct of the corporation's business Mr. Lemon states: "As the active trustee and auditor for the past five years, the undersigned, now leaving Fairhope, declares his confidence in the ability and honesty of the administrators of the colony's financial affairs."

By way of advice he suggests an educational program to provide opportunity for local lessees to become thoroughly conversant with the colony policies and the fundamental principles on which they are based, so they might qualify for acceptance as members should they

exhaustion of our supply that is immediately available to meet such demand, probably justified an increase in 1946 rental rates. However no such increase was ordered by the council and 1946 rent charges are based on the same rates in effect in 1945.

It was decided that a rent increase this year, following last year's general six per cent increase, might produce some discontent and a feeling of insecurity in those not sufficiently well informed to appreciate the true nature of rent and the beneficent influence of its public collection.

There can be little doubt that there was, in 1945, an actual increase in the rental value of our land. Also there can be little doubt there will be an added increase in 1946. Our failure to make public collection of such increased value will, no doubt, tempt some lessee owners to add this publicly created, but uncollected, value to the selling price asked for the sale of improved leaseholds.

To prevent or retard such unwholesome inflationary results the executive council decided to put to fullest use its control over lease transfers as provided in the lease contract. It is now required that the exact amount of the consideration be declared in all endorsements or instruments of transfer. By 1947 we hope to have accomplished a considerable amount of public improvements to give a substantial physical support for the full collection of the rent.

LEASEHOLD LOANS

There appears to be no longer any question of the acceptability of improvements on land leased from our corporation as security by all lending agencies. Lessees have secured Savings and Loan Association loans, regular bank loans from Baldwin County and Mobile banks, Federal Housing Administration and Veterans Administration insured loans and Reconstruction Finance Corporation participation

loans. The first Veterans Administration insured loan in Baldwin County was made by the Bank of Fairhope to a veteran to purchase a home on land leased from our corporation.

MEMBERSHIP

We are happy to report the addition of two members to our roll. Eloy M. Tuveson, who with his parents, was numbered among the small group of pioneers gathered on the shores of Mobile Bay more than 51 years ago to found our town, applied for membership and was heartily welcomed. The other is V. M. Reynolds, presently of Mobile, but for many years a Fairhope resident. Mr. Reynolds recently acquired leasehold property here, and we hope may again become a local citizen. He has long been interested in our economic policies and hopes to be helpful in forwarding them.

Twice in 1945 we have been saddened by the loss of resident members. Marion Smith, whose death occurred shortly before last year's meeting, was reported then. Alice H. Christopher Snell passed away at her other home, Hingham, Mass., where she was pleasantly spending the summer when stricken. Mrs. Snell identified herself with Fairhope in the early years. She was always helpful in carrying out the broad principles of our purpose as well as in the quite essential social and cultural life of the community.

Others not so close to us and residing in other states will be missed by us and the movement in which they worked so diligently. Such are Joseph C. Campbell and H. W. Noren, both members of our corporation and residents of Pennsylvania. Probably the most prominent nationally known single taxer to die in the past year, was John Z. White, of Chicago. He was not a member of our corporation, but was widely known for his lectures and writings on the subject we consider so vital to mankind.

1945 REPORTS OF FAIRHOPE SINGLE TAX CORPORATION FAIRHOPE, ALABAMA

FINANCIAL STATEMENT

1945	
RECEIPTS	
Rent	\$40,891.81
Penalties	882.61
Lease Fees	122.00
Improvements Sold on	
New Leaseholds	1,411.00
Improvements Sold on	
Sales Contracts	423.13
Turpentine Lease	178.11
Oil, Gas and Mineral	
Lease	3,706.29
Membership Certificate	100.00
Interest, U. S. Bonds	313.98
Interest, Sales Contracts	33.26
Interest, Library	122.50
Refunds	507.27
Miscellaneous Receipts	11.50
Bonds Sold	13,000.00
	<u>61,703.14</u>
Cash on hand January 1, 1945	1,023.14
Total	<u>\$62,726.60</u>
DISBURSEMENTS	
Taxes for Lessees	\$19,931.25
Taxes on Corporation's	
Land and Property	5,271.37
Capital Stock and	
Income Taxes	2,163.33
Social Security Tax (1937-45)	669.76
Salaries and Accountant Fees	4,226.02
Office and Corporation	
Business Expense	769.01
Land, Highway and	
Property Expense	398.80
Library and Cemetery Maintenance	880.00
Civic Contributions	346.00
Improvements Purchased	153.04
Land Purchased	175.00
Interest Collections paid to Library	122.50
Refunds, etc.	105.48
U. S. Bonds Purchased	26,009.41
	<u>61,211.97</u>
Cash on hand December 31, 1945	1,514.63
	<u>\$62,726.60</u>

SECRETARY'S REPORT

Mr. President and fellow members: The past year was the largest business year your corporation has ever experienced. This was true of every department. Land applications, lease transfers, rent charges and rent collections all reached new highs. While expenses were also increased, the net to be added to existing surplus, or working capital, was also much more than in any previous year.

LAND TRANSACTIONS

In 1945 your executive council approved 60 applications for land. Eight were for additions to existing leaseholds, either to meet expanding business needs, or more spacious residence sites. On two of eight additional sites, intended for business use, buildings are already completed and occupied. With the exception of one lot, on which it is intended to erect a church building, it is expected all the others will be the sites of new residences. In fact, some twenty are now being improved and lessees are actually residing on about twelve of these.

Lease transfers during the year numbered 112, several properties changing ownership twice within the year. Three residence transfers evidenced the need of business to expand the area devoted to its activities. The new owners, unlike many of earlier days, who converted the existing structures to business use, plan to replace them with new buildings designed for the use to which they are to be put. There is no evidence of financial loss to owners who had to give way to business growth. Only about twenty of the 112 transfers left Fairhope as a result. Some of the others were listed as applicants for new sites, while some are

listed both as transferors and transferees, having sold one property only to buy another. Others are in the market to purchase or make application for a new site on which to build.

OUR LAND PROBLEM

This brings us to a regrettable part of this report. Last year we reported the leasing of all our country lands, and that applicants for lease to such lands were having to be turned away. While we still have some unleased land in town none is immediately available that has access to the essential public utilities, water, electricity and good roads. Plans have been discussed for clearing and opening Brown Street from Fairhope to Morphy Avenue and platting and opening such new streets as may be indicated to make the best use of the undeveloped land between Brown and Merston Streets. The opening of Brown Street will also make available for residence use, undeveloped land lying between Brown and School Streets.

We do have several wholly undeveloped blocks in the Magnolia Beach Addition, but they are at present practically inaccessible. Also there is a considerable undeveloped section of privately owned land between them and the developed area of our lands which would make it expensive to open them to good roads and provide the essential utilities.

There are three possible solutions to our problem of land shortage. One is to buy undeveloped land that has access to existing streets and established utilities; present inflated land prices discourage this course. Another is to clear and develop new streets and secure the extension of utilities into our nearest unleased areas, which is now contemplated. Still another is to provide additional public improvements in nearby sections where low rent encourages larger holdings. In such areas within the corporate limits of the town there are single leaseholds of from one to ten acres, and one of twenty acres, with cor-

respondingly large utilization of street frontage, where utilities are already established. Improved facilities will justify an increase in rent and holders will have to put their holdings to more productive use or share them with others. This is also contemplated. Many residence leaseholds in more developed sections consist of only one lot, generally 66 feet front and 132 feet deep. One acre makes five such lots.

1945 RENT CHARGES AND COLLECTIONS

1945 rent charges totaled for the year a net of \$40,056.66. Rent charges as of January 1, 1945 amounted to \$39,025.98, but new applicants paid 1945 rent amounting to \$1,082.80 from which only \$52.12 had to be deducted as a result of surrenders and forfeitures. There were three surrenders and two forfeitures, but the surrendered lots were retaken with no loss of rent to the corporation and only partial losses resulted from the two forfeitures, the forfeited lots being again leased before the end of the year.

Rent collections amounted to \$40,891.81, a nine and one-half per cent increase over the previous year's \$37,353.63. Payment in full of ninety-seven per cent of the rent charged in 1945 figured in the collections and only thirty-two accounts showed an unpaid balance at the end of the year. The difference \$1,998.35 was credited, in large part, to old accounts, though a part was advance payment on the next year's rent received from new applicants. Each applicant pays one-half year's rent with his application, so those applying during the last half of the year have a credit balance with which to start the new year.

OIL LEASE

An addition to this year's income is the considerable item of payment for an oil lease in the amount of \$3,706.29, raising the total income from our land to \$43,762.95. Several times in the past we have joined

with other land owners in extending lease rights to our lands without charge. Some exploring was accomplished under such leases but no action resulted. Now, with oil fields being developed in nearby land in Mississippi, and a producing field having been found in our own state, increased prospects here have come to have a monetary value. The lease provides for a like payment this year if the lessee decides to continue his lease rights and has not started a well before the expiration of the lease year.

TAXES

Taxes paid to the County Collector and to the Town of Fairhope on the improvements and personal property of our lessees (ad valorem taxes), as usual, accounted for our largest expenditure \$19,931.25. Such taxes are paid principally on buildings, household furniture, farm equipment, machinery and stocks and fixtures of business institutions, but a considerable amount is taxes on cars and trucks while a small amount goes to the payment of lessees' poll taxes. To be added is the property tax of the corporation, largely on land, in the amount of \$5,271.37 and the Federal and State corporation income taxes of \$2,163.33. In 1945 we discovered liability for an additional tax, social security payments on the salaries of your two salaried officers. Bringing these up-to-date accounted for \$660.76 as shown in the financial report. The employees' share of this will be repaid to the corporation.

These figures reveal that sixty-eight per cent of 1945 rent charges were needed to pay regular taxes. Comparison with last year's nearly seventy-eight per cent shows the superiority of rent over taxes, as a source of public revenue. Rent provides for advance payment on the increase in public expense that will result from the extension of private improvements onto undeveloped lands and such public improvements can be carried on concurrently with the private development without debt. Taxes on prop-

erty resulting from private expenditures cannot be levied until such private expenditures have been accomplished so the public improvements must either be from borrowed funds or delayed and the taxpayers deprived of their benefit.

Also in evidence this past year was the difference in reaction to increased rent as compared to increased taxes. The number of protests from our lessees as a result of the six per cent increase in 1945 rents was negligible. This was not the case with the State Tax Commission's increase in car assessments which caused many car owners to have to pay a higher 1945 tax on their cars and trucks than they paid in 1944. Generally our lessees saw that the increased demand for property in Fairhope and the improved physical condition of the town and its public services justified an increase in the rental charge for sites. Not so with the increased taxes on cars and trucks, the market for which was on the decline and with one year less of use for the owners.

U. S. BOND INVESTMENTS

The increase in rent collections, and the new income from the oil, gas and mineral lease made it possible for us to hold onto \$13,000.00 of the U. S. Bonds purchased during the year. All purchases were made from current revenue with the expectation that a large part would have to be sold at the end of the year to meet tax payment obligations.

With the exception of \$6,000.00 of ten year bonds, purchased in 1941, 1942 and 1943 our bonds are short term issues which start maturing this year. The due date on \$5,000.00 is in April and by that time it is hoped it will be needed to pay for some of the long delayed public improvements, or some of the clearing needed to make more land accessible to meet the increasing demand for lots.

1946 RENTS

The increasing demand for land in Fairhope and the almost total

exhaustion of our supply that is immediately available to meet such demand, probably justified an increase in 1946 rental rates. However no such increase was ordered by the council and 1946 rent charges are based on the same rates in effect in 1945.

It was decided that a rent increase this year, following last year's general six per cent increase, might produce some discontent and a feeling of insecurity in those not sufficiently well informed to appreciate the true nature of rent and the beneficent influence of its public collection.

There can be little doubt that there was, in 1945, an actual increase in the rental value of our land. Also there can be little doubt there will be an added increase in 1946. Our failure to make public collection of such increased value will, no doubt, tempt some lessee owners to add this publicly created, but uncollected, value to the selling price asked for the sale of improved leaseholds.

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with other land owners in extending lease rights to our lands without charge. Some exploring was accomplished under such leases but no action resulted. Now, with oil fields being developed in nearby land in Mississippi, and a producing field having been found in our own state, increased prospects here have come to have a monetary value. The lease provides for a like payment this year if the lessee decides to continue his lease rights and has not started a well before the expiration of the lease year.

TAXES

Taxes paid to the County Collector and to the Town of Fairhope on the improvements and personal property of our lessees (ad valorem taxes), as usual, accounted for our largest expenditure \$19,931.25. Such taxes are paid principally on buildings, household furniture, farm equipment, machinery and stocks and fixtures of business institutions, but a considerable amount is taxes on cars and trucks while a small amount goes to the payment of lessees' poll taxes. To be added is the property tax of the corporation, largely on land, in the amount of \$5,271.37 and the Federal and State corporation income taxes of \$2,163.33. In 1945 we discovered liability for an additional tax, social security payments on the salaries of your two salaried officers. Bringing these up-to-date accounted for \$660.76 as shown in the financial report. The employees' share of this will be repaid to the corporation.

These figures reveal that sixty-eight per cent of 1945 rent charges were needed to pay regular taxes. Comparison with last year's nearly seventy-eight per cent shows the superiority of rent over taxes, as a source of public revenue. Rent provides for advance payment on the increase in public expense that will result from the extension of private improvements onto undeveloped lands and such public improvements can be carried on concurrently with the private development without debt. Taxes on prop-

erty resulting from private expenditures cannot be levied until such private expenditures have been accomplished so the public improvements must either be from borrowed funds or delayed and the taxpayers deprived of their benefit.

Also in evidence this past year was the difference in reaction to increased rent as compared to increased taxes. The number of protests from our lessees as a result of the six per cent increase in 1945 rents was negligible. This was not the case with the State Tax Commission's increase in car assessments which caused many car owners to have to pay a higher 1945 tax on their cars and trucks than they paid in 1944. Generally our lessees saw that the increased demand for property in Fairhope and the improved physical condition of the town and its public services justified an increase in the rental charge for sites. Not so with the increased taxes on cars and trucks, the market for which was on the decline and with one year less of use for the owners.

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exhaustion of our supply that is immediately available to meet such demand, probably justified an increase in 1946 rental rates. However no such increase was ordered by the council and 1946 rent charges are based on the same rates in effect in 1945.

It was decided that a rent increase this year, following last year's general six per cent increase, might produce some discontent and a feeling of insecurity in those not sufficiently well informed to appreciate the true nature of rent and the beneficent influence of its public collection.

There can be little doubt that there was, in 1945, an actual increase in the rental value of our land. Also there can be little doubt there will be an added increase in 1946. Our failure to make public collection of such increased value will, no doubt, tempt some lessee owners to add this publicly created, but uncollected, value to the selling price asked for the sale of improved leaseholds.

To prevent or retard such unwholesome inflationary results the executive council decided to put to fullest use its control over lease transfers as provided in the lease contract. It is now required that the exact amount of the consideration be declared in all endorsements or instruments of transfer. By 1947 we hope to have accomplished a considerable amount of public improvements to give a substantial physical support for the full collection of the rent.

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Others not so close to us and residing in other states will be missed by us and the movement in which they worked so diligently. Such are Joseph C. Campbell and H. W. Noren, both members of our corporation and residents of Pennsylvania. Probably the most prominent nationally known single taxer to die in the past year, was John Z. White, of Chicago. He was not a member of our corporation, but was widely known for his lectures and writings on the subject we consider so vital to mankind.

1945 REPORTS OF FAIRHOPE SINGLE TAX CORPORATION FAIRHOPE, ALABAMA

FINANCIAL STATEMENT

1945

RECEIPTS

Rent	\$40,891.81
Penalties	882.61
Lease Fees	122.00
Improvements Sold on New Leaseholds	1,411.00
Improvements Sold on Sales Contracts	423.13
Turpentine Lease	178.11
Oil, Gas and Mineral Lease	3,706.29
Membership Certificate	100.00
Interest, U. S. Bonds	313.98
Interest, Sales Contracts	33.26
Interest, Library	122.50
Refunds	507.27
Miscellaneous Receipts	11.50
Bonds Sold	13,000.00
	<u>61,703.14</u>

Cash on hand January 1, 1945	1,023.14
Total	<u>\$62,726.60</u>

DISBURSEMENTS

Taxes for Lessees	\$19,931.25
Taxes on Corporation's Land and Property	5,271.37
Capital Stock and Income Taxes	2,163.33
Social Security Tax (1937-45)	660.76
Salaries and Account- ant Fees	4,226.02
Office and Corporation Business Expense	769.01
Land, Highway and Property Expense	398.80
Library and Ceme- tery Maintenance	880.00
Civic Contributions	346.00
Improvements Purchased	153.04
Land Purchased	175.00
Interest Collections paid to Library	122.50
Refunds, etc.	105.48
U. S. Bonds Purchased	26,009.41
	<u>61,211.97</u>
Cash on hand December 31, 1945	1,514.63
	<u>\$62,726.60</u>

SECRETARY'S REPORT

Mr. President and fellow members: The past year was the largest business year your corporation has ever experienced. This was true of every department. Land applications, lease transfers, rent charges and rent collections all reached new highs. While expenses were also increased, the net to be added to existing surplus, or working capital, was also much more than in any previous year.

LAND TRANSACTIONS

In 1945 your executive council approved 60 applications for land. Eight were for additions to existing leaseholds, either to meet expanding business needs, or more spacious residence sites. On two of eight additional sites, intended for business use, buildings are already completed and occupied. With the exception of one lot, on which it is intended to erect a church building, it is expected all the others will be the sites of new residences. In fact, some twenty are now being improved and lessees are actually residing on about twelve of these.

Lease transfers during the year numbered 112, several properties changing ownership twice within the year. Three residence transfers evidenced the need of business to expand the area devoted to its activities. The new owners, unlike many of earlier days, who converted the existing structures to business use, plan to replace them with new buildings designed for the use to which they are to be put. There is no evidence of financial loss to owners who had to give way to business growth. Only about twenty of the 112 transferors left Fairhope as a result. Some of the others were listed as applicants for new sites, while some are

listed both as transferors and transferees, having sold one property only to buy another. Others are in the market to purchase or make application for a new site on which to build.

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This brings us to a regrettable part of this report. Last year we reported the leasing of all our country lands, and that applicants for lease to such lands were having to be turned away. While we still have some unleased land in town none is immediately available that has access to the essential public utilities, water, electricity and good roads. Plans have been discussed for clearing and opening Brown Street from Fairhope to Morphy Avenue and platting and opening such new streets as may be indicated to make the best use of the undeveloped land between Brown and Merston Streets. The opening of Brown Street will also make available for residence use, undeveloped land lying between Brown and School Streets.

We do have several wholly undeveloped blocks in the Magnolia Beach Addition, but they are at present practically inaccessible. Also there is a considerable undeveloped section of privately owned land between them and the developed area of our lands which would make it expensive to open them to good roads and provide the essential utilities.

There are three possible solutions to our problem of land shortage. One is to buy undeveloped land that has access to existing streets and established utilities; present inflated land prices discourage this course. Another is to clear and develop new streets and secure the extension of utilities into our nearest unleased areas, which is now contemplated. Still another is to provide additional public improvements in nearby sections where low rent encourages larger holdings. In such areas within the corporate limits of the town there are single leaseholds of from one to ten acres, and one of twenty acres, with cor-

respondingly large utilization of street frontage, where utilities are already established. Improved facilities will justify an increase in rent and holders will have to put their holdings to more productive use or share them with others. This is also contemplated. Many residence leaseholds in more developed sections consist of only one lot, generally 66 feet front and 132 feet deep. One acre makes five such lots.

1945 RENT CHARGES AND COLLECTIONS

1945 rent charges totaled for the year a net of \$40,056.66. Rent charges as of January 1, 1945 amounted to \$39,025.98, but new applicants paid 1945 rent amounting to \$1,082.80 from which only \$52.12 had to be deducted as a result of surrenders and forfeitures. There were three surrenders and two forfeitures, but the surrendered lots were retaken with no loss of rent to the corporation and only partial losses resulted from the two forfeitures, the forfeited lots being again leased before the end of the year.

Rent collections amounted to \$40,891.81, a nine and one-half per cent increase over the previous year's \$37,353.63. Payment in full of ninety-seven per cent of the rent charged in 1945 figured in the collections and only thirty-two accounts showed an unpaid balance at the end of the year. The difference \$1,998.35 was credited, in large part, to old accounts, though a part was advance payment on the next year's rent received from new applicants. Each applicant pays one-half year's rent with his application, so those applying during the last half of the year have a credit balance with which to start the new year.

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FINANCIAL STATEMENT

1945

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1946 RENTS

The increasing demand for land in Fairhope and the almost total

to our paved streets, sidewalks, etc., each year.

LEASEHOLD LOANS

The confidence of building and loan associations, banks and private lenders in the security offered by our lessees in mortgages on their improvements is evidenced by the number and amount of loans made. During the year assents to mortgages numbered 89 and the amounts involved totaled \$289,064.80. There were many additional short term loans as evidenced by the filing of a notice with the secretary. There is no record of the amounts involved but they certainly total a number of thousands of dollars. A considerable number of the loans were made to veterans for the purchase of homes. There were no defaults resulting in foreclosure.

NEW BUILDINGS

A partial check of the assessment records reveals that 60 new buildings were placed on the tax assessment books last fall. Total assessed values on these buildings amount to \$42,210.00. All but seven were residence structures. In addition to the new buildings in-

creased assessments to reflect improvement by addition or alteration will account for many thousands of dollars of increased assessment value.

In addition to the new buildings on colony land there have been quite a large number of buildings built on privately owned land. This was, in part, due to the lack of availability of colony land. Since private owners own four times as much land in the Town of Fairhope as does the colony new development must be made largely on privately owned land. The colony land is still the most highly developed as is evidenced by the fact that sixty-five per cent of the 1946 municipal tax levy was on the property of the colony's lessees and the colony's one-fifth of the land.

MEMBERSHIP

No new members were added to our list in 1946. We were saddened by the loss of four members, Sisters Alice Stimpson and Lydia J. N. Comings and Brothers John A. Patterson and Harry H. Parker. All had made considerable contributions of service to the corporation and its purpose.

1946 REPORTS FAIRHOPE SINGLE TAX CORP.

FAIRHOPE, ALABAMA

FINANCIAL STATEMENT

1946

RECEIPTS:

Rent	\$40,757.66
Oil, gas & mineral lease	3,710.00
Penalties	187.79
Lease Fees	171.00
Improvements Sold	1,102.86
Interest on Bonds	692.00
Interest on Contracts	111.37
Refund of Employee's Social Security Taxes	113.30
Refund Tax Cert. Etc.	12.54
Town Bond Matured and Contract Payment (Library)	1,150.00
Interest Collections (Library)	139.37
Repayment Bancroft Contract	876.96
U. S. Bonds Matured	30,000.00
Miscellaneous Receipts	6.40
	<u>\$79,036.25</u>
Cash on hand Jan. 1, 1946	1,514.63
	<u>\$80,550.88</u>

DISBURSEMENTS:

Taxes For Lessees	\$19,345.47
Taxes on Corporation's Lands and Property	5,286.56
Corporation Income and Social Security Taxes	4,116.92
Salaries, Etc.	4,672.70
Corporation Office and Business Expense	799.93
Lands & Highways and Property Expense	2,581.27
Library and Cemetery Maintenance	885.00
Civic Contributions	445.00
D. K. Bancroft Contract	147.28
Transfers to Library	241.87
Refunds, Etc.	138.47
U. S. Bonds Purchased	25,000.00
Accrued Bond Interest	99.36
	<u>\$63,759.83</u>

Cash on hand December 31, 1946	16,791.05
	<u>\$80,550.88</u>

SECRETARY'S REPORT

Mr. President and fellow members: Your secretary regrets the considerable delay in getting his report ready for presentation. Other obligations, primarily the recalculation of all of the rent charges, are responsible for the delay. Again it is a pleasure to report a very successful year for your corporation. Only our lack of land available and accessible to established utilities prevented a much better showing.

LAND TRANSACTIONS

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1946 rent charges totaled \$41,538.86. Town land rentals were \$37,267.60, country land rentals \$4,271.26. The foregoing figures do not take into consideration any reduction as a result of surrenders and adjustments. Our records show such to have been of little consequence. Surrendered lots were, in the main, again leased before the end of the year. Since there was no increase in rental rates in 1946, the total of rent charges is only slightly above that of 1945.

Rent collections, \$40,751.66, show a reduction under last year of \$134.15. Of the 627 lessees of record on the corporation's books at the end of the year, all but 39 had paid their 1946 rent in full. In 1946, as in 1945, our country lands produced an additional income of \$3,710.00 paid to our corporation for a lease to the oil, gas and mineral rights.

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The 1947 rent increase was the result of much careful study and reflection by the council. As acknowledged in last years' report there appeared to be adequate evidence that an increase in the 1946 rental value justified an increased rent charge. The increase was not levied because of the reasons stated in the 1945 report.

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Total taxes paid, \$28,748.95, showed a less favorable relation to rent charges than they did in 1945. This was due to two abnormal factors. One was the enforced restriction on spending. The other was our failure to charge our lessees with the actual increase in the rental value on our lands. 1947 should produce a more favorable showing.

U. S. BOND INVESTMENTS

1946 brought a reduction in our investments in U. S. bonds and a corresponding increase in our cash balance at the end of the year. Some of our bonds matured and were paid off. Opportunity for re-investment in short term bonds was unavailable. As reported last year we hoped to invest a substantial amount in much needed public improvements. The principle factors in preventing our realization of this hope were continued shortages of essential materials, labor and equipment and extremely high prices. The present outlook is still rather discouraging.

Our present investments consist of \$6,000.00 in 10 year, series G bonds, acquired in 1941, 1942 and 1943, and \$18,000.00 in shorter term bonds. Some of the latter will mature annually over the next few years. Receipts from this source with current net revenue should make possible an improvement program that will insure an addition

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1946 REPORTS FAIRHOPE SINGLE TAX CORP.

FAIRHOPE, ALABAMA

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Improvements Sold	1,102.86
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D. K. Bancroft Contract	147.28
Transfers to Library	241.87
Refunds, Etc.	138.47
U. S. Bonds Purchased	25,000.00
Accrued Bond Interest	99.36
	<u>\$63,759.33</u>
Cash on hand Decem- ber 31, 1946	16,791.05
	<u>\$80,550.88</u>

SECRETARY'S REPORT

Mr. President and fellow members: Your secretary regrets the considerable delay in getting his report ready for presentation. Other obligations, primarily the recalculation of all of the rent charges, are responsible for the delay. Again it is a pleasure to report a very successful year for your corporation. Only our lack of land available and accessible to established utilities prevented a much better showing.

LAND TRANSACTIONS

Because of our shortage of supply approved land applications dropped from 60 in 1945 to 8 in 1946. Many prospective applicants had to be turned away. Two surrenders and the termination of a term lease figured in making possible the approval of four of the applications.

The application of greatest general interest was that of the Town of Fairhope which was made in order to accomplish a considerable expansion of the municipal athletic field. The field previously secured by the town in a transfer from the local baseball club was badly overcrowded by overlapping football gridiron and baseball diamond. Considering the existing inadequacy and the growing interest in soft ball and other field sports, the town decided to act before the land had been put to other use. Development of the acquired land is now in process.

Lease transfers numbered 169. Two lots were transferred three times within the year and twenty-one others were transferred twice. Twenty-eight of the transfers were of lots or lands that were unimproved or on which there were no buildings. In some cases transfer was due to the lessee having

purchased an improved property. Other cases were due to barriers to building or the extraordinary expense. With respect to the transfer of unimproved lots there was little, if any, evidence of speculation as is evidenced by the fact that two such were surrendered before the close of the year.

The purchase of homes by veterans accounted for a considerable number of the transfers. Many such purchases were made possible by the loan provisions of the Veterans Administration and the cooperation of the Bank of Fairhope. The availability of homes for purchase can be accounted for largely by two factors. One such factor was the attractive prices offered to investment owners, though such owners may have been influenced to some extent by the restriction of federal rent control. The other factor was the reduction in employment opportunity in Mobile which made necessary the moving elsewhere of war-worker owners.

A great many of the names that have been added to our lessee roll are familiar names. Many are sons and daughters of long-time residents of this section. They were just boys and girls before the war. In pre-war years those who had reached retirement age figured largely in our steady increment in population. There were only a sprinkling of such in 1946. It would appear the average age of the Fairhope resident is lower than for many years. If the hope of the world rests in its youth, and your secretary believes it does, Fairhope's hope is fairer.

OUR LAND PROBLEM

Temporarily our land problem has worsened. We had hoped the Town would get delivery of water pipe and electrical equipment needed to extend utility service to some of our unleased lands. Such deliveries have not yet arrived. Some progress was made in making these lots more readily available when the utilities have been extended. Our corporation employed

the service of the bulldozer, belonging to our new lessee, Mr. Joe Schneider, to lay out the streets and partially grade them and to clear some of the heavier undergrowth from the lots.

In the Magnolia Beach section the colony and the municipality cooperated in employing Mr. Schneider's services to clear and grade streets that will make a number of attractive residence lots accessible. These too are at present unavailable due to lack of needed utility service.

Surely it will not be much longer before materials are available for extensions of utilities. When new lots are available for improvement there should be a lessening of the pressure of demand for lots in the established sections. Decrease in demand pressure will tend to retard the increase in rental values.

RENT CHARGES AND COLLECTIONS

1946 rent charges totaled \$41,538.86. Town land rentals were \$37,267.60, country land rentals \$4,271.26. The foregoing figures do not take into consideration any reduction as a result of surrenders and adjustments. Our records show such to have been of little consequence. Surrendered lots were, in the main, again leased before the end of the year. Since there was no increase in rental rates in 1946, the total of rent charges is only slightly above that of 1945.

Rent collections, \$40,751.66, show a reduction under last year of \$134.15. Of the 627 lessees of record on the corporation's books at the end of the year, all but 39 had paid their 1946 rent in full. In 1946, as in 1945, our country lands produced an additional income of \$3,710.00 paid to our corporation for a lease to the oil, gas and mineral rights.

1947 RENTS

1947 rentals, as presently computed, would produce a gross of approximately \$54,000.00. It is not possible to forecast what this in-

creased levy will produce in actual rent payments. Already the executive council has allowed some discounts on the rent for the first half year. The discounts are in consideration of the delayed extension of utilities. Lack of the needed utilities prevent lessees from putting their lands to the most productive use. Additional discounts for this and like cause may develop or continue during the year. Also there is prospect that some lessees will surrender land on which they are not prepared to make the capital investment needed to make the holding of the land profitable.

The 1947 rent increase was the result of much careful study and reflection by the council. As acknowledged in last years' report there appeared to be adequate evidence that an increase in the 1946 rental value justified an increased rent charge. The increase was not levied because of the reasons stated in the 1945 report.

As stated in our lease contract the corporation recognizes demand as one of the primary factors in the production of rent. Demand is still exerting an increasing pressure on a diminishing supply. The result is an increase in rental value. The corporation does not make rent. It's office is to appraise and determine the rental value. Having determined what the rental value is it is the declared purpose of the corporation to collect such full value from its individual lessees, convert the receipts from such collections into a common fund, and to expend such common fund for such purposes as will be of common benefit to all. The greatly increased prices now being paid for vacant land purchases would appear to amply justify the corporation's appraisal of the 1947 rental value.

TAXES

Taxes paid for lessees in 1946 declined a little, as shown in the financial report. Factors influencing the reduction were lowered assessed values of automobiles and

of taxable personal property. Such reduction was due to normal depreciation. Another factor was the neglect of some lessees to present their tax receipts for credit on rent. This neglect accounts, in part, for the reduction in rent receipts.

It will be noted, however, that taxes levied on the corporation, show a considerable increase. In large part this was due to an increase in income tax liability. Enforced restrictions on spending in 1945 resulted in a relatively high taxable net income. This condition was improved somewhat in 1946 and will be reflected in the report for 1947.

Total taxes paid, \$28,748.95, showed a less favorable relation to rent charges than they did in 1945. This was due to two abnormal factors. One was the enforced restriction on spending. The other was our failure to charge our lessees with the actual increase in the rental value on our lands. 1947 should produce a more favorable showing.

U. S. BOND INVESTMENTS

1946 brought a reduction in our investments in U. S. bonds and a corresponding increase in our cash balance at the end of the year. Some of our bonds matured and were paid off. Opportunity for re-investment in short term bonds was unavailable. As reported last year we hoped to invest a substantial amount in much needed public improvements. The principle factors in preventing our realization of this hope were continued shortages of essential materials, labor and equipment and extremely high prices. The present outlook is still rather discouraging.

Our present investments consist of \$6,000.00 in 10 year, series G bonds, acquired in 1941, 1942 and 1943, and \$18,000.00 in shorter term bonds. Some of the latter will mature annually over the next few years. Receipts from this source with current net revenue should make possible an improvement program that will insure an addition

Somers. As a result new corner tables have been developed that make it possible to equitably calculate the rent on any lot that may come within the corner influence. The tables do not increase the Somers appraisal of the total value of the corner.

TAXES

The increase in property taxes paid for the lessees and the corporation is largely the result of the fifty per cent increase in the municipal tax rate. It will be noted that a considerable portion of the increase in rental collections will find its way into the municipal treasury. There it will be added to that which has resulted from a like increase in the taxes paid by other property owners. This increased return to the Town will relieve its general fund of the bonded debt burden which heretofore has depleted, by several thousand dollars annually, the amount available for current needs.

It will be noted that the predicted decrease in income tax payments was accomplished as a result of an increase in expenditures for public services such as streets, etc., in 1946. While there was a further increase in such expenditures in 1947, that, together with the considerable increase in tax payments, will not be sufficient to wholly offset the increase in revenue. It is anticipated there will be greater opportunity for profitable spending this year. The result should be a considerable improvement in street and sidewalk services.

LEASEHOLD LOANS

During the year some fifty loans were made to lessees by lenders who asked the assent of the corporation. About one-half were made by local individuals. The balance

were distributed between local and Mobile corporations and lending agencies. As heretofore a large number of loans were made where no formal assent was requested. These loans are generally short term loans and generally involve smaller amounts. 1947 loans were fewer and smaller in average amount than those of 1946. Lenders, as well as buyers, appear to be registering some resistance to high real estate prices. This caution will no doubt pay dividends in the not too distant future.

MEMBERSHIP

In December we lost a Fairhope citizen and fellow member who had been indentified with the colony and the community since the early days. Wm. Call who died December 14 served both our corporation and the community in many capacities during his long residence here. In recent years failing health had forced his retirement from the activities of earlier days when he served both the colony and the community in official capacity.

No new members were added but R. H. Brown, one of our youngest members, took up active service on the Executive Council. When Mr. A. O. Berglin declined to allow his name to go on the ballot for reelection in the 1947 election of officers Mr. Brown permitted his name to be placed in nomination. His parents, the late Frank L. and Minnie Brown, were among the earliest new comers to Fairhope, about the turn of the century, and he was born in Fairhope. Both parents served the colony in official capacity and as loyal members. More of the second and of the third generation, now, are needed to take the place of the many valiant workers who have gone on and to relieve those few remaining who become fewer with almost every passing year.

1947 REPORT FAIRHOPE SINGLE TAX CORP.

FAIRHOPE, ALABAMA

FINANCIAL STATEMENT

1947

RECEIPTS

Rent	\$53,220.98
Oil, Gas & Mineral Lease	3,710.00
Penalties	345.41
Lease Fees	105.00
Lease Bonus	25.00
Improvements Sold	1,068.50
Interest on Imps. Sales	3.84
Turpentine Lease	61.56
U. S. Bonds Redeemed	18,000.00
Int. on U. S. Bonds	455.75
Refunds Lessees' Taxes	88.73
Refund Soc. Sec. Taxes.....	112.45
Library Sales Contract.....	159.00
Int. Library Bonds	75.00
Tax Cert. Redeemed	9.25
	<hr/>
	77,439.97
Cash, Jan. 1, 1947	16,792.10
	<hr/>
	\$94,232.07

DISBURSEMENTS

Taxes Paid for Lessees.....	\$24,871.39
Taxes on Corp. Land and Property	6,000.24
Corp. Income Taxes	2,931.59
Social Security Taxes	66.20
Salaries	5,972.55
Corporation Office and Business Expense	810.42
Lands & Highways and Property Expense	4,215.72
Library and Cemetery Maintenance	1,150.00
Civic Contributions	522.00
Refunds	116.31
Transfers to Library	281.50
Improvements Purchased	1,331.45
	<hr/>
	48,269.37
Cash Dec. 31, 1947	45,962.70
	<hr/>
	\$94,232.07

FINANCIAL STATEMENT

The financial statement herewith submitted is certified by the Mobile auditing firm of Smith, Dukes & Buckalew. Your trustees decided that the amount of business now transacted by your corporation and the growing complexity of its relationship, through its lessees, with business and governmental agencies, warranted an examination by certified public accountants. The auditors' submission of the statement was accompanied by the following:

"In accordance with your request we have made an examination of the books of the Fairhope Single Tax Corporation, Fairhope, Alabama, for the year ending December 31, 1947, and now present our report thereon.

"Cancelled checks and warrants were compared with the entries in the cash disbursement record and carbon copies of the cash receipts were traced to entries in the cash receipts record. The footings of the cash book were proved and the postings to the Lessees' Ledger were varified.

"The amount on deposit in the Bank of Fairhope on December 31, 1947 was verified by direct correspondence with the bank and by reference to the statement on file in the office. We counted the cash on hand during the course of our examination.

"The securities owned by the Corporation as of December 31, 1947, consisting of U. S. Treasury Bonds, Series "G", in the amount of \$6,000.00, are kept in the safe deposit box at the Bank of Fairhope, and were examined by us."

SECRETARY'S REPORT

1947

Mr. President and fellow members: As should be the case in these prosperous times, your corporation has just closed its most successful financial year. The quality of success is identified so sight may not be lost of the broader aims of our corporation.

Our constitution, ARTICLE 1—PURPOSE, declares the "purpose shall be to establish and conduct a model community or colony, free from all forms of private monopoly, and to secure to its members therein equality of opportunity, the full reward of individual efforts, and the benefits of co-operation in matters of general concern."

Fairhope's success in removing the customary restrictions on access to productive natural resources has had the effect of increasing individual self sufficiency. The result has been to narrow the field of "matters of general concern." In Fairhope such matters consist largely of public improvements. Evidence of accomplishment in this field is not to be found in a large cash balance but in the physical achievement of the improvements.

While the amount of income expended for such improvements in 1947 was almost double that in 1946 it was not enough to prevent a further increase in surplus. High prices, shortages, etc., again prevented the fruition of plans for much needed street improvements, sidewalks, etc. It is sincerely hoped that a better showing can be made in 1948.

LAND TRANSACTIONS

As anticipated in last year's report, the increase in the 1947 rent resulted in some surrenders and forfeitures of unused leaseholds. Almost all that were favorably located and some not so favorably located were leased to new applicants

within the year. However there were suitable sites available for only a few of the many who made application.

Transfers of leaseholds accounted for the greatest number of our land transactions. There were 116 of these, 53 less than in 1946. Nine leaseholds were transferred twice with the year. Some transfers appear to reflect the unsettled state of humanity which appears to be generally prevalent. There are some, no doubt, that result from a desire to gain by reason of the still mounting prices. Most of the transfers, however, appear to have been bona fide transfers to those who needed homes or who desired to invest in income producing property. As heretofore, in several instances the seller in one transaction became the buyer in another.

Surrenders and forfeitures approved or ordered during the year numbered nine. These made possible the approval of five of the seven successful applicants. High prices of building material and other high construction costs, as well as material shortages are causing many to further postpone building plans. The immediate demand for land is thereby reduced or suppressed. However some thirty new residence structures will appear on the 1948 assessment records. In addition assessment values will be increased in a great many more cases as a result of additions or remodeling.

OUR LAND PROBLEM

It is a pleasure to report there is prospect of early availability of land in town for a considerable number of new home sites. During the past year the municipal water department has installed some new six inch water mains that bring an adequate water supply quite near to some of our land that has been held off the market because of the lack. It also appears that supplies for extending the electric service

are becoming more available.

We still have no prospect of meeting the demand for country land. All our country lands are leased and present high prices discourage any consideration of adding to our holding at this time.

RENT CHARGES AND COLLECTIONS

1947 rent charges total a net of \$54,196.88 after making deductions for surrenders, forfeitures, discounts and calculation errors discovered during the year. Testifying to the generally good economic condition of our lessees is the fact that more than 95 per cent of the 1947 rent charges had been paid to the treasurer before the end of the year. Rents charged in 1947 were between \$12,000.00 and \$13,000.00 greater than the 1946 levy as a result of 1947 street frontage rate increases, the increase in the multiplier from 2.70 to 3.00 and the 15 per cent increase in the acre rate on country lands.

Rent collections of \$53,220.98, as shown in the financial statement, indicate that lessees did not find the increase to be too burdensome. This conclusion is further substantiated by the fact that of the 773 leaseholds listed, the rent was fully paid on all but 60 held by 47 lessees. As stated before, the unpaid 1947 rent on these amounted to less than five per cent of the total 1947 levy.

1948 RENT CHARGES

With no increase in the multiplier, used in computing rents on town lands, and no increase in the acre rate on country lands there will be no general change in the 1948 rent charges. However the Executive Council again made an on-the-ground inspection of the corporation's lands throughout the town. Changes were made in the street frontage rates where such were, in the Council's judgment, warranted. While a new improvement in public services, streets,

etc., is a factor of influence, that is not the only factor considered by the Council in ordering a rent change. There are cases where it is found the rent previously fixed is either too low or too high and equitable adjustments are made at such annual appraisals.

This year there is another factor that has resulted in changes both up and down on the rent of some town lots. More than thirty years ago when Mr. W. A. Somers assisted the corporation in evolving a scientific mathematical system for figuring Fairhope land rents the need was quite different from that which exists today. The various complex factors that make a corner lot more valuable than an inside lot were grouped together and reflected in corner tables used in the valuing of a lot 100 feet square at the corners formed by intersecting streets.

At the time these corner tables were developed a large number of the 100 foot squares at corners were wholly contained in a single leasehold. So long as this condition prevailed the gross grouping of the values presented no difficulty. Now however, there are many cases where such corner values are shared by two or more leaseholds and a means of more equitably distributing the corner value influence has long been deemed necessary. A review of past actions of the Executive Council over a considerable time will reveal that many efforts have been made to solve the problem and that all have been lacking in sufficiency.

In 1947 we were fortunate in finding a competent and willing mathematician to undertake the task of finding a suitable solution. Mr. R. A. Calhoun had become interested in our problem through his use of some of our calculations as problems for his mathematics class at the School of Organic Education. He studied such material as was at hand concerning Mr. Somers' principles and conferred with all here who had worked with Mr.

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No new members were added but R. H. Brown, one of our youngest members, took up active service on the Executive Council. When Mr. A. O. Berglin declined to allow his name to go on the ballot for reelection in the 1947 election of officers Mr. Brown permitted his name to be placed in nomination. His parents, the late Frank L. and Minnie Brown, were among the earliest new comers to Fairhope, about the turn of the century, and he was born in Fairhope. Both parents served the colony in official capacity and as loyal members. More of the second and of the third generation, now, are needed to take the place of the many valiant workers who have gone on and to relieve those few remaining who become fewer with almost every passing year.

1947 REPORT FAIRHOPE SINGLE TAX CORP.

FAIRHOPE, ALABAMA

FINANCIAL STATEMENT

1947

RECEIPTS

Rent	\$53,220.98
Oil, Gas & Mineral Lease	3,710.00
Penalties	345.41
Lease Fees	105.00
Lease Bonus	25.00
Improvements Sold	1,068.50
Interest on Imps. Sales	3.84
Turpentine Lease	61.56
U. S. Bonds Redeemed	18,000.00
Int. on U. S. Bonds	455.75
Refunds Lessees' Taxes	88.73
Refund Soc. Sec. Taxes	112.45
Library Sales Contract	159.00
Int. Library Bonds	75.00
Tax Cert. Redeemed	9.25
	<hr/>
	77,439.97
Cash, Jan. 1, 1947	16,792.10
	<hr/>
	\$94,232.07

DISBURSEMENTS

Taxes Paid for Lessees	\$24,871.39
Taxes on Corp. Land and Property	6,000.24
Corp. Income Taxes	2,931.59
Social Security Taxes	66.20
Salaries	5,972.55
Corporation Office and Business Expense	810.42
Lands & Highways and Property Expense	4,215.72
Library and Cemetery Maintenance	1,150.00
Civic Contributions	522.00
Refunds	116.31
Transfers to Library	281.50
Improvements Purchased	1,331.45
	<hr/>
	48,269.37
Cash Dec. 31, 1947	45,962.70
	<hr/>
	\$94,232.07

FINANCIAL STATEMENT

The financial statement herewith submitted is certified by the Mobile auditing firm of Smith, Dukes & Buckalew. Your trustees decided that the amount of business now transacted by your corporation and the growing complexity of its relationship, through its lessees, with business and governmental agencies, warranted an examination by certified public accountants. The auditors' submission of the statement was accompanied by the following:

"In accordance with your request we have made an examination of the books of the Fairhope Single Tax Corporation, Fairhope, Alabama, for the year ending December 31, 1947, and now present our report thereon.

"Cancelled checks and warrants were compared with the entries in the cash disbursement record and carbon copies of the cash receipts were traced to entries in the cash receipts record. The footings of the cash book were proved and the postings to the Lessees' Ledger were verified.

"The amount on deposit in the Bank of Fairhope on December 31, 1947 was verified by direct correspondence with the bank and by reference to the statement on file in the office. We counted the cash on hand during the course of our examination.

"The securities owned by the Corporation as of December 31, 1947, consisting of U. S. Treasury Bonds, Series "G", in the amount of \$6,000.00, are kept in the safe deposit box at the Bank of Fairhope, and were examined by us."

SECRETARY'S REPORT

1947

Mr. President and fellow members: As should be the case in these prosperous times, your corporation has just closed its most successful financial year. The quality of success is identified so sight may not be lost of the broader aims of our corporation.

Our constitution, ARTICLE 1—PURPOSE, declares the "purpose shall be to establish and conduct a model community or colony, free from all forms of private monopoly, and to secure to its members therein equality of opportunity, the full reward of individual efforts, and the benefits of co-operation in matters of general concern."

Fairhope's success in removing the customary restrictions on access to productive natural resources has had the effect of increasing individual self sufficiency. The result has been to narrow the field of "matters of general concern." In Fairhope such matters consist largely of public improvements. Evidence of accomplishment in this field is not to be found in a large cash balance but in the physical achievement of the improvements.

While the amount of income expended for such improvements in 1947 was almost double that in 1946 it was not enough to prevent a further increase in surplus. High prices, shortages, etc., again prevented the fruition of plans for much needed street improvements, sidewalks, etc. It is sincerely hoped that a better showing can be made in 1948.

LAND TRANSACTIONS

As anticipated in last year's report, the increase in the 1947 rent resulted in some surrenders and forfeitures of unused leaseholds. Almost all that were favorably located and some not so favorably located were leased to new applicants

within the year. However there were suitable sites available for only a few of the many who made application.

Transfers of leaseholds accounted for the greatest number of our land transactions. There were 116 of these, 53 less than in 1946. Nine leaseholds were transferred twice with the year. Some transfers appear to reflect the unsettled state of humanity which appears to be generally prevalent. There are some, no doubt, that result from a desire to gain by reason of the still mounting prices. Most of the transfers, however, appear to have been bona fide transfers to those who needed homes or who desired to invest in income producing property. As heretofore, in several instances the seller in one transaction became the buyer in another.

Surrenders and forfeitures approved or ordered during the year numbered nine. These made possible the approval of five of the seven successful applicants. High prices of building material and other high construction costs, as well as material shortages are causing many to further postpone building plans. The immediate demand for land is thereby reduced or suppressed. However some thirty new residence structures will appear on the 1948 assessment records. In addition assessment values will be increased in a great many more cases as a result of additions or remodeling.

OUR LAND PROBLEM

It is a pleasure to report there is prospect of early availability of land in town for a considerable number of new home sites. During the past year the municipal water department has installed some new six inch water mains that bring an adequate water supply quite near to some of our land that has been held off the market because of the lack. It also appears that supplies for extending the electric service

are becoming more available.

We still have no prospect of meeting the demand for country land. All our country lands are leased and present high prices discourage any consideration of adding to our holding at this time.

RENT CHARGES AND COLLECTIONS

1947 rent charges total a net of \$54,196.88 after making deductions for surrenders, forfeitures, discounts and calculation errors discovered during the year. Testifying to the generally good economic condition of our lessees is the fact that more than 95 per cent of the 1947 rent charges had been paid to the treasurer before the end of the year. Rents charged in 1947 were between \$12,000.00 and \$13,000.00 greater than the 1946 levy as a result of 1947 street frontage rate increases, the increase in the multiplier from 2.70 to 3.00 and the 15 per cent increase in the acre rate on country lands.

Rent collections of \$53,220.98, as shown in the financial statement, indicate that lessees did not find the increase to be too burdensome. This conclusion is further substantiated by the fact that of the 773 leaseholds listed, the rent was fully paid on all but 60 held by 47 lessees. As stated before, the unpaid 1947 rent on these amounted to less than five per cent of the total 1947 levy.

1948 RENT CHARGES

With no increase in the multiplier, used in computing rents on town lands, and no increase in the acre rate on country lands there will be no general change in the 1948 rent charges. However the Executive Council again made an on-the-ground inspection of the corporation's lands throughout the town. Changes were made in the street frontage rates where such were, in the Council's judgment, warranted. While a new improvement in public services, streets,

etc., is a factor of influence, that is not the only factor considered by the Council in ordering a rent change. There are cases where it is found the rent previously fixed is either too low or too high and equitable adjustments are made at such annual appraisals.

This year there is another factor that has resulted in changes both up and down on the rent of some town lots. More than thirty years ago when Mr. W. A. Somers assisted the corporation in evolving a scientific mathematical system for figuring Fairhope land rents the need was quite different from that which exists today. The various complex factors that make a corner lot more valuable than an inside lot were grouped together and reflected in corner tables used in the valuing of a lot 100 feet square at the corners formed by intersecting streets.

At the time these corner tables were developed a large number of the 100 foot squares at corners were wholly contained in a single leasehold. So long as this condition prevailed the gross grouping of the values presented no difficulty. Now however, there are many cases where such corner values are shared by two or more leaseholds and a means of more equitably distributing the corner value influence has long been deemed necessary. A review of past actions of the Executive Council over a considerable time will reveal that many efforts have been made to solve the problem and that all have been lacking in sufficiency.

In 1947 we were fortunate in finding a competent and willing mathematician to undertake the task of finding a suitable solution. Mr. R. A. Calhoun had become interested in our problem through his use of some of our calculations as problems for his mathematics class at the School of Organic Education. He studied such material as was at hand concerning Mr. Somers' principles and conferred with all here who had worked with Mr.

Somers. As a result new corner tables have been developed that make it possible to equitably calculate the rent on any lot that may come within the corner influence. The tables do not increase the Somers appraisal of the total value of the corner.

TAXES

The increase in property taxes paid for the lessees and the corporation is largely the result of the fifty per cent increase in the municipal tax rate. It will be noted that a considerable portion of the increase in rental collections will find its way into the municipal treasury. There it will be added to that which has resulted from a like increase in the taxes paid by other property owners. This increased return to the Town will relieve its general fund of the bonded debt burden which heretofore has depleted, by several thousand dollars annually, the amount available for current needs.

It will be noted that the predicted decrease in income tax payments was accomplished as a result of an increase in expenditures for public services such as streets, etc., in 1946. While there was a further increase in such expenditures in 1947, that, together with the considerable increase in tax payments, will not be sufficient to wholly offset the increase in revenue. It is anticipated there will be greater opportunity for profitable spending this year. The result should be a considerable improvement in street and sidewalk services.

LEASEHOLD LOANS

During the year some fifty loans were made to lessees by lenders who asked the assent of the corporation. About one-half were made by local individuals. The balance

were distributed between local and Mobile corporations and lending agencies. As heretofore a large number of loans were made where no formal assent was requested. These loans are generally short term loans and generally involve smaller amounts. 1947 loans were fewer and smaller in average amount than those of 1946. Lenders, as well as buyers, appear to be registering some resistance to high real estate prices. This caution will no doubt pay dividends in the not too distant future.

MEMBERSHIP

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New Applications

During the year eight applications were approved. Two are already occupying the new residences completed within the year, and three have new homes well under way. There would no doubt have been more of these had we had more sites available where public utilities were readily accessible. Pipe for extension of essential water service is still difficult for the Town to secure and this lack constitutes a major hindrance to building development.

Leasehold Loans

As might be expected the decrease in transfers produced a decreased number of loans. The council assented to 37 in 1948 as compared to 50 in 1947. Tightness

of money in current high price times may be considered a blessing in the long run.

Membership

There must be regret that our department of membership is not making the favorable showing that appears in other departments. During the year our numbers were reduced by three. Emil Knips and Paul Nichols passed away here in Fairhope and Mrs. Laura A. Powell at the home of her daughter in Maryland. All had served our cause well in earlier times. Mr. Knips served for some time as one of our trustees and Mr. Nichols as vice-president. Mrs. Powell's contribution, though not as an office holder, was a considerable one. Her able service contributed to the success of many local affairs, the burden of which fell largely on the shoulders of our women.

1948 REPORT FAIRHOPE SINGLE TAX CORP.

FAIRHOPE, ALABAMA

FINANCIAL STATEMENT

1948

The Fairhope Single Tax Corpo-

RECEIPTS

Rent	\$ 56,680.99
Penalties	559.53
Lease Fees	79.00
Sales, Improvement, Etc.	609.15
Interest, Corporation	150.00
Interest for Library	61.25
Refunds of Lessees	
Taxes	26.38
Refunds, Miscellaneous	7.19
	<u>\$58,173.49</u>

Cash Jan. 1, 1948	45,962.70
	<u>\$104,136.19</u>

DISBURSEMENTS

Taxes for Lessees	\$ 27,006.01
Taxes on Corp. Land and Property	6,027.35
Corp. Income Taxes	3,755.57
Social Security Taxes	43.94
Salaries	5,662.60
Corporation Office and Business Expense	1,280.05
Lands, Highways and Property Expense	37,763.18
Library and Cemetery Maintenance	1,286.50
Civic Contributions	385.00
Refunds, Rent	224.16
Transfers to Library, Bond Interest	27.50
Investment for Library	1,000.00
Land Purchase	50.00
	<u>84,511.86</u>
Cash Dec. 31, 1948	19,624.33
	<u>\$104,136.19</u>

SECRETARY'S REPORT

Mr. President and fellow members: In preparing this report I had occasion to review the report I made you last year and I find I must appear to be repetitious. I told

you then, and must again tell you that your corporation "has just closed its most successful financial year." While last year's financial report showed progress mainly in the receipts department, the 1948 report also shows much progress in the department of disbursements. Indeed, as you will note, this year our report requires use of a six figure number.

Rents

Rent receipts reflect the town's growth in population (estimated to be double or better than of 1940) and the accomplishment of extensive public improvements. Rent receipts in 1940 were \$31,101.74 as compared with 1948's \$56,680.99. The total net rent charges for 1948 amounted to \$57,213.40, and the year closed with the rent paid in full on all but fifty-three of our nearly 800 accounts and seven of these have been paid since the first of the year.

It is not possible to give a full report on 1949 rents, but the total will be appreciably greater than 1948. The considerable number effected by the new street improvements will be charged with a full year at the increased rate while none paid an increase for more than one-half of 1948 and the work on some streets was not completed until after the middle of the year and their 1948 rent was wholly uninfluenced by the resulting increase in value.

Oil, Gas and Mineral Lease

It will be noted there was no return from the Oil, Gas and Mineral Lease last year. For 3 years we received an annual payment of

1948 Reports of
Fairhope Single Tax Corporation
Fairhope, Alabama

\$3,710.00 from that source and it will be missed. It must be considered the lease is no longer in effect since the sole condition of continued effectiveness was payment of the rental. Oil operations have been progressing elsewhere in Alabama, and interest probably will again be directed to this area.

Taxes

While the prominence of taxes in our disbursements column was slightly shaded by the Lands, Highways and Property department, this year, it continued to be a substantial item. The \$27,006.01 spent in the payment of lessees' taxes, also reflects the growth of the community. This may be seen by comparison with the \$17,666.66 expended in the discharge of such obligations in 1940. In making the comparison, however, consideration must be given the fifty per cent increase in the Town of Fairhope tax rate, that became effective in 1947.

The \$824.02 increase in income taxes paid, though predicted and anticipated, is no less regretted. Our deductible expenditures in 1948 should relieve us of the payment of any income tax on 1943 income. We not only spent all we took in but drew heavily on our accumulated reserve. It is hoped that in the future we can spend our surplus annually in providing desired public benefits and conveniences. If we can do this we can eliminate altogether, or at least keep to the minimum our income tax obligations.

Street Improvements

The most gratifying of the year's achievements is reflected by the expenditure of \$37,816.95 in the Lands, Highways and Property department. This went largely to pay for the surfacing of nearly all of our unsurfaced streets in town. In some cases the right of way

had to be cleared and graded before the surfacing could be applied and in a few cases sewer extensions had to precede the work. While the final cost of all this has not yet been determined by the Town of Fairhope, it is presumed the major part of it is paid for.

The just completed program added some eight or nine miles to our already improved street system in town. We had hoped to achieve a like improvement of Morphy Ave., extending one and one-half miles into our country lands but weather conditions prevented the completion prior to cold weather. The work has been started and the contractor is only awaiting favorable weather conditions to complete the job.

While it will be noted that heavy expenditures in the Lands, Highways and Property department substantially reduced the sum of \$45,962.70 with which we began 1948, our balance at the close of the year \$19,624.33 makes possible immediate consideration of a continued program of improvement and much remains to be done. Sidewalk maintenance has been much neglected and this neglect must be remedied if we are to have the local mail delivery, now under consideration by the post-office. To handle our increased traffic it is urgently necessary to widen our streets through the business section of town where parked cars now have greatly reduced the right of way open to traffic. The recent completion of the hard surfaced road through Fairhope to Foley and Pensacola makes this street widening an immediate necessity.

Assessed Valuations

The 1948 assessed valuations of the property of our lessees and their tenants added to the assessed valuation of the corporation's land exceeded one million dollars

this year, the total being \$1,102,385.00. Since the total assessed value of all property, both tangible and intangible, in the whole of Baldwin County, in 1948, amounted to \$19,882,022.00, Fairhope's Single Tax Colony, on its only 4,000 acres, accounts for 5.54% of the the total.

Of importance to this comparison is the fact that the County valuation includes the assessed values, both tangible and intangible, of privately owned utility corporations such as the L. & N. and Frisco railroads, Alabama Power Co., and Baldwin County Electric Corp. (REA) Southern Natural Gas and United Gas Pipe Lines, Bell Telephone, Western Union, American Telephone & Telegraph, and local telephone companies and the American Express Co. Single Tax Colony assessments include none of these.

More pronounced is the comparison when the area involves only the 327 acres of Single Tax Colony land lying within the corporate boundaries of the Town of Fairhope. Here the assessed value of Single Tax Colony land is \$143,220.00. Adding to this the assessed value of the property of Colony lessees and their tenants who occupy this 327 acres we get a total assessed value of \$938,380.00. Thus the Single Tax operated 327 acres of Baldwin's 1,014,000 acres produces 4.72% of the County's total assessed value.

Baldwin County is largely a product of colonies. In the beginning few occupied as small an area or had as little capital as did the half dozen Singletaxer families that came to Baldwin County in 1894 to found Fairhope. Today none can show a result as expressed in assessed value of physical wealth and land comparable to that of Fairhope's Single Tax Colony controlled 4,000 acres, or even of its 327 acres in the Town of Fairhope.

The other colonists, Italians at

and near Daphne, Scandinavians at Silverhill, Greeks, near Loxley, Germans at Elberta and many lesser groups and the immigrants from Northern States who settled Foley and Magnolia Springs, composed no less ambitious and industrious men and women than were those who came to Fairhope. The superior accomplishment of our Fairhope founders can be attributed to no other factor than the protection against the evils of land speculation which they insured by their application of Single Tax controls with respect to the land.

Land Transactions

While I feel sure you find these comparisons as interesting as did I, there are other matters that must be reported to you.

In 1948 there was a further reduction in the number of transfers, 88 as compared with 116 in 1947. This reflects, in large part, buyer resistance to high prices placed on the improvements offered for sale. Another factor is that fewer places are being listed for sale. Both reflect a desirable stabilization influence.

Eight of the transferred sites had no building improvements. On one of these a home has been built and owner occupied. Three of the remaining transferees have buildings under construction and three secured the transfers so they might add the transferred land to their adjacent leaseholds on which they already have buildings. The one remaining is leased to one of those before reported as having a building under construction.

Four of the transferred leaseholds involved new buildings built for the market by the transferors. In many other cases the new owners have made substantial building improvements. These and the new buildings before referred to will be reflected in 1949 assessments, together with some twenty or more new buildings on older leaseholds.

New Applications

During the year eight applications were approved. Two are already occupying the new residences completed within the year, and three have new homes well under way. There would no doubt have been more of these had we had more sites available where public utilities were readily accessible. Pipe for extension of essential water service is still difficult for the Town to secure and this lack constitutes a major hindrance to building development.

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FINANCIAL STATEMENT

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FAIRHOPE, ALABAMA

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In town the utility value of our business streets was greatly increased by providing new and wider sidewalks and by removing the concrete curbs and surfacing the heretofore unsurfaced areas between curb and sidewalk. These improvements added to the parking space available and increased the width of the traffic lanes. The result is the elimination of a considerable source of dust and more room for both parking and traffic. Sidewalks on the east side of Section Street were resurfaced and black top sidewalks provided on Fels Avenue from Church Street west to Short Street on the north side and west to existing concrete sidewalk just east of Bay View Street on the south side. The Colony, with other land owners, cooperated with the Town and State in securing the widening of the surfaced area of Section St., and Fels Ave., where traversed by State Highway 89, the Colony's share being about \$1,500.00.

MEMBERSHIP

We were saddened by the loss of one local member during the year. Lawrence Winberg died Feb. 26. He had been in poor health for some time. During his active life as a member he was always very attentive to the Colony's interest but never held office. It is a pleasure to report the addition to our roll of two grandsons of former members. On May 5 the Council approved the application of Ronald B. Mershon, grandson of Nathaniel Mershon and R. Lucier Rockwell, grandson of Franklin Rockwell. Ronald's grandfather qualified for membership in the Fairhope Industrial Association in February 1896. Lucier's grandfather became a member of our corporation April 7, 1913. A third new member was added to our roll when the council approved the application of visiting

singletaxer, Lucian T. Wilcox, of Cedar Rapids, Iowa, Dec. 15. For the present members Mershon and Wilcox have to be non-resident members. It is hoped that time will remedy this status and the Colony may profit by the closer relationship it has with its resident members.

SINGLE TAX CLASSES

In November a much needed service received its initiation. Member R. L. Rockwell announced his intention to conduct classes in the study of the fundamental economics of Henry George and his single tax proposal for their adaptation. After a study of the class material used in other schools he decided to use the method of George L. Rusby and Dr. Elizabeth E. Bowen as presented in their book, Economics Simplified. Interest resulting from the announcement sent out the first of this month is encouraging. The first class got under way Friday night, January 13 and enrollment in it is complete. Another class is in prospect for another night in the week. It is particularly desired that our younger lessees and citizens will be interested and that they will become qualified for membership in our corporation.

CONCLUSION

We feel that the progress made in the past year should give general satisfaction and provide inspiration to greater achievement in the future. Surely we have every right to feel grateful for the heritage left us by the founders, who had the courage to found Fairhope in a section that was strange to them and that held many physical disadvantages. Our necessity is to keep in mind that the results could not have been accomplished without the fundamental principles contained in the Colony constitution and that we must fail if we ever falter in their continued application.

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Interest Library Investments	152.50
Town Warrants Paid	10,000.00
Membership Fee	100.00
Miscellaneous Receipts	165.95
Refunds of Lessees Taxes	229.26
Total Receipts	\$73,688.50
Cash on hand. Jan. 1st 1949	19,624.32
	\$93,312.83

DISBURSEMENTS

Taxes for Lessees	\$29,525.59
Taxes on Corporation Land and Property	6,008.35
Corporation Income Taxes	309.79
Social Security Taxes	57.59
Salaries	7,048.93
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Lands, Highways and Property Expense	24,038.16
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Town Warrants Paid	10,000.00
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Taxes paid for lessees reflect a considerable increase in the assessed value of their improvements and personal property. The amount \$29,525.59 is an increase of nine and two-fifths per cent over what this item cost the Colony in 1948, and sixty-seven and one-fourth per cent more than it cost in 1940. Quite a factor was the considerable number of lessees' new cars on which maximum taxes had to be paid. Car and truck taxes paid for lessees accounted for \$2,362.10 poll taxes for \$109.48. As a general thing rent increases more rapidly than do taxes which is a characteristic of its greater efficiency as a source of public revenue. Happily income taxes show a great reduction due to the fact the Colony was able to spend so much more in the interest of its lessees.

ASSESSED VALUATIONS

In 1949 the assessed valuation of the Colony land and of the improvements and personal property of its lessees, not including cars and trucks, amounted to \$1,100,750.00. If we add to this the assessed value of stocks and fixtures of business tenants of our lessees the total is \$1,191,780.00. These figures do not include the assessed value of Bell Telephone Company property in the Town of Fairhope, \$39,517.00, though all the switchboard equipment and most of the distribution system and phones are on Colony land.

LAND TRANSACTIONS

Approved during the year were twelve new applications for land and ninety transfers. Two of the new applicants now have residences on their lots and one a new office and business equipment and materials. Others have started to build or hope to build this year. Sixteen of the transfers involved only parts of leaseholds. Many of the transferees of improved leaseholds have remodeled and improved their newly acquired properties. Transferees of unimproved land have built two new residences and one business building on the land secured.

STREET IMPROVEMENTS

In 1949 we made further progress on street improvements in Town and completed our first street surfacing project on our country land roads. Early in the year we completed one and one-half miles of surfacing on Morphy Avenue. This not only serves directly the country land lessees residing on Morphy Avenue, but gives a number more the use of an additional mile and one-half of surfaced road on their trips to Town.

On agreement of the Colony and private land owners involved to pay the County's share of the cost of a Farm to Market road the County Commissioners have agreed to proceed this year with the surfacing of Fairhope Avenue two miles east from the Town limit at Greeno Road and to carry the improvement north one and one-half miles to the Robertsedale road. The Colony owns all the land on the south side of Fairhope Avenue and for three-quarters of a mile on the north

rental charges for the occupancy of the land increased. The higher rent made it too expensive to hold the land for garden and orchard and these gave way to those who wanted residences on the land.

This apparently natural and desirable process of community development was not achieved by bureaucratic planning or zoning authorities. There was no limitation on the size of leaseholds or their use. The regulating factor has been the public collection by the Colony of the publicly created rental value of its lands.

It becomes more and more apparent that it is the Colony's application of this sound democratic public revenue policy that is responsible for producing the wholesome growth on Colony land in Fairhope. As land is needed for business the rent becomes too high to use it for residence purposes. Likewise rentals become too high to use the land for gardens and orchards when it is needed for residences.

UNLEASED LAND

We do still have a considerable area of unleased land that can be made available for residence use. The land that has been put to inadequate use as a golf course is being deeded back to the Colony in accordance with the terms of the deed given by the Colony. Plans are under way for the subdivision of this land, and during the present year a number of residence lots should become available in that section.

Also we have several blocks with frontage on Orange St., east of Pomelo St., in the Magnolia Beach section. If war conditions do not prevent the extension of utility services to these lands it should be possible to make them available this year. We still have other lands that can be brought into use as demand develops, and utility extensions are easier to accomplish.

We cannot make the same promise to those who may want land in the country. All of the Colony's country land is leased and there appears little prospect of enlarging our country land holdings. It is true however, that some of our country land lessees are not putting their land to its fullest use. Increasing demand will result in higher rents and use of country land will tend toward more intensive development

just as it has in town.

POPULATION INCREASE

Fairhope's 1950 population, as furnished by the Federal Census Bureau was 3,359. Fairhope is now listed as a city since Alabama statutes class as cities communities having a population of over 2500. Our growth for the decade was eighty-two percent, the 1940 census having shown a population of 1,845.

In spite of the fact that the Colony owns only one-fifth of the land within the boundaries of the City of Fairhope it appears that the number of residents on Colony land is maintaining its relative majority. Estimates based on utility services, assessed values of improvements and a census made from the Colony office by telephone indicate that almost two-thirds of the population is on Colony land.

LESSEES AND LEASEHOLDS

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The 1950 records of the City of Fairhope show that the deeded lands, four-fifths of the area of the City, were assessed by 585 owners. For purposes of assessment these lands were divided into 728 separate parcels and improvements are listed on only 359.

The Colony's country lands were leased to 88 individual lessees who held 98 separate leaseholds. Eighty-three leaseholds were occupied by taxable improvements. In the Magnolia Beach section but outside the City limits there were 15 lessees holding 15 leaseholds and on 11 there were taxable improvements.

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1950 Report Fairhope Single Tax Corp.

Fairhope, Alabama

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Royalty, Sand Clay	522.00
Tax Refunds, Lessees' Taxes	85.20
	<u>\$65,134.84</u>
Cash on Hand Jan- uary 1, 1950	6,950.70
	<u>72,085.54</u>

DISBURSEMENTS

Taxes for Lessees: State and County	\$16,553.34
City of Fairhope	11,240.20
Car and Truck Taxes	2,534.88
Poll Taxes	70.00
Taxes on Corporation Land and Property: State and County	3,866.97
City of Fairhope	2,210.79
Corporation Income Taxes	84.58
Social Security Taxes	80.72
Salaries	6,726.72
Corporation Office and Business Expense	1,139.96
Lands, Highways and Property Expense	10,915.26
Library and Cemetery Maintenance	1,460.00
Interest Transferred to Library	128.75
Civic Contributions	373.00
Investment for Library Certificate Baldwin County Savings and Loan Ass'n	1,000.00
Refund, Imps. on Sur- rendered Lot	50.00
	<u>58,449.17</u>
Cash on Hand Decem- ber 31, 1950	13,636.37
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Mr. President and fellow members: Surely you are gratified to find your corporation in the sound financial status indicated by the

treasurer's report and the report of the auditor, Marian Bluthardt. No doubt you will be quite as interested in figures showing that others have confidence in the soundness of the Colony. This is evidenced by the large number of transactions involving Colony leaseholds.

LAND TRANSACTIONS

Eleven applications for land were approved during the year. One is a lessee who had sold his home to another lessee who had sold her home. Now on his new leasehold he has a new home that is almost ready for occupancy. Three of the applicants spend their summers in the north and have just returned. They hope to start building this winter if war conditions will permit. One, finding an opportunity to buy a developed property, surrendered his lease within the year.

There were more lease transfers this year than for any other year in the history of the Colony. There were 101. In four cases the leasehold was transferred and retransferred within the year. Thirteen of the lessees who sold made new purchases from other lessees within the year, and four were numbered among the applicants for new leaseholds.

The sellers of forty-eight of the transferred leaseholds are still Colony lessees. Many sold only a portion of their holdings while the others bought new properties on Colony land or were applicants for new leaseholds as reported. Four of the transfers were made by the administrators of the estates of deceased lessees. In twenty-four of the transfers the seller was either a non-resident or had to move because of employment conditions.

STREET IMPROVEMENTS

With the extensive natural gas and sewer projects under construction on city streets it did not appear practical to add to the confusion with a city street and sidewalk program. Consequently no such work was undertaken during the year. The Colony did, however, participate in securing the hard surfacing of three and three-quarters

miles of country roads. The Colony owns all of the land on one side of the newly improved roads and for one and one-half miles it owns the land on both sides. We are much indebted to our County Commissioners and their engineer for the fine cooperation they gave in securing this valuable improvement. Without their cooperation the work could not have been accomplished for some years. The cost to the Colony was \$8,212.18. Our country lands now have ten and one-half miles of frontage on hard surfaced roads.

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Rents for 1951 will generally be the same as for 1950. Notable exceptions will be the rents on the country lands that are directly benefitted by the newly improved roads; and an increase in rentals on business sites on Section St. south of Fairhope Ave. The development of this street as the main highway through town and the growth of the residential sections in the southern part of town, are factors in increasing the demand for business sites on South Section St.

ASSESSED VALUES

The 1950 assessed values of the property of the Colony, its lessees and their tenants show an increase of 13.7 per cent over 1949. In the city these values increased from \$1,060,535.00 for 1949 to 1,206,535.00 for 1950. In the country the 1949 figure was \$137,245.00 and the 1950 value \$148,590.00.

In the city building values increased from \$702,220 to 734,540; personal property from \$215,425.00 to \$329,055.00. A considerable factor in the increase in the value of personal property was the value placed by the State Revenue Department on the shares of stock

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GROWTH PROSPECTS

While it is true the Colony has no unleased land where sites are most desired that is a quite natural result of our policy. That the most desirable lands and those of highest utility are the first to be occupied proves the efficiency of the Colony policy as a wholesome factor in community development. In 1900 the Colony had no unleased land on either side of Fairhope Ave., from the bay front to Section St., and beyond. This did not mean that the future growth of the community would have to be on other lands.

AN EXAMPLE

This fact can be well illustrated by a concrete example. The first Colony leasehold to be occupied comprised all the land in Block 12, Division 1, the block on the south side of Fairhope Ave., extending from Section St., on the east to Church St., on the west, containing two and one-half acres. This is now the most intensively developed business block in town. It is divided into sixteen separate leaseholds. On these are located twenty-four buildings, four of which are occupied as residences. In the others twenty-four separate businesses are

housed. They also furnish office space to a number of professional men.

In this one block you can have a cottage residence, a furnished apartment or a hotel room. You can buy your groceries, get clothes for the entire family and have them cleaned and pressed. You can do your banking and go to a movie. You can consult a doctor and get his prescription filled at the corner drug store, or you can have your dental needs attended to. You can have the services of a barber shop or beauty parlor. You can attend to your business with the Colony and you can get the service of a realtor to buy or sell property for you. If you need a lawyer there are several with offices in the block. If you want a meal or light refreshment, liquid or solid, you may get it in a place of your choice in this block. You can buy feed and seed, hardware and furniture. You can buy flowers for every occasion, sports equipment and sports wear. You can have your watch repaired and buy jewelry, toiletry, school and office supplies, practically anything you may need or want. You can also patronize the oldest business in the block by subscribing for the local paper or placing an order for job printing. Thus has this block developed to meet the business needs of the community.

BLOCK 12 IN 1895

The first lessee moved his family into the crude unfinished structure that was to be their home in the latter days of January, 1895. That he contemplated a comparatively long term occupancy of the land as a sort of subsistence homestead is apparent. He cleared the entire two and one-half acres. He planted a garden and other crops and set out fruit trees and grape vines. He built a barn and a chicken house to house his live stock and poultry. Within a year the lessee was supplying much of his family's need for food from his leasehold, supplemented by fish and crabs from Mobile Bay.

The lessee soon found that he had been mistaken in his expectation that business would be established on the water front. The first store in the new community was located on the corner of the block across the street from his residence leasehold. Only for a few years was it profitable to occupy his land as a subsistence homestead. Business made

demand for the land that was in orchard and garden and the rent on the land started to climb from the \$5.75 the lessee had paid for its occupancy in 1896.

He met this situation by establishing a business for himself next door to his residence, and he transferred portions of his leasehold to others as demand for like use developed. After a few more years demands for business sites in this block and the increase in the rent on the land caused the lessee to sell his residence building for business use and get a home elsewhere.

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By 1906 transfers to others had reduced the leasehold still occupied by the first lessee to about one-fourth of an acre, one-tenth of what he had originally occupied. On this reduced leasehold he was then paying an annual rent of \$20.05. However the lessee, using only one-tenth of the land he had originally occupied, enjoyed an increased earning power as a result of the growth of the community. He was able to raise the standard of living of his family by his utilization of opportunities that had not existed when the community got its start.

Since the lessees' business was the publication of the local paper and the operation of a job printing shop, every business established on land he gave up brought new business to his shop. He made one further transfer that reduced his leasehold to a little less than one-fifth of an acre, but held his lease to that until his death in 1937.

Today three of that first lessees' children are employed on this reduced leasehold. There is not one whose income from such employment does not enable him to maintain for his family a higher standard of living than their father could provide by the application of his labor, and their's too, to the entire block of two and one-half acres. The 1950 Colony rent on this less than one-fifth of an acre was \$214.56 and on the two and one-half acres it was \$3,022.74.

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Other blocks in the business district have a like history. The same is true of many of the most highly developed residential blocks. In the beginning one lessee often held lease to the entire block. As demand for residence sites increased

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This apparently natural and desirable process of community development was not achieved by bureaucratic planning or zoning authorities. There was no limitation on the size of leaseholds or their use. The regulating factor has been the public collection by the Colony of the publicly created rental value of its lands.

It becomes more and more apparent that it is the Colony's application of this sound democratic public revenue policy that is responsible for producing the wholesome growth on Colony land in Fairhope. As land is needed for business the rent becomes too high to use it for residence purposes. Likewise rentals become too high to use the land for gardens and orchards when it is needed for residences.

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We do still have a considerable area of unleased land that can be made available for residence use. The land that has been put to inadequate use as a golf course is being deeded back to the Colony in accordance with the terms of the deed given by the Colony. Plans are under way for the subdivision of this land, and during the present year a number of residence lots should become available in that section.

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We cannot make the same promise to those who may want land in the country. All of the Colony's country land is leased and there appears little prospect of enlarging our country land holdings. It is true however, that some of our country land lessees are not putting their land to its fullest use. Increasing demand will result in higher rents and use of country land will tend toward more intensive development

just as it has in town.

POPULATION INCREASE

Fairhope's 1950 population, as furnished by the Federal Census Bureau was 3,359. Fairhope is now listed as a city since Alabama statutes class as cities communities having a population of over 2500. Our growth for the decade was eighty-two percent, the 1940 census having shown a population of 1,845.

In spite of the fact that the Colony owns only one-fifth of the land within the boundaries of the City of Fairhope it appears that the number of residents on Colony land is maintaining its relative majority. Estimates based on utility services, assessed values of improvements and a census made from the Colony office by telephone indicate that almost two-thirds of the population is on Colony land.

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The 1950 records of the City of Fairhope show that the deeded lands, four-fifths of the area of the City, were assessed by 585 owners. For purposes of assessment these lands were divided into 728 separate parcels and improvements are listed on only 359.

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1950 Report Fairhope Single Tax Corp.

Fairhope, Alabama

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1950

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Rent	\$61,991.39
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Paid for Town Bond No. 42 (Library)	1,000.00
Membership Fee	100.00
Royalty, Sand Clay	522.00
Tax Refunds, Lessees' Taxes	85.20
	<u>\$65,134.84</u>
Cash on Hand Jan- uary 1, 1950	6,950.70
	<u>72,085.54</u>

DISBURSEMENTS

Taxes for Lessees:	
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City of Fairhope	11,240.20
Car and Truck Taxes	2,534.88
Poll Taxes	70.00
Taxes on Corporation Land and Property:	
State and County	3,866.97
City of Fairhope	2,210.79
Corporation Income Taxes	84.58
Social Security Taxes	80.72
Salaries	6,726.72
Corporation Office and Business Expense	1,139.96
Lands, Highways and Property Expense	10,915.26
Library and Cemetery Maintenance	1,460.00
Interest Transferred to Library	128.75
Civic Contributions	373.00
Investment for Library Certificate Baldwin County Savings and Loan Ass'n	1,000.00
Refund, Imps. on Sur- rendered Lot	50.00
	<u>58,449.17</u>
Cash on Hand Decem- ber 31, 1950	13,636.37
	<u>\$72,085.54</u>

SECRETARY'S REPORT

Mr. President and fellow members: Surely you are gratified to find your corporation in the sound financial status indicated by the

treasurer's report and the report of the auditor, Marian Bluthardt. No doubt you will be quite as interested in figures showing that others have confidence in the soundness of the Colony. This is evidenced by the large number of transactions involving Colony leaseholds.

LAND TRANSACTIONS

Eleven applications for land were approved during the year. One is a lessee who had sold his home to another lessee who had sold her home. Now on his new leasehold he has a new home that is almost ready for occupancy. Three of the applicants spend their summers in the north and have just returned. They hope to start building this winter if war conditions will permit. One, finding an opportunity to buy a developed property, surrendered his lease within the year.

There were more lease transfers this year than for any other year in the history of the Colony. There were 101. In four cases the leasehold was transferred and retransferred within the year. Thirteen of the lessees who sold made new purchases from other lessees within the year, and four were numbered among the applicants for new leaseholds.

The sellers of forty-eight of the transferred leaseholds are still Colony lessees. Many sold only a portion of their holdings while the others bought new properties on Colony land or were applicants for new leaseholds as reported. Four of the transfers were made by the administrators of the estates of deceased lessees. In twenty-four of the transfers the seller was either a non-resident or had to move because of employment conditions.

STREET IMPROVEMENTS

With the extensive natural gas and sewer projects under construction on city streets it did not appear practical to add to the confusion with a city street and sidewalk program. Consequently no such work was undertaken during the year. The Colony did, however, participate in securing the hard surfacing of three and three-quarters

miles of country roads. The Colony owns all of the land on one side of the newly improved roads and for one and one-half miles it owns the land on both sides. We are much indebted to our County Commissioners and their engineer for the fine cooperation they gave in securing this valuable improvement. Without their cooperation the work could not have been accomplished for some years. The cost to the Colony was \$8,212.18. Our country lands now have ten and one-half miles of frontage on hard surfaced roads.

RENTS

Rent charges for 1950 on leased land amounted to \$63,437.03 as compared to 1949's \$60,710.30. Collection of the current year's rent was quite good. Our records show that more than ninety-five per cent of the 1950 rent was collected by the end of the year. However we did not do as well as in 1949 in the collection of delinquent accounts. Of the Colony's eight hundred leasehold accounts, as of the close of the year, all but forty-nine were paid in full. Of these twenty-six owed less than one year's rent and ten, owed only the 1950 rent.

Rents for 1951 will generally be the same as for 1950. Notable exceptions will be the rents on the country lands that are directly benefitted by the newly improved roads; and an increase in rentals on business sites on Section St. south of Fairhope Ave. The development of this street as the main highway through town and the growth of the residential sections in the southern part of town, are factors in increasing the demand for business sites on South Section St.

ASSESSED VALUES

The 1950 assessed values of the property of the Colony, its lessees and their tenants show an increase of 13.7 per cent over 1949. In the city these values increased from \$1,060,535.00 for 1949 to 1,206,535.00 for 1950. In the country the 1949 figure was \$137,245.00 and the 1950 value \$148,590.00.

In the city building values increased from \$702,220 to 734,540; personal property from \$215,425.00 to \$329,055.00. A considerable factor in the increase in the value of personal property was the value placed by the State Revenue Department on the shares of stock

of our corporation lessees. Receipts for taxes paid on shares of stock are not receivable by the Colony treasurer for credit on rent as are receipts for taxes paid on improvements, automobiles, other personal property and poll taxes. In the country the assessed value of buildings increased from \$64,920.00 to \$68,490.00 and personal property from \$26,565.00 to \$40,400.00. Here factors figuring in the increase in personal property value were farmer's purchases of new farm tractors and an increase by the Revenue Department in the assessed value of dairy cattle.

The Bell Telephone Co., assessment in the city, \$58,028.00 is largely on property located on Colony land or on streets through Colony land but since it cannot be separated it is not shown in the above amounts. All of the switchboard equipment is housed on Colony land as is the company's business office and supply warehouse. Certainly the number of Colony lessee subscribers is much greater than is the number of subscribers off of Colony land.

GROWTH PROSPECTS

While it is true the Colony has no unleased land where sites are most desired that is a quite natural result of our policy. That the most desirable lands and those of highest utility are the first to be occupied proves the efficiency of the Colony policy as a wholesome factor in community development. In 1900 the Colony had no unleased land on either side of Fairhope Ave., from the bay front to Section St., and beyond. This did not mean that the future growth of the community would have to be on other lands.

AN EXAMPLE

This fact can be well illustrated by a concrete example. The first Colony leasehold to be occupied comprised all the land in Block 12, Division 1, the block on the south side of Fairhope Ave., extending from Section St., on the east to Church St., on the west, containing two and one-half acres. This is now the most intensively developed business block in town. It is divided into sixteen separate leaseholds. On these are located twenty-four buildings, four of which are occupied as residences. In the others twenty-four separate businesses are

housed. They also furnish office space to a number of professional men.

In this one block you can have a cottage residence, a furnished apartment or a hotel room. You can buy your groceries, get clothes for the entire family and have them cleaned and pressed. You can do your banking and go to a movie. You can consult a doctor and get his prescription filled at the corner drug store, or you can have your dental needs attended to. You can have the services of a barber shop or beauty parlor. You can attend to your business with the Colony and you can get the service of a realtor to buy or sell property for you. If you need a lawyer there are several with offices in the block. If you want a meal or light refreshment, liquid or solid, you may get it in a place of your choice in this block. You can buy feed and seed, hardware and furniture. You can buy flowers for every occasion, sports equipment and sports wear. You can have your watch repaired and buy jewelry, toiletry, school and office supplies, practically anything you may need or want. You can also patronize the oldest business in the block by subscribing for the local paper or placing an order for job printing. Thus has this block developed to meet the business needs of the community.

BLOCK 12 IN 1895

The first lessee moved his family into the crude unfinished structure that was to be their home in the latter days of January, 1895. That he contemplated a comparatively long term occupancy of the land as a sort of subsistence homestead is apparent. He cleared the entire two and one-half acres. He planted a garden and other crops and set out fruit trees and grape vines. He built a barn and a chicken house to house his live stock and poultry. Within a year the lessee was supplying much of his family's need for food from his leasehold, supplemented by fish and crabs from Mobile Bay.

The lessee soon found that he had been mistaken in his expectation that business would be established on the water front. The first store in the new community was located on the corner of the block across the street from his residence leasehold. Only for a few years was it profitable to occupy his land as a subsistence homestead. Business made

demand for the land that was in orchard and garden and the rent on the land started to climb from the \$5.75 the lessee had paid for its occupancy in 1896.

He met this situation by establishing a business for himself next door to his residence, and he transferred portions of his leasehold to others as demand for like use developed. After a few more years demands for business sites in this block and the increase in the rent on the land caused the lessee to sell his residence building for business use and get a home elsewhere.

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By 1906 transfers to others had reduced the leasehold still occupied by the first lessee to about one-fourth of an acre, one-tenth of what he had originally occupied. On this reduced leasehold he was then paying an annual rent of \$20.05. However the lessee, using only one-tenth of the land he had originally occupied, enjoyed an increased earning power as a result of the growth of the community. He was able to raise the standard of living of his family by his utilization of opportunities that had not existed when the community got its start.

Since the lessees's business was the publication of the local paper and the operation of a job printing shop, every business established on land he gave up brought new business to his shop. He made one further transfer that reduced his leasehold to a little less than one-fifth of an acre, but held his lease to that until his death in 1937.

Today three of that first lessees's children are employed on this reduced leasehold. There is not one whose income from such employment does not enable him to maintain for his family a higher standard of living than their father could provide by the application of his labor, and their's too, to the entire block of two and one-half acres. The 1950 Colony rent on this less than one-fifth of an acre was \$214.56 and on the two and one-half acres it was \$3,022.74.

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Taxes	85.20
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Taxes on Corporation	
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By 1906 transfers to others had reduced the leasehold still occupied by the first lessee to about one-fourth of an acre, one-tenth of what he had originally occupied. On this reduced leasehold he was then paying an annual rent of \$20.05. However the lessee, using only one-tenth of the land he had originally occupied, enjoyed an increased earning power as a result of the growth of the community. He was able to raise the standard of living of his family by his utilization of opportunities that had not existed when the community got its start.

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BLOCK 12 NO EXCEPTION

Other blocks in the business district have a like history. The same is true of many of the most highly developed residential blocks. In the beginning one lessee often held lease to the entire block. As demand for residence sites increased

W. Snell widower of Alice Christopher Snell fills her place on our roll, and Marvin Nichols, son of Paul Nichols fills the place his death made vacant. Alexis C. Fern who came to us recently from New Jersey, where he was numbered among the singletaxers and devoted his life to work in the field of liberal education is a new member. Henry W. Rowe whose business activities here have made him aware of the need for continuing the Colony's influence in Fairhope, has added his effort to keep the ball rolling. Lillian B. Totten, a longtime resident lessee who has raised her family of children on Colony land joined so she might more closely cooperate with us in our effort. Daphne B. Anderson, sister of our fellow member R.

H. Brown, and daughter of Frank L. Brown and Minnie Brown, who until their death were numbered among the Colony's most valued members, has come to help us work for the goal for which her parents worked so ardently.

It must be our hope that an ever increasing number, inspired with the Colony's importance, and with a desire to contribute their measure of service, will follow these. There is a need for more opportunity to attend study classes where local people can acquaint themselves fully with the fundamental principles for which we stand. From those who make the study and accept the principles we should be able to keep adequately supplied with members.

1951 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT 1951

RECEIPTS

Rent	\$63,107.68
Penalties	320.42
Lease Fees	96.00
Sales, Improvements, etc	502.00
Interest on Sales of Improvements	4.57
Interest on Library Investments	80.00
Sale of Town Warrants	5,000.00
Membership Fees	300.00
Sale of Office Equipment	25.00
Refund, Lessees's Taxes	31.00
Interest on Corporation Investments	296.25
	<hr/>
	69,762.92
Cash on Hand Jan. 1, 1951	13,636.37
	<hr/>
	\$83,399.29

DISBURSEMENTS

Taxes for Lessees:	
State, County & City	\$28,469.25
Car & Truck Taxes	2,816.57
Poll Taxes	109.85
Taxes on Corporation Land & Property	6,038.33
Social Security Taxes	77.72
Salaries	6,686.61
Corporation Office & Business Expense	1,317.89
Lands, Highways & Property Expense	2,870.45
Library Maintenance and Improvement	6,190.95
Interest Transferred to Library	80.00
Cemetery Maintenance	300.00
Civic Contributions	3,075.00
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SECRETARY'S REPORT

Mr. President and fellow members: The past year has seen activity in all departments that we feel sure you will find of interest. The financial statement prepared for you by our treasurer reveals that your Colony corporation has had another quite successful year. Its accuracy has been verified by an audit of the treasurer's books and records. For your better understanding the following comments and comparisons are made:

FINANCIAL STATEMENT COMMENTS

Rent receipts show an increase over 1950 of \$1,116.91. Reflected in the total is the collection of ninety-two and one half percent of the 1951 rent charges, and the collection of \$3,411.10 in rents due from charges made prior to 1951. In this latter we did better than last year and are pleased to report that only about \$1,500.00 remains to be collected.

While the Colony's most important function is its levy and collection of the publicly created ground rent, what it does with the funds collected holds much attraction for all who live in Fairhope. In 1951, \$31,395.67 was used to pay individual taxes levied against the Colony's lessees. These were taxes on their homes and household furnishings, their business buildings, stocks of merchandise and fixtures, their farm buildings, live stock and farm machinery, on their cars and trucks, and poll taxes.

Possibly of more general interest is what the Colony does with what it has left after the payment of taxes and expenses. Our largest expenditure was on the public library building. A large new room was added, modern gas heat-

ing fixtures installed, the old building reroofed and other improvements. These have added greatly to the utility and efficiency of this valuable cultural institution and to the ease and comfort both of librarians and patrons.

Another notable increase in expenditures is found in our civic contributions. The main item in the increase is a \$2,500.00 contribution to the Organic School. This action was in response to an appeal to join with local businesses and individuals in financing a revitalization program for this institution that has contributed much to the cultural life of Fairhope. It is hoped the program will accomplish a more secure basis for the continuance of the school and the improvement of its facilities. Much has already been accomplished.

The amount spent in the department of lands and highways is distinguished this year by its reduction from former recent years. The only item worthy of mention is the widening of the surfacing on Fairhope Avenue running east from Bancroft St., one block to School St. This improvement is of considerable service to the traffic attracted by the Schermer pecan processing plant and produce shipping facilities on the north side and the Organic School and Comings Hall on the south side. The improvement was secured on most economical terms due to action of the City Council directing that the preparation work be done by the City's street force at City expense.

LAND TRANSACTIONS

Fifteen applications for unimproved lots were approved and leases previously issued to eight unimproved lots were either surrendered or forfeited. Six of the applications were for land that had previously been so surrendered or forfeited. A not too thorough survey brings to mind twenty-four new residence and business buildings that were completed or on which construction started during the year. These do not represent all the new construction on Colony land. There were a number

of new garages added on residence leaseholds, barns and machinery sheds on farms and extensive remodeling activity.

Ninety-one lessees' transfers were approved. In twenty-one there was no financial consideration. Some of these were from the estates of deceased lessees to heirs, or family interchanges of title. Others involved unimproved land where the lessee desired to reduce the size of his holding or the annual rent charge on his holding. Seven of the transfers involved leaseholds where there were no building improvements and the price paid was for clearing, fencing, trees, etc. The consideration in these totaled \$3,018.00.

In the remaining sixty-three where there were buildings to be purchased the return to the owners was reported to be \$293,777.00. The buildings ranged from small frame buildings in bad repair to modern new brick dwellings with all modern conveniences. The prices ranged from \$350.00 to \$18,000.00.

In passing on the transfer of the leaseholds it was the judgment of the council that in practically all cases the seller received not less than the full market value of his improvements. In some cases the purchaser paid cash in full, but in a number of others the trade was facilitated by a loan. Such loans were made by local individuals, the Bank of Fairhope, the Baldwin County Savings & Loan Association and Mobile banks. Three war veterans were aided in their purchases by direct loans from the Veterans Administration.

RENTS

Rent charges for 1951 amounted to \$64,552.27 as compared with \$63,437.03 charged in 1950. Most of the increase, about \$700.00, resulted from an increase in the rent on country lands served by the three and one-half miles of newly surfaced country roads completed in 1950.

Rents for 1952 remain as for 1951 except for the north frontage of the forty acre block north of Fairhope Ave., and east of Ingleside.

There the annual rent was increased by about seven cents per front foot to reflect the added value resulting from an extension of natural gas and sanitary sewer mains.

ASSESSED VALUES

The 1951 assessed values of lessees' property amounted to \$1,105,520 as compared with \$1,065,780 in 1950. The principle factor responsible for the increase was a \$53,380.00 increase in the valuation of buildings owned by city lessees. This figure reveals that Fairhope's growth is following the general pattern of increased urban development. The increase in building on country land is negligible.

With the addition of the Colony's land assessments, and the assessed value of property owned by tenants of colony lessees the total assessed value of such land and the improvements and personal property occupying it amounts to \$1,404,860 as compared with \$1,355,185 in 1950. In the City of Fairhope such assessed values amount to \$1,253,610. A preliminary figure from the county assessor gives the total assessed values in the City to be \$1,990,240 of which the Bell Telephone assessment accounts for \$50,840. By deducting this utility assessment for comparison it will be seen that the Colony and those who occupy its lands (only one-fifth of the total) account for almost two-thirds of the assessed values in the City of Fairhope.

OBSERVATIONS

There is much evidence of the continuing popularity of the Colony plan. A brief survey of the lands in the City of Fairhope will reveal many attractive but wholly undeveloped sites in the area where the land is not owned by the Colony. Such a survey will also show that there are very few such sites to be found where the Colony owns the land. However a check of the building permits issued by the City Clerk in 1951 shows sixty-six issued to Colony lessees and forty-seven to owners of deeded land. Of these forty-

seven eight were issued to a single owner.

In order to insure the continuance of this popularity two things are necessary. First care must be exercised in fixing the annual charges for the use of our land to see that they amount to the full annual rental value. If such value is charged and collected, presently unused or poorly used land will be forced into its full economic use. We have enough land in the city to support a considerably increased population should demand develop. With the increased employment opportunities now developing in this area such increased demand seems assured.

The other thing that must be done is to develop the most effective plans for the expenditure of the trust fund provided by the excess of rent receipts over and above the amount needed to pay taxes and operating expenses. Such plans should supply our lessees with public improvements and services in marked contrast to the improvements and services available in the non Colony sections of the community where our public revenue plan is not in force. In this way we can most effectively bring the superiority of our plan to public attention.

MEMBERSHIP

We greatly regret the loss of two of our resident members in 1951, and of a third early this month. The first to go was our truly pioneer Fairhoper, Mrs. Delia K. Bancroft, who died Sept. 11. Before that month was out, on the 29th, Mrs. Daphne L. E. Curtis followed. Both are interred in our Colony cemetery where they were laid to rest by husbands who preceded them by many years. Our latest bereavement, E. C. Wolcott, for many years our faithful treasurer, completed a long and useful life on the 11th of this month. All were full of years and we are grateful they shared so many with us.

In contrast to our sorrow in the loss of these is our pleasure in having acquired six new members. Two replace our previous loss of relatives removed from our ranks by death. Rev. Laird

deeded back to the Colony by the City and considerable work has been accomplished in planning for their development. Precedence is being given to the Magnolia Beach lands because it is believed demand is greater in that area and because it is believed the cost of providing access will not be as great due to the lesser drainage problems.

The work on the streets contracted for in 1952 has revealed a need for more advanced study and planning, and closer supervision. General plans for the work proved to be inadequate to local conditions and acceptance without careful study resulted in dissatisfactions involving additional expense.

During the past year Dr. Paul Alyea, professor of finance in the University of Alabama school of commerce, and Mrs. Alyea, began what promises to be a valuable project for our Colony and its cause. They have been making a detailed study of our Colony operations with a view to writing an historic account and an appraisal of the influence our application of the single tax principle has had on the results accomplished. The Colony office and the Fairhope Courier

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The 1952 Colony Officers were: M. Dyson, president, J. E. Gaston vice-president; C. A. Gaston, secretary; Fred Chapin Jr., treasurer and superintendent of finance and insurance; Axil Johnson, superintendent of land and highways; R. H. Brown, superintendent of public service; R. L. Rockwell, superintendent of industries; Mrs. M. Dyson, superintendent of public health and Trustees: M. A. Bowen, A. H. Mershon and J. O. Stimpson, Sr.

1952 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT 1952

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Rent	\$ 66,436.80
Penalty	420.68
Lease Bonuses	140.00
Oil Lease	7,418.35
Lease Fees	101.00
Membership Fee	100.00
Sales, Improve- ments, Etc.	820.87
Interest on Sales of Improvements	67.11
Interest on Corpora- tion Investments	150.00
Interest on Library Investments	87.50
Refund of Insurance Premium	14.00
	<u>75,756.31</u>
Cash on Hand Jan- uary 1, 1952	24,293.79
	<u>\$100,050.10</u>

DISBURSEMENTS:

Taxes Paid for Lessees:	
State, County & City \$	33,259.67
Car & Truck Taxes	2,750.68
Poll Taxes	176.13
Taxes on Corporation	
Land & Property	6,098.16
Social Security Tax	113.25
Federal Income Tax	1,593.04
State Income Tax	164.52
Salaries	8,412.15
Corp. Office and Business Expense	1,407.88
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Library Maintenance	1,720.00
Interest Transferred to Library	87.50
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Improvement Purchase	
Refund	45.00
Bonus Refund	25.00
	<u>80,527.39</u>
Cash on Hand De- cember 31, 1952	19,522.71
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Secretary's Report

Mr. President and fellow members: The financial statements of our treasurer, Fred Chapin Jr., and auditor, Public Accountant Marian Bluthardt evidence a continued growth of our Colony and an expansion of its services to its lessees and to the entire community of Fairhope. While the financial statement heretofore presented speaks for itself we believe a further analysis and some comparisons will interest you.

FINANCIAL STATEMENT COMMENTS

The statement indicates that the Colony has had a very active and successful year. Though our rent charges for 1952 were only a very little more than for 1951, the treasurer's collections exceeded those of 1951 by \$3,329.14. All but forty of our 850 rent accounts were paid in full at the close of the year, and the 1952 rent owed by the forty was only four per cent of the total. The rent collection figure includes the payment of \$4,470.96 in rent charges carried forward from prior years, an increase of more than \$1,000.00 over similar payments made in 1951.

As a result of the discovery of oil in the Pollard field to the northeast of us, in Escambia County, interest has again been directed to our area. An oil, gas and mineral lease to our country lands sold to Plymouth Oil Co., increased our land revenue receipts by \$7,418.35. Instead of only a few land owners profiting from such leases as is the case elsewhere, the entire community is benefitting from the lease rental paid to the Colony. It was this collection in part that made possible the extensive street improvement program now in pro-

cess on De La Mare and Church Sts., and on Magnolia Ave.

In addition to the greatly increased expenditure for lands, highways and property expense, disbursements were further increased in 1952 by fifty dollar increases in the monthly salaries of the treasurer and secretary and by increasing to five dollars the payment for council attendance at meetings. Also increased were the appropriations for the Library and Cemetery. Another expenditure item that showed a considerable increase was the payment of taxes against property belonging to our lessees, the increase amounting to \$4,790.91. There was not only an increase in the taxable property but some lessees brought in for credit tax receipts they had held for several years.

LAND TRANSACTIONS

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Eighty lessees' transfers were approved. Sixty-six of these involved sales of improvements and the reported considerations totaled \$358,555.00. Prices ranged from \$85.00 for the clearing and some trees on an otherwise unimproved lot, to \$30,000.00 for a 140 acre stocked and equipped dairy farm and orchard. Six of those who acquired by transfer lots without buildings have already built or are now building.

ASSESSED VALUES AND TAXES

In 1952 the assessed value of lessees' buildings in the City amounted to \$815,500, an increase of \$33,030 over 1951. In the country and outside the City limits lessees' buildings were assessed at \$71,840, an increase of \$2,250. The assessed value of lessees' personal property in the City was \$185,390 a decrease from 1951 of \$27,260.

The decrease was due in large part to a reduction in the value of shares of stock assessed to our corporation lessees. In the country and outside the City limits personal property belonging to lessees was assessed at \$39,180, an increase of \$2,900 over 1951.

In 1952 the Colony's land and personal property in the City was assessed at \$146,200, an increase of \$2,000 as a result of the City's transfer to the Colony of title to the lands formerly in the Municipal Golf Course. Colony lands in the country and outside the City Limits were assessed at \$39,760 the same as for 1951. In 1952 the City assessments of the personal property of lessees' tenants amounted to \$90,880, \$24,370 less than for 1951. Some of the decrease was due to a reduction in the assessed value of a tenant corporation's stock shares, part may have been due to claims for depreciation, but there may have been some escapes. There is difficulty in securing the assessment of the property of businesses that are not the owners of the real property they occupy.

A comparison with the assessed values of all property owners in Baldwin County, except property belonging to railroads and others classed as public utilities, will surely be of interest to you and to others. Figures obtained from the County Assessor's records show that the Colony and those who occupy its lands, a little less than four-tenths of one percent of Baldwin County's 1,040,000 acres account for only slightly less than five and nine-tenths per cent of the County's total assessed valuation in 1952. The assessed value of the Colony's land and of the buildings of its lessees amount to a little more than five and one-half per cent of the assessed value of all land and buildings in the County. Those who occupy Colony land show an assessed value of personal property amounting to slightly less than eight and seven-tenths per cent of the County's total of personal property assessments.

The County assessment records account for the assessments of incorporated companies as a separ-

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The assessed value of only the buildings belonging to individuals and unincorporated businesses occupying the Colony land accounts for four and seven-tenths per cent of the total in the County for both lands and buildings belonging to individuals and unincorporated owners. Of all the assessments of personal property in the County returned by individuals and unincorporated owners, such property belonging to those who occupy Colony land accounts for seven per cent.

Calculations based on the assessment figures herein reported show that Fairhope's Single Tax Colony corporation and those who occupy its lands, only twenty per cent of City lands, will pay sixty-one per cent of the 1952 taxes the City is due to collect. Tax revenues based on such calculations are as follows: City of Fairhope taxes \$18,569.55; School District taxes \$4,046.97; County taxes, \$15,513.39 and State taxes, \$6,668.00, for a total of \$44,797.91. Due to the fact that the Colony's lease contracts exempt it from liability for taxes levied on stock shares, on all property belonging to lessees' tenants and on taxes levied upon the properties of lessees that exceed the rent paid by the lessee on the land, the property tax liability of the Colony corporation is reduced to \$37,138.91.

RENTS

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A survey for a new street midway between Pecan and Orange Sts., is now being completed. This will make available twenty-four additional residence building lots on Colony owned land. By extending Orange St., East to Second Ave. the extension of Church St., fourteen more residence lots on Colony land will become accessible, and if Fig St., is opened from Pomelo St. East to Second Ave., it will make available eighteen lots on Colony land. These lots can be provided with access to the sanitary sewer by extensions of existing lines. It appears that such extensions may have to be provided by the Colony and cost will be a factor in determining how far we can go.

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1952 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT

1952

RECEIPTS

Rent	\$ 66,436.80
Penalty	420.68
Lease Bonuses	140.00
Oil Lease	7,418.35
Lease Fees	101.00
Membership Fee	100.00
Sales, Improve- ments, Etc.	820.87
Interest on Sales of Improvements	67.11
Interest on Corpora- tion Investments	150.00
Interest on Library Investments	87.50
Refund of Insurance Premium	14.00
	<u>75,756.31</u>
Cash on Hand Jan- uary 1, 1952	24,293.79
	<u>\$100,050.10</u>

DISBURSEMENTS:

Taxes Paid for Lessees:	
State, County & City \$	33,259.67
Car & Truck Taxes	2,750.68
Poll Taxes	176.13
Taxes on Corporation	
Land & Property	6,098.16
Social Security Tax	113.25
Federal Income Tax	1,593.04
State Income Tax	164.52
Salaries	8,412.15
Corp. Office and Business Expense	1,407.88
Lands, Highways and Property Expense	21,880.60
Library Maintenance	1,720.00
Interest Transferred to Library	87.50
Cemetery Maintenance	400.00
Civic Contributions	2,310.00
Rent Refunds	83.81
Improvement Purchase Refund	45.00
Bonus Refund	25.00
	<u>80,527.39</u>
Cash on Hand De- cember 31, 1952	19,522.71
	<u>\$100,050.10</u>

Secretary's Report

Mr. President and fellow members: The financial statements of our treasurer, Fred Chapin Jr., and auditor, Public Accountant Marian Bluthardt evidence a continued growth of our Colony and an expansion of its services to its lessees and to the entire community of Fairhope. While the financial statement heretofore presented speaks for itself we believe a further analysis and some comparisons will interest you.

FINANCIAL STATEMENT COMMENTS

The statement indicates that the Colony has had a very active and successful year. Though our rent charges for 1952 were only a very little more than for 1951, the treasurer's collections exceeded those of 1951 by \$3,329.14. All but forty of our 850 rent accounts were paid in full at the close of the year, and the 1952 rent owed by the forty was only four per cent of the total. The rent collection figure includes the payment of \$4,470.96 in rent charges carried forward from prior years, an increase of more than \$1,000.00 over similar payments made in 1951.

As a result of the discovery of oil in the Pollard field to the north-east of us, in Escambia County, interest has again been directed to our area. An oil, gas and mineral lease to our country lands sold to Plymouth Oil Co., increased our land revenue receipts by \$7,418.35. Instead of only a few land owners profiting from such leases as is the case elsewhere, the entire community is benefitting from the lease rental paid to the Colony. It was this collection in part that made possible the extensive street improvement program now in pro-

cess on De La Mare and Church Sts., and on Magnolia Ave.

In addition to the greatly increased expenditure for lands, highways and property expense, disbursements were further increased in 1952 by fifty dollar increases in the monthly salaries of the treasurer and secretary and by increasing to five dollars the payment for council attendance at meetings. Also increased were the appropriations for the Library and Cemetery. Another expenditure item that showed a considerable increase was the payment of taxes against property belonging to our lessees, the increase amounting to \$4,790.91. There was not only an increase in the taxable property but some lessees brought in for credit tax receipts they had held for several years.

LAND TRANSACTIONS

Eighteen applications for unimproved lots were approved during the year, and on five building construction has been started. Two surrenders of lots leased the previous year were accepted. Both were subsequently leased to others during the year. One surrender was due to the lessee moving elsewhere and the other was due to a call to the armed services.

Eighty lessees' transfers were approved. Sixty-six of these involved sales of improvements and the reported considerations totaled \$358,555.00. Prices ranged from \$85.00 for the clearing and some trees on an otherwise unimproved lot, to \$30,000.00 for a 140 acre stocked and equipped dairy farm and orchard. Six of those who acquired by transfer lots without buildings have already built or are now building.

ASSESSED VALUES AND TAXES

In 1952 the assessed value of lessees' buildings in the City amounted to \$815,500, an increase of \$33,030 over 1951. In the country and outside the City limits lessees' buildings were assessed at \$71,840, an increase of \$2,250. The assessed value of lessees' personal property in the City was \$185,390 a decrease from 1951 of \$27,260.

The decrease was due in large part to a reduction in the value of shares of stock assessed to our corporation lessees. In the country and outside the City limits personal property belonging to lessees was assessed at \$39,180, an increase of \$2,900 over 1951.

In 1952 the Colony's land and personal property in the City was assessed at \$146,200, an increase of \$2,000 as a result of the City's transfer to the Colony of title to the lands formerly in the Municipal Golf Course. Colony lands in the country and outside the City Limits were assessed at \$39,760 the same as for 1951. In 1952 the City assessments of the personal property of lessees' tenants amounted to \$90,880, \$24,370 less than for 1951. Some of the decrease was due to a reduction in the assessed value of a tenant corporation's stock shares, part may have been due to claims for depreciation, but there may have been some escapes. There is difficulty in securing the assessment of the property of businesses that are not the owners of the real property they occupy.

A comparison with the assessed values of all property owners in Baldwin County, except property belonging to railroads and others classed as public utilities, will surely be of interest to you and to others. Figures obtained from the County Assessor's records show that the Colony and those who occupy its lands, a little less than four-tenths of one percent of Baldwin County's 1,040,000 acres account for only slightly less than five and nine-tenths per cent of the County's total assessed valuation in 1952. The assessed value of the Colony's land and of the buildings of its lessees amount to a little more than five and one-half per cent of the assessed value of all land and buildings in the County. Those who occupy Colony land show an assessed value of personal property amounting to slightly less than eight and seven-tenths per cent of the County's total of personal property assessments.

The County assessment records account for the assessments of incorporated companies as a separ-

ate group. The assessed values shown by the Colony corporation on its land and the assessed values of buildings returned by the incorporated companies on its lands amount to a fraction more than twenty-five and three-tenths per cent of all lands and buildings belonging to Baldwin's incorporated companies, and such Colony companies assess personal property amounting to slightly less than fourteen and six-tenths per cent of the total of such assessments.

The assessed value of only the buildings belonging to individuals and unincorporated businesses occupying the Colony land accounts for four and seven-tenths per cent of the total in the County for both lands and buildings belonging to individuals and unincorporated owners. Of all the assessments of personal property in the County returned by individuals and unincorporated owners, such property belonging to those who occupy Colony land accounts for seven per cent.

Calculations based on the assessment figures herein reported show that Fairhope's Single Tax Colony corporation and those who occupy its lands, only twenty per cent of City lands, will pay sixty-one per cent of the 1952 taxes the City is due to collect. Tax revenues based on such calculations are as follows: City of Fairhope taxes \$18,569.55; School District taxes \$4,046.97; County taxes, \$15,513.39 and State taxes, \$6,668.00, for a total of \$44,797.91. Due to the fact that the Colony's lease contracts exempt it from liability for taxes levied on stock shares, on all property belonging to lessees' tenants and on taxes levied upon the properties of lessees that exceed the rent paid by the lessee on the land, the property tax liability of the Colony corporation is reduced to \$37,138.91.

RENTS

Rent charges for 1952 were \$64,880.23, only a few hundred more than for 1951. There will be some increases in 1953 rents as a result of the council action reported in the council proceedings of November 20. In addition to increas-

es on the newly improved streets the council's survey of existing rents indicated a need for adjustments elsewhere that will account for some of the 1953 increases. The 1952 rent charge was distributed as follows: city lands, \$56,480.57; country lands and other lands outside the City, \$8,399.76.

MEMBERSHIP

Death brought two membership losses in 1952. In addition to E. C. Wolcott whose death occurred prior to and was reported in our 1952 report, we suffered the loss of A. O. Berglin in April. Mr. Berglin's membership in our corporation dates back to 1922 but his usefulness to the community and to our cause dates back to the earliest years of the century when he first arrived in Fairhope. For many years Mr. Berglin served on the Colony's executive council. No new members were added in 1952.

OBSERVATIONS

As should be the case where the single tax principle is applied our most desirable and accessible Colony lands are leased and, with few exceptions, occupied and suitably used. To take care of the continued and increasing demand for land for use we must provide suitable access and utility service to our remaining unleased lands. Some progress was made in this direction during the past year.

A survey for a new street midway between Pecan and Orange Sts., is now being completed. This will make available twenty-four additional residence building lots on Colony owned land. By extending Orange St., East to Second Ave. the extension of Church St., fourteen more residence lots on Colony land will become accessible, and if Fig St., is opened from Pomelo St. East to Second Ave., it will make available eighteen lots on Colony land. These lots can be provided with access to the sanitary sewer by extensions of existing lines. It appears that such extensions may have to be provided by the Colony and cost will be a factor in determining how far we can go.

The Golf Course lands have been

deeded back to the Colony by the City and considerable work has been accomplished in planning for their development. Precedence is being given to the Magnolia Beach lands because it is believed demand is greater in that area and because it is believed the cost of providing access will not be as great due to the lesser drainage problems.

The work on the streets contracted for in 1952 has revealed a need for more advanced study and planning, and closer supervision. General plans for the work proved to be inadequate to local conditions and acceptance without careful study resulted in dissatisfactions involving additional expense.

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The Golf Course lands have been

eral deposits under the surface of our land. The provisions of the lease permit the lessee to extend the lease from year to year for ten years without drilling, by payment of the annual rental charge of \$1.00 per acre. Failure to make payment automatically causes forfeiture of the lease unless drilling is in process or production established.

MEMBERSHIP

Since our last meeting death has claimed three of our members. First to go was our board member, M. A. Bowen who served as trustee from November 1931 continuously until his death, July 29, 1953. Second was W. G. McConnel whose death occurred Nov. 21, 1952 at Meriden, Conn., where he and Mrs. McConnel have made their home for some years. Third was V. M. Reynolds who died at his home in Mobile the 5th of this month. We are grateful for the services of all and regret their passing.

We are happy to report that Mrs. Caroline Ann McConnel and Mrs. Lenore M. Wolcott have had transferred to them the certificates of their recently deceased husbands and that a new member, Oliver M. Rockwell has come in to replace one of our losses. The latter is a son of R. L. Rockwell, a long-time member of our executive council. We need more of such young members as an answer to the oft-repeated question: "What will happen to the Colony when you older members are gone?"

COMMENTS

It will be noted that our financial statement for 1953 shows a slight drop in total receipts. Partially responsible for this is the reduction in the amount received from the oil lease, previously explained. While our land rent receipts show an increase of some \$450.00 that falls far short of what it should have been considering the much greater increase in rental charges. It may be that we shall need to exercise some of our powers to enforce rent collections.

There was a considerable increase in the amount received from sales of improvements. Principally responsible for this was the fact that most of the lots newly leased within the year were wooded and

lessees were required to pay for the value of the trees on such lots. Other receipts differed little from the previous year.

On the disbursement side taxes paid for lessees show a reduced amount. This was not because of any reduction in the taxes levied against lessees' properties. Rather it was because fewer lessees qualified to have the Colony pay their taxes for them by payment in full of their 1953 rental charges before the end of the year. These will have to pay their own delinquent taxes. They will, however, apply their tax receipts on the payment of delinquent rent and increase thereby the tax payment item in our 1954 report.

As a result of our increased deductible expenditures in 1952 our 1953 income tax payment was much less than for the previous year. Continued spending of current surpluses for deductible, but generally beneficial purposes, can keep such payments to the minimum and further exemplify the benefits of our policy.

The amount shown to have been expended for Lands, Highways and Property expense will be found to be more than fifty per cent greater than in 1952. The extensive street work in the Magnolia Beach and golf course sections accounts for the major portion of the total. Also included in this item of expense is the cost of the sanitary sewer installations in the Magnolia Beach section. These cost the Colony about \$11,000.00. As previously reported we may recover some of this cost from owners of benefitted land served. We do have a definite promise from the City Water and Sewer Board that they will repay us \$7,141.24 we advanced for the purchase of water pipe and fire hydrants as soon as it can accomplish a refinancing program now in process of negotiation.

The 1952 Colony officers were: M. Dyson, president; J. E. Gaston, vice-president; C. A. Gaston, secretary; Fred Chapin, Jr., treasurer; Axil Johnson, superintendent of lands and highways; R. H. Brown, superintendent of public service; R. L. Rockwell, superintendent of industries; Mrs. M. Dyson, superintendent of public health and Trustees M. A. Bowen, A. H. Mershon, and J. O. Stimpson.

1953 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT

1953

RECEIPTS

Rent	\$66,888.72
Penalty	359.22
Lease Fees	138.00
Sales Improve- ments, Etc.	2,671.72
Interest on Corpora- tion Investments	125.00
Interest on Library Investments	87.50
Interest on Sales of Improvements	22.03
Membership Fee	100.00
Oil Lease	3,710.00
Refund Lessees' Taxes ..	120.22
Miscellaneous	766.75
	<hr/> 74,989.16
Cash on Hand	
January 1, 1953	19,522.71
	<hr/> \$94,511.87

DISBURSEMENTS

Taxes Paid for Lessees:	
State, County and City	\$29,334.65
Car and Truck Taxes	2,740.50
Poll Taxes	106.92
Taxes on Corporation	
Land & Property	6,098.16
Social Security Tax	113.52
Federal Income Tax	307.89
Salaries	8,523.00
Corporation Office and	
Business Expense	1,438.39
Lands, Highways and	
Property Expense	34,408.23
Civic Contributions	2,540.00
Library Maintenance	1,800.00
Interest Transferred	
to Library	87.50
Cemetery Maintenance ..	400.00
Improvement Purchase	
Refund	75.00
Rent Refunds	332.34
Miscellaneous	307.71
	<hr/> 88,613.81
Cash on Hand	
December 31, 1953	5,898.06
	<hr/> \$94,511.87

Secretary's Report

Mr. President and fellow members: We believe the reports we

are privileged to present to you will assure you that progress is being made in the right direction. Again the financial statements of our treasurer, Fred Chapin, Jr., and auditor, Marian Bluthardt reveal the financial soundness of your corporation. We hope that our reports covering other departments will furnish further evidence of the fundamental soundness of our single tax policy.

RENTS

In 1953 the rent charges on our leased land amounted to \$68,363.84, an increase of about \$4,500.00 over 1952. Much of the increase was due to 1953 increases in the frontage rates on urban land abutting on streets that were substantially improved in 1952. However new rent charges as a result of applications approved during the year accounted for \$1,350.00 of the increase.

In establishing the schedule for rental charges in 1954 the Executive Council took into consideration the fact that there had been no overall rent change since 1947. Considering that since then there had been a considerable growth in population and a corresponding increase in demand for land it was decided that a general increase of ten per cent was justified.

In addition to the general ten per cent increase, some urban land rates were raised producing a further increase in the annual charge. The highest rate increases were on streets in the Magnolia Beach area where water, gas, electric and sewer services were installed during the past year. On country lands the ten percent increase applied only to the acre rate charges. The two cent per front foot charged on country lands abutting paved roads was not affected.

LANDS AND HIGHWAYS

So we might do what we could to meet the increased demand for building lots in Fairhope the Colony carried forward its plans for

making available its unleased lands in the Magnolia Beach section. This necessitated the clearing, subgrading and drainage of unopened sections of Pecan, Orange, Fig and Pomelo Sts. In addition to these a new street, Pinecrest Lane, was provided midway between Pecan and Orange Sts.

Pinecrest Lane extends west from Church St. to Pomelo St. The name was suggested by Mr. and Mrs. Dan Meador, owners of the east 413 feet of the land west of Church St. Their cooperation made it possible for the Colony, owner of the balance of the land, to get frontage for twenty-four additional lots.

The City of Fairhope cooperated by sending in its grader to grade the newly opened streets. It also extended water, gas and electric lines to give service to all lots in the area. The City sanitary sewer lines were also extended but the cost had to be borne by the land owners, mostly the Colony, since participation could not be secured from all private owners on Pecan, Fig and Pomelo Sts. Some of the Colony's cost of extensions on such streets may be recovered when owners on such land apply for service.

Also a start was made toward opening for development the recently reacquired lands formerly used for a municipal golf course. Johnson St., was extended on across such land and from its terminus a new street was provided running south to Morphy Ave. The extension of Johnson St., required a fill across one gully and the obliteration by filling of about one thousand feet of branch gullies. No land in the tract can be leased until these streets are completed and utility services provided.

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The amount shown to have been expended for Lands, Highways and Property expense will be found to be more than fifty per cent greater than in 1952. The extensive street work in the Magnolia Beach and golf course sections accounts for the major portion of the total. Also included in this item of expense is the cost of the sanitary sewer installations in the Magnolia Beach section. These cost the Colony about \$11,000.00. As previously reported we may recover some of this cost from owners of benefitted land served. We do have a definite promise from the City Water and Sewer Board that they will repay us \$7,141.24 we advanced for the purchase of water pipe and fire hydrants as soon as it can accomplish a refinancing program now in process of negotiation.

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1953 Report Fairhope Single Tax Corp.

Fairhope, Alabama

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1953

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Interest on Corpora- tion Investments	125.00
Interest on Library Investments	87.50
Interest on Sales of Improvements	22.03
Membership Fee	100.00
Oil Lease	3,710.00
Refund Lessees' Taxes	120.22
Miscellaneous	766.75
	<hr/> 74,989.16
Cash on Hand January 1, 1953	19,522.71
	<hr/> \$94,511.87

DISBURSEMENTS

Taxes Paid for Lessees:	
State, County and City	\$29,334.65
Car and Truck Taxes	2,740.50
Poll Taxes	106.92
Taxes on Corporation	
Land & Property	6,098.16
Social Security Tax	113.52
Federal Income Tax	307.89
Salaries	8,523.00
Corporation Office and Business Expense	1,438.39
Lands, Highways and Property Expense	34,408.23
Civic Contributions	2,540.00
Library Maintenance	1,800.00
Interest Transferred to Library	87.50
Cemetery Maintenance	400.00
Improvement Purchase Refund	75.00
Rent Refunds	332.34
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Mr. President and fellow members: We believe the reports we

are privileged to present to you will assure you that progress is being made in the right direction. Again the financial statements of our treasurer, Fred Chapin, Jr., and auditor, Marian Bluthardt reveal the financial soundness of your corporation. We hope that our reports covering other departments will furnish further evidence of the fundamental soundness of our single tax policy.

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In establishing the schedule for rental charges in 1954 the Executive Council took into consideration the fact that there had been no overall rent change since 1947. Considering that since then there had been a considerable growth in population and a corresponding increase in demand for land it was decided that a general increase of ten per cent was justified.

In addition to the general ten per cent increase, some urban land rates were raised producing a further increase in the annual charge. The highest rate increases were on streets in the Magnolia Beach area where water, gas, electric and sewer services were installed during the past year. On country lands the ten percent increase applied only to the acre rate charges. The two cent per front foot charged on country lands abutting paved roads was not affected.

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The site now occupied by Fairhope was the least populated of this whole shore section. The reason was that Fairhope's relatively high bluffs and its far greater distance from the shore to deep water presented obstacles that were not present elsewhere. Because of this, land here was cheap enough for Fairhope's founders to buy. Their initial purchase of about 135 acres with almost half a mile of bay frontage cost less than six dollars an acre.

Today the Single Tax Colony holds title to some 4,000 acres, only one-two hundred sixtieth of Baldwin County's total, yet it accounts for a little more than one-sixteenth of the assessed value of all land and non-utility owned property in the entire county. As has been shown this most favorable comparison cannot be attributed to superiority of location. Certainly all who can remember, know that Fairhope's early settlers brought little with them in the form of capital goods or investment capital, and many who followed could more appropriately be classed with the "have-nots" than with the "haves."

It would appear then that we have good cause to credit our success to the sound principles of Henry George, which Fairhope's founders so wisely selected as the core of our colony policy. Further evidence of this can be found in a purely local comparison. In the City of Fairhope the Colony occupies about one-fifth of the area. In 1953 the assessed values in the City were \$2,119,700.00, with the Colony accounting for \$1,288,360.00 on its one-fifth of the land while the owners of the remaining four-fifths of the land accounted for only \$831,340.00

OIL LEASE

The Plymouth Oil Co., extended for one year, its lease to the mineral rights in the Colony's country lands. The rental paid was \$3,710.00 which is at the rate of \$1.00 per acre. Twice that amount was paid last year, an additional \$1.00 per acre having been paid as a premium for the granting of the lease. No attempt has been made so far to see whether or not there is any oil or other valuable min-

eral deposits under the surface of our land. The provisions of the lease permit the lessee to extend the lease from year to year for ten years without drilling, by payment of the annual rental charge of \$1.00 per acre. Failure to make payment automatically causes forfeiture of the lease unless drilling is in process or production established.

MEMBERSHIP

Since our last meeting death has claimed three of our members. First to go was our board member, M. A. Bowen who served as trustee from November 1931 continuously until his death, July 29, 1953. Second was W. G. McConnel whose death occurred Nov. 21, 1952 at Meriden, Conn., where he and Mrs. McConnel have made their home for some years. Third was V. M. Reynolds who died at his home in Mobile the 5th of this month. We are grateful for the services of all and regret their passing.

We are happy to report that Mrs. Caroline Ann McConnel and Mrs. Lenore M. Wolcott have had transferred to them the certificates of their recently deceased husbands and that a new member, Oliver M. Rockwell has come in to replace one of our losses. The latter is a son of R. L. Rockwell, a long-time member of our executive council. We need more of such young members as an answer to the oft-repeated question: "What will happen to the Colony when you older members are gone?"

COMMENTS

It will be noted that our financial statement for 1953 shows a slight drop in total receipts. Partially responsible for this is the reduction in the amount received from the oil lease, previously explained. While our land rent receipts show an increase of some \$450.00 that falls far short of what it should have been considering the much greater increase in rental charges. It may be that we shall need to exercise some of our powers to enforce rent collections.

There was a considerable increase in the amount received from sales of improvements. Principally responsible for this was the fact that most of the lots newly leased within the year were wooded and

lessees were required to pay for the value of the trees on such lots. Other receipts differed little from the previous year.

On the disbursement side taxes paid for lessees show a reduced amount. This was not because of any reduction in the taxes levied against lessees' properties. Rather it was because fewer lessees qualified to have the Colony pay their taxes for them by payment in full of their 1953 rental charges before the end of the year. These will have to pay their own delinquent taxes. They will, however, apply their tax receipts on the payment of delinquent rent and increase thereby the tax payment item in our 1954 report.

As a result of our increased deductible expenditures in 1952 our 1953 income tax payment was much less than for the previous year. Continued spending of current surpluses for deductible, but generally beneficial purposes, can keep such payments to the minimum and further exemplify the benefits of our policy.

The amount shown to have been expended for Lands, Highways and Property expense will be found to be more than fifty per cent greater than in 1952. The extensive street work in the Magnolia Beach and golf course sections accounts for the major portion of the total. Also included in this item of expense is the cost of the sanitary sewer installations in the Magnolia Beach section. These cost the Colony about \$11,000.00. As previously reported we may recover some of this cost from owners of benefitted land served. We do have a definite promise from the City Water and Sewer Board that they will repay us \$7,141.24 we advanced for the purchase of water pipe and fire hydrants as soon as it can accomplish a refinancing program now in process of negotiation.

The 1952 Colony officers were: M. Dyson, president; J. E. Gaston, vice-president; C. A. Gaston, secretary; Fred Chapin, Jr., treasurer; Axil Johnson, superintendent of lands and highways; R. H. Brown, superintendent of public service; R. L. Rockwell, superintendent of industries; Mrs. M. Dyson, superintendent of public health and Trustees M. A. Bowen, A. H. Mershon, and J. O. Stimpson.

1953 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT

1953

RECEIPTS

Rent	\$66,888.72
Penalty	359.22
Lease Fees	138.00
Sales Improve- ments, Etc.	2,671.72
Interest on Corpora- tion Investments	125.00
Interest on Library Investments	87.50
Interest on Sales of Improvements	22.03
Membership Fee	100.00
Oil Lease	3,710.00
Refund Lessees' Taxes ..	120.22
Miscellaneous	766.75
	<hr/> 74,989.16
Cash on Hand January 1, 1953	19,522.71
	<hr/> \$94,511.87

DISBURSEMENTS

Taxes Paid for Lessees:	
State, County and City	\$29,334.65
Car and Truck Taxes	2,740.50
Poll Taxes	106.92
Taxes on Corporation	
Land & Property	6,098.16
Social Security Tax	113.52
Federal Income Tax	307.89
Salaries	8,523.00
Corporation Office and Business Expense	1,438.39
Lands, Highways and Property Expense	34,408.23
Civic Contributions	2,540.00
Library Maintenance	1,800.00
Interest Transferred to Library	87.50
Cemetery Maintenance ..	400.00
Improvement Purchase Refund	75.00
Rent Refunds	332.34
Miscellaneous	307.71
	<hr/> 88,613.81
Cash on Hand December 31, 1953	5,898.06
	<hr/> \$94,511.87

Secretary's Report

Mr. President and fellow members: We believe the reports we

are privileged to present to you will assure you that progress is being made in the right direction. Again the financial statements of our treasurer, Fred Chapin, Jr., and auditor, Marian Bluthardt reveal the financial soundness of your corporation. We hope that our reports covering other departments will furnish further evidence of the fundamental soundness of our single tax policy.

RENTS

In 1953 the rent charges on our leased land amounted to \$68,363.84, an increase of about \$4,500.00 over 1952. Much of the increase was due to 1953 increases in the frontage rates on urban land abutting on streets that were substantially improved in 1952. However new rent charges as a result of applications approved during the year accounted for \$1,350.00 of the increase.

In establishing the schedule for rental charges in 1954 the Executive Council took into consideration the fact that there had been no overall rent change since 1947. Considering that since then there had been a considerable growth in population and a corresponding increase in demand for land it was decided that a general increase of ten per cent was justified.

In addition to the general ten per cent increase, some urban land rates were raised producing a further increase in the annual charge. The highest rate increases were on streets in the Magnolia Beach area where water, gas, electric and sewer services were installed during the past year. On country lands the ten percent increase applied only to the acre rate charges. The two cent per front foot charged on country lands abutting paved roads was not affected.

LANDS AND HIGHWAYS

So we might do what we could to meet the increased demand for building lots in Fairhope the Colony carried forward its plans for

making available its unleased lands in the Magnolia Beach section. This necessitated the clearing, subgrading and drainage of unopened sections of Pecan, Orange, Fig and Pomelo Sts. In addition to these a new street, Pinecrest Lane, was provided midway between Pecan and Orange Sts.

Pinecrest Lane extends west from Church St. to Pomelo St. The name was suggested by Mr. and Mrs. Dan Meador, owners of the east 413 feet of the land west of Church St. Their cooperation made it possible for the Colony, owner of the balance of the land, to get frontage for twenty-four additional lots.

The City of Fairhope cooperated by sending in its grader to grade the newly opened streets. It also extended water, gas and electric lines to give service to all lots in the area. The City sanitary sewer lines were also extended but the cost had to be borne by the land owners, mostly the Colony, since participation could not be secured from all private owners on Pecan, Fig and Pomelo Sts. Some of the Colony's cost of extensions on such streets may be recovered when owners on such land apply for service.

Also a start was made toward opening for development the recently reacquired lands formerly used for a municipal golf course. Johnson St., was extended on across such land and from its terminus a new street was provided running south to Morphy Ave. The extension of Johnson St., required a fill across one gully and the obliteration by filling of about one thousand feet of branch gullies. No land in the tract can be leased until these streets are completed and utility services provided.

Started in 1952 but completed in 1953 were concrete sidewalks on both sides of De La Mare St., and on the east side of Church St., running north to Fairhope Ave. Five foot plant mix asphalt sidewalks were constructed on both sides of Magnolia Ave., from Section St., west to Bay View St., and on the north side on to Fairhope Ave., at the top of the bay hill. Such sidewalk was also extended on the east side of Church St., from Magnolia Ave., south to the alley go-

ing in to the back of the post office. At no cost to the Colony other than the supplying of additional right of way, Greeno Road was paved, benefitting abutting Colony lands in Sections 16 and 17.

The gully that has, for several years, been rapidly eating into blocks 7 and 8 on the south side of Oak St., in division 3 was stopped. This was accomplished by sloping the sides and building a masonry catch basin at the end.

In the current year it is contemplated that further work will go forward in both the golf course and the Magnolia Beach sections. In both the expense will be greater than was anticipated due to the considerable damage resulting from the ten inch rain storm in December.

Also contemplated for this year is the completion of street improvements begun in 1952 on De La Mare St., and Magnolia Ave. Already accomplished is a single surface slag and asphalt paving of a widened trafficway and the construction of concrete curb and gutter. Now they are to be finished with a plant mix asphalt seal.

Under consideration are proposals by the City to increase the width of Magnolia Ave., east of Section St. to Bancroft St., and of the latter thence south to Morphy Ave. Also proposed is some curb and gutter and sidewalks on these and on Johnson St. between Section and Bancroft Sts.

APPLICATIONS AND TRANSFERS

Twenty-six applications for land were approved during the year. Nearly all were in the Magnolia Beach section where streets were recently opened and utility service provided. Before the year had ended several of the new lessees had built and were occupying homes on their newly acquired leaseholds. Others were well along with their buildings and before this year is ended there promises to be a well developed residence neighborhood on what was wholly undeveloped land a few months ago.

All the lots made available by this development were applied for and leased before the end of the year. Many leased several lots and it is anticipated that some may

surrender such lots as they find to be in excess of their immediate needs. A factor that will have considerable influence in inducing such surrender is the previously reported sharp increase in the rental charges for 1954. The Colony will welcome such surrenders since they will serve its purpose to make land available to meet the demand of those who need to use it.

During the year 1953 sixty-nine transfers of leaseholds were approved. These involved fifty-two that were improved with a reported value of \$243,457.00. While it is difficult to compare these figures with the greater number and greater value reported last year it is probably not unreasonable to suspect that the much heralded buyers' market is having its influence here. Indications are that fairly new well constructed houses are holding their value quite well. It is apparent though, that asking prices are having to be lowered to move older houses built in an earlier era and not fully modernized. Some of these older places, here as elsewhere, will eventually have to be replaced with new modern homes.

ASSESSED VALUE COMPARISONS

The achievement of our Single Tax Colony here in Baldwin County can possibly be best illustrated by local comparisons. In 1953 the assessed values in all of Baldwin County, exclusive of the public service utilities, amounted to \$23,650,780.00. Of this amount our Colony corporation, its lessees and others (lessees' tenants), accounted for \$1,454,780.00, a little more than six per cent of the total.

Within the borders of Baldwin County there are 4,040,000 acres. In 1894 when the small group of singletaxers who were to bring Fairhope and its Single Tax Colony into existence arrived in Baldwin County, Daphne was the county seat and the largest town in the county. Montrose, Battles, Point Clear and Zundels were old established communities. All had their commercial centers and access facilities to accommodate the steamboat transportation facilities to Mobile, at that time the only access the Eastern Shore had to the outside.

The site now occupied by Fairhope was the least populated of this whole shore section. The reason was that Fairhope's relatively high bluffs and its far greater distance from the shore to deep water presented obstacles that were not present elsewhere. Because of this, land here was cheap enough for Fairhope's founders to buy. Their initial purchase of about 135 acres with almost half a mile of bay frontage cost less than six dollars an acre.

Today the Single Tax Colony holds title to some 4,000 acres, only one-two hundred sixtieth of Baldwin County's total, yet it accounts for a little more than one-sixteenth of the assessed value of all land and non-utility owned property in the entire county. As has been shown this most favorable comparison cannot be attributed to superiority of location. Certainly all who can remember, know that Fairhope's early settlers brought little with them in the form of capital goods or investment capital, and many who followed could more appropriately be classed with the "have-nots" than with the "haves."

It would appear then that we have good cause to credit our success to the sound principles of Henry George, which Fairhope's founders so wisely selected as the core of our colony policy. Further evidence of this can be found in a purely local comparison. In the City of Fairhope the Colony occupies about one-fifth of the area. In 1953 the assessed values in the City were \$2,119,700.00, with the Colony accounting for \$1,288,360.00 on its one-fifth of the land while the owners of the remaining four-fifths of the land accounted for only \$831,340.00

OIL LEASE

The Plymouth Oil Co., extended for one year, its lease to the mineral rights in the Colony's country lands. The rental paid was \$3,710.00 which is at the rate of \$1.00 per acre. Twice that amount was paid last year, an additional \$1.00 per acre having been paid as a premium for the granting of the lease. No attempt has been made so far to see whether or not there is any oil or other valuable min-

their 1954 rent. This and the considerable increase in penalty collections indicate the collection of a considerable amount of delinquent rent. This reversal of the situation as reported for 1953 was in part due to positive action. Particularly was this true with respect to delinquent rent payments on unimproved or poorly improved leaseholds. We believe no one was hurt and surely no one was deprived of any property that contributed to his livelihood. Of our 897 leasehold accounts in 1954 only 44 failed to pay in full before the year ended.

Quite naturally the 1954 increases in rental charges brought forth some questions from lessees concerning justification for the increase. We are pleased to report that, among these, a considerable number still have due respect for the law of supply and demand. When we called attention to the quite apparent increase in local population and the rapidity with which our supply of unleased land had been exhausted by the resulting increase in demand pressure, most of them saw there was no just basis for protest.

That the 1951 increase in rental charges was not too burdensome nor excessive is testified to by the fact that all lots made available as a result of surrenders and forfeitures were again leased within the year and without protest. Another evidence is the amount of the rent shown to have been collected. The \$78,508.59 collected in 1954 exceeded the amount collected in 1953 by \$11,619.87 which is \$2,308.76 more than the increase in rent charges.

It would appear to your secretary that our present shortage of available land with which to meet the continuing demand confronts us with a problem deserving of our most urgent attention. There is little prospect of greatly expanding our area of Colony owned land. Now there are no large undeveloped and unoccupied areas adjacent to our holdings. In earlier days the \$100.00 contributed to the land fund by a new member might pay the purchase price for twenty or even forty acres. Today it will not purchase the poorest lot in the urban section of our land nor one acre of the poorest country land.

We do have a considerable area of urban land that could be made

available for more productive use. To do so to best advantage will require considered and careful planning. It is suggested that it might be well for us to consider the employment of some trained and experienced help to insure the best possible results.

There are some of our number who urge upon us the purchase of more land. Such funds as we have at our command are inadequate to purchase more than a negligible supply. Such funds as we might hope to secure from an intensive campaign for contributions to a land fund could produce a mere pittance of land results as compared with what could and was produced in the early days of the Colony.

Your secretary's considered opinion is that the few meagre acres that might be added can have little influence on the effectiveness of our demonstration. Rather he is of the opinion that we must now depend upon the development of greater skill and efficiency in the application of our principles to achieve the full accomplishment of our purpose "to establish and conduct a model community."

We need to know whether or not we are accurately appraising and collecting the full rental value of our leased land. We need to know whether or not we are expending our funds so as to accomplish the greatest possible measure of benefit to those leasing our lands. In these fields too, we might profit from trained and experienced assistance. We have no doubt of the rightness and the adequacy of our principles. We can best promote our hope for their broader political application by most skillfully applying them to such land as we now possess.

For the year 1954 the Colony was officered as follows: President M. Dyson, Vice-President J. E. Gaston, Secretary C. A. Gaston, Treasurer Fred Chapin Jr., Supt. Lands and Highways Axil Johnson, Supt. Public Service R. H. Brown, Supt. Industries R. Lucier Rockwell, Supt. Public Health Sam Dyson and Trustees A. H. Mershon, J. O. Stimpson and Lillian B. Totten.

1954 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATMENT

1954 RECEIPTS	
Rent	\$ 78,508.59
Penalty	648.72
Lease Fees	121.00
Oil Lease	3,710.00
Miscellaneous Sales	1,902.36
Bond Redemptions	3,000.00
Bond Redemptions, Library	1,100.00
Corporation Interest	233.68
Library Interest	120.25
Membership Fee	100.00
Lease Bonuses	250.00
Water & Sewer Board Loan	7,141.24
Miscellaneous Refunds	108.96
	<u>\$ 96,944.80</u>
Cash on Hand January 1, 1954	5,898.06
	<u>\$102,842.86</u>

DISBURSEMENTS

Taxes Paid for Lessees:	
General Property	\$ 33,153.97
Car and Truck Taxes	3,388.89
Poll Taxes	115.26
Corporation Land and Property Taxes	6,123.38
City Business License	150.00
Income Taxes	278.06
Social Security Taxes	134.36
Salaries	9,368.80
Office Expenses, Etc.	1,799.18
Lands & Highways Department	17,558.70
Library Maintenance	1,865.20
Library Interest	87.50
Cemetery Maintenance	400.00
Civic Contributions	3,652.30
Miscellaneous Re- funds	909.02
Corporation Invest- ments	5,000.00
Library Investments	1,100.00
	<u>\$ 85,084.62</u>
Cash on Hand December 31, 1954	17,758.24
	<u>\$102,842.86</u>

SECRETARY'S REPORT

The year 1954 brought to a satisfying and hopeful conclusion the 60th year of your Colony's occupancy of Fairhope land. We believe this report of the results of our application of Henry George's single

tax principles on that land offers evidence of the soundness of those principles and that they are essential to the social and economic welfare.

RENTS

Net rent charges in 1954 were \$77,570.08. The increase of \$9,311.11 over 1953 net rent charges was produced in large part by the council's reappraisal of the rental value of our land as reported last year. Urban land inside the municipality accounted for \$7,552.07 of the increase, urban land outside, in the Magnolia Beach section, \$1,007.18 and country land, \$751.86. The 1954 rental charges were distributed as follows; Urban municipal land, \$66,632.84, non-municipal urban land, \$2,331.16 and country land \$8,606.08.

It will be noted that the proportionate rent increase on land in the non-municipal Magnolia Beach section was by far the greatest. Two main factors were responsible for this. One was that much of the leased land was leased for only a part of the previous year. The other was that the 1953 extensions of water, electric, gas and sewer services in that section produced a greatly increased demand for the land and a corresponding increase in its rental value.

The council directed that 1955 rental charges be calculated on the same basis used in 1954 except for a few lots at the east end of Edward St., where paving had been extended. As a result the only other increases in 1955 will result from a full year's rental charge on land that was leased for only a part of 1954 and from such additional land as may be leased in 1955. Unless we get the land in the former municipal golf course section ready for lease this year such additions will be of little consequence. All the country lands are leased as they have been since 1944. All Colony land west of Section St., is leased as is all of the more utilizable and accessible and east of Section St.

to Greeno Road.

LAND TRANSACTIONS

APPLICATIONS: Twenty applications were approved. Three were for land to which the Colony had perfected its title within the year and eleven were made possible as a result of current surrenders and forfeitures. Eleven new residences now occupy the newly applied for leaseholds. Five were built for occupancy by the original lessee. Five were built for sale and before the end of the year two of these were purchased and occupied. Another was transferred and the new lessee has built a home on it so there are eight new home owners on land applied for during the year.

SURRENDERS: As we predicted last year some of those who so hastily leased lots in the Magnolia Beach section surrendered their leaseholds in 1954. Of the nine surrenders accepted six were in that section. With three exceptions the surrendered land was again leased within the year.

To encourage surrenders and get unimproved land into use the council agreed to waive the lease requirement affecting surrenders. The lease requires the lessee to give six months notice in writing and to pay all rents due to the end of such six month period. The council agreed, in lieu of such requirement, to accept payment of the rent to the date of surrender acceptance and to refund to the surrendering lessee such advance rent as he might have paid and such amount as he might have paid the Colony for trees or other improvements remaining on the land.

FORFEITURES: In accordance with paragraph (6) of the lease contract three leases to unimproved lots were declared forfeited, the rent having been due and unpaid for more than the ninety days specified in paragraph (6). One such leasehold was divided and leased to two of the previously reported applicants. Another was leased and the nice home on it is one of those previously reported. The other is presently withheld as it lies within the borders of land that is being replatted.

TRANSFERS More leasehold transfers were approved in 1954 than in any other one year in the

Colony's history. There were one hundred four. Contributing to the increase was a greater activity in the building of homes for sale. These accounted for eleven of the sixty-three improved leasehold transfers. Completed or under construction before the end of the year were nine more new residences that are or will be for sale.

Unimproved or only partially improved leaseholds accounted for twenty-three transfers and there was no substantial evidence of bonus payments for such transfers. Seven went to builders and on these two homes had been built and sold before the end of the year with five more under construction. Five went to lessees who have built their own new homes.

The eighteen remaining transfers approved in 1954 were mainly inter-family transfers. Several should be classed as gifts, one was an estate transfer to a legatee, one an adjustment to clarify ownership and the others were for the purpose of sharing or transferring of title within the family.

Involved in all the transfers were ninety-five urban and nine country leaseholds. Reported sale prices and estimated value of gifts and bequests run the total to well over \$500,000.00.

ASSESSED VALUATIONS

The county assessor's records show that the 1954 assessment values of the Colony and those who occupy its lands increased from a 1953 total of \$1,454,650 to a 1954 total of \$1,543,960, an increase of \$89,310, 6.14 per cent. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1953 total of \$23,650,780 to a 1954 total of \$25,248,260, an increase of \$1,597,480, 6.75 per cent. It will be noted that in 1954 the Colony assessments accounted for a smaller proportion of the total than in 1953. Percentage-wise the drop was from 6.15 per cent to 6.12 per cent.

In the City of Fairhope Colony assessment values increased from a 1953 total of \$1,291,330 to a 1954 total of \$1,372,380, an increase of \$81,050, 6.28 per cent. The assessed values for all of the City increased from a 1953 total of \$2,119,700 to a 1954 total of \$2,297,980, an increase of \$178,280, 8.41 per cent.

Here as in the county the Colony accounted for a smaller proportion of the total. Percentage-wise the drop was from 60.90 per cent to 59.72 per cent. This trend must be expected to continue for, unlike the Colony, both city and county have broad areas of undeveloped land on which to grow.

Twenty-three new buildings completed in 1953 were counted in the 1954 assessment records and the assessed value of sixty-three other properties was increased to reflect added values resulting from additions or improvements to existing buildings.

LANDS AND HIGHWAYS

Activities in the department of lands and highways fell far short of what was accomplished in 1953. Probably more could and should have been done. However, there were some substantial accomplishments. We did get the plant mix asphalt seal on De La Mare and Church Sts., and on Magnolia Ave., from Section St., to the top of the Fairhope Ave., bay hill. Not only do these streets now present a more finished and satisfying appearance but the smooth driving surface affords much satisfaction. The paving on Edward St. was extended to its intersection with Greeno Road, much to the satisfaction of the lessees affected. Other paving improvements paid for by the Colony were the paving of the heavily used alley running east from Church St., back of the postoffice and the paving of the parking strip on the south side of Fairhope Ave., west of Church St.

The only other major expenditures were in the new subdivision of the former municipal golf course land on which work was started in 1953. The nine inch rain of December, 1953 proved the two foot culvert under the Johnson St. fill across the gully back of the old club house to be too small. To remedy that situation it was replaced with a four foot brick arch culvert. An eight inch clay pipe sanitary sewer main was installed on Johnson St., and on Berglin St., the street running south from the east end of Johnson St., to Morphy Avenue.

Much remains to be done in that section before we can open for lease the lots that will be available there. In 1954 many who came

to our office for the prospective purposes of applying for a lease to land on which they might build were disappointed. With the exception of the very meagre number of lots the Colony may recover in 1955 through surrender or forfeiture this section is our only immediately prospective source of supply with which to meet the continuing demand.

INVESTMENTS

The Colony's savings investments were increased by \$2,000.00 in 1954. The increase was accomplished by the investment of that amount of the \$3,710.00 received in February from the Plymouth Oil Co., to extend for one year their lease to the oil and mineral rights in our country land. This and an additional \$3,000.00 derived from maturing U. S. "G" bonds purchased in 1942 were invested in savings certificates of Baldwin County Savings & Loan Association. In addition to the above we have another \$1,000.00 likewise invested and \$3,000.00 in U. S. "G" bonds that mature this year. Our savings investments thus amount to a total of \$8,000.00.

MEMBERSHIP

We again have the sad duty of reporting loss by death of one of our older local members. Mrs. Anne B. Call who died May 1, came to Fairhope in 1899. Already an ardent single taxpayer, Mrs. Call gave freely of her time and understanding to promote both the Colony and the young community it had established. On the credit side we are pleased to report that a new name was added to our membership list in 1954. At the last council meeting of the year an application for membership from Claude W. Arnold was accepted. Our new member is of a generation of which we have all too few. We are pleased to report, however, assurance that our 1955 report will show additional acquisitions that will accomplish a much to be desired lowering of the age level of Colony members.

COMMENTS

Our financial statement shows a considerable improvement in rent collections. It will be noted that the \$78,508.59 collected exceeded the 1954 rent charges by \$938.51. Since not all of our lessees paid in full

their 1954 rent. This and the considerable increase in penalty collections indicate the collection of a considerable amount of delinquent rent. This reversal of the situation as reported for 1953 was in part due to positive action. Particularly was this true with respect to delinquent rent payments on unimproved or poorly improved leaseholds. We believe no one was hurt and surely no one was deprived of any property that contributed to his livelihood. Of our 897 leasehold accounts in 1954 only 44 failed to pay in full before the year ended.

Quite naturally the 1954 increases in rental charges brought forth some questions from lessees concerning justification for the increase. We are pleased to report that, among these, a considerable number still have due respect for the law of supply and demand. When we called attention to the quite apparent increase in local population and the rapidity with which our supply of unleased land had been exhausted by the resulting increase in demand pressure, most of them saw there was no just basis for protest.

That the 1954 increase in rental charges was not too burdensome nor excessive is testified to by the fact that all lots made available as a result of surrenders and forfeitures were again leased within the year and without protest. Another evidence is the amount of the rent shown to have been collected. The \$78,508.59 collected in 1954 exceeded the amount collected in 1953 by \$11,619.87 which is \$2,308.76 more than the increase in rent charges.

It would appear to your secretary that our present shortage of available land with which to meet the continuing demand confronts us with a problem deserving of our most urgent attention. There is little prospect of greatly expanding our area of Colony owned land. Now there are no large undeveloped and unoccupied areas adjacent to our holdings. In earlier days the \$100.00 contributed to the land fund by a new member might pay the purchase price for twenty or even forty acres. Today it will not purchase the poorest lot in the urban section of our land nor one acre of the poorest country land.

We do have a considerable area of urban land that could be made

available for more productive use. To do so to best advantage will require considered and careful planning. It is suggested that it might be well for us to consider the employment of some trained and experienced help to insure the best possible results.

There are some of our number who urge upon us the purchase of more land. Such funds as we have at our command are inadequate to purchase more than a negligible supply. Such funds as we might hope to secure from an intensive campaign for contributions to a land fund could produce a mere pittance of land results as compared with what could and was produced in the early days of the Colony.

Your secretary's considered opinion is that the few meagre acres that might be added can have little influence on the effectiveness of our demonstration. Rather he is of the opinion that we must now depend upon the development of greater skill and efficiency in the application of our principles to achieve the full accomplishment of our purpose "to establish and conduct a model community."

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Fairhope, Alabama

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Library Interest	120.25
Membership Fee	100.00
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Water & Sewer Board Loan	7,141.24
Miscellaneous Refunds	108.96
	<u>\$ 96,944.80</u>
Cash on Hand January 1, 1954	5,898.06
	<u>\$102,842.86</u>

DISBURSEMENTS

Taxes Paid for Lessees:	
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Poll Taxes	115.26
Corporation Land and Property Taxes	6,123.38
City Business License	150.00
Income Taxes	278.06
Social Security Taxes	134.36
Salaries	9,368.30
Office Expenses, Etc.	1,799.13
Lands & Highways Department	17,558.70
Library Maintenance	1,865.29
Library Interest	87.50
Cemetery Maintenance	400.00
Civic Contributions	3,652.30
Miscellaneous Re- funds	909.02
Corporation Invest- ments	5,000.00
Library Investments	1,100.00
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The year 1954 brought to a satisfying and hopeful conclusion the 60th year of your Colony's occupancy of Fairhope land. We believe this report of the results of our application of Henry George's single

tax principles on that land offers evidence of the soundness of those principles and that they are essential to the social and economic welfare.

RENTS

Net rent charges in 1954 were \$77,570.08. The increase of \$9,311.11 over 1953 net rent charges was produced in large part by the council's reappraisal of the rental value of our land as reported last year. Urban land inside the municipality accounted for \$7,552.07 of the increase, urban land outside, in the Magnolia Beach section, \$1,007.18 and country land, \$751.86. The 1954 rental charges were distributed as follows: Urban municipal land, \$66,632.84, non-municipal urban land, \$2,331.16 and country land \$8,606.08.

It will be noted that the proportionate rent increase on land in the non-municipal Magnolia Beach section was by far the greatest. Two main factors were responsible for this. One was that much of the leased land was leased for only a part of the previous year. The other was that the 1953 extensions of water, electric, gas and sewer services in that section produced a greatly increased demand for the land and a corresponding increase in its rental value.

The council directed that 1955 rental charges be calculated on the same basis used in 1954 except for a few lots at the east end of Edward St., where paving had been extended. As a result the only other increases in 1955 will result from a full year's rental charge on land that was leased for only a part of 1954 and from such additional land as may be leased in 1955. Unless we get the land in the former municipal golf course section ready for lease this year such additions will be of little consequence. All the country lands are leased as they have been since 1944. All Colony land west of Section St., is leased as is all of the more utilizable and accessible and east of Section St.

to Greeno Road.

LAND TRANSACTIONS

APPLICATIONS: Twenty applications were approved. Three were for land to which the Colony had perfected its title within the year and eleven were made possible as a result of current surrenders and forfeitures. Eleven new residences now occupy the newly applied for leaseholds. Five were built for occupancy by the original lessee. Five were built for sale and before the end of the year two of these were purchased and occupied. Another was transferred and the new lessee has built a home on it so there are eight new home owners on land applied for during the year.

SURRENDERS: As we predicted last year some of those who so hastily leased lots in the Magnolia Beach section surrendered their leaseholds in 1954. Of the nine surrenders accepted six were in that section. With three exceptions the surrendered land was again leased within the year.

To encourage surrenders and get unimproved land into use the council agreed to waive the lease requirement affecting surrenders. The lease requires the lessee to give six months notice in writing and to pay all rents due to the end of such six month period. The council agreed, in lieu of such requirement, to accept payment of the rent to the date of surrender acceptance and to refund to the surrendering lessee such advance rent as he might have paid and such amount as he might have paid the Colony for trees or other improvements remaining on the land.

FORFEITURES: In accordance with paragraph (6) of the lease contract three leases to unimproved lots were declared forfeited, the rent having been due and unpaid for more than the ninety days specified in paragraph (6). One such leasehold was divided and leased to two of the previously reported applicants. Another was leased and the nice home on it is one of those previously reported. The other is presently withheld as it lies within the borders of land that is being replatted.

TRANSFERS More leasehold transfers were approved in 1954 than in any other one year in the

Colony's history. There were one hundred four. Contributing to the increase was a greater activity in the building of homes for sale. These accounted for eleven of the sixty-three improved leasehold transfers. Completed or under construction before the end of the year were nine more new residences that are or will be for sale.

Unimproved or only partially improved leaseholds accounted for twenty-three transfers and there was no substantial evidence of bonus payments for such transfers. Seven went to builders and on these two homes had been built and sold before the end of the year with five more under construction. Five went to lessees who have built their own new homes.

The eighteen remaining transfers approved in 1954 were mainly inter-family transfers. Several should be classed as gifts, one was an estate transfer to a legatee, one an adjustment to clarify ownership and the others were for the purpose of sharing or transferring of title within the family.

Involved in all the transfers were ninety-five urban and nine country leaseholds. Reported sale prices and estimated value of gifts and bequests run the total to well over \$500,000.00.

ASSESSED VALUATIONS

The county assessor's records show that the 1954 assessment values of the Colony and those who occupy its lands increased from a 1953 total of \$1,454,650 to a 1954 total of \$1,543,960, an increase of \$89,310, 6.14 per cent. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1953 total of \$23,650,780 to a 1954 total of \$25,248,260, an increase of \$1,597,480, 6.75 per cent. It will be noted that in 1954 the Colony assessments accounted for a smaller proportion of the total than in 1953. Percentage-wise the drop was from 6.15 per cent to 6.12 per cent.

In the City of Fairhope Colony assessment values increased from a 1953 total of \$1,291,330 to a 1954 total of \$1,372,380, an increase of \$81,050, 6.28 per cent. The assessed values for all of the City increased from a 1953 total of \$2,119,700 to a 1954 total of \$2,297,980, an increase of \$178,280, 8.41 per cent.

Here as in the county the Colony accounted for a smaller proportion of the total. Percentage-wise the drop was from 60.90 per cent to 59.72 per cent. This trend must be expected to continue for, unlike the Colony, both city and county have broad areas of undeveloped land on which to grow.

Twenty-three new buildings completed in 1953 were counted in the 1954 assessment records and the assessed value of sixty-three other properties was increased to reflect added values resulting from additions or improvements to existing buildings.

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Much remains to be done in that section before we can open for lease the lots that will be available there. In 1954 many who came

to our office for the prospective purposes of applying for a lease to land on which they might build were disappointed. With the exception of the very meagre number of lots the Colony may recover in 1955 through surrender or forfeiture this section is our only immediately prospective source of supply with which to meet the continuing demand.

INVESTMENTS

The Colony's savings investments were increased by \$2,000.00 in 1954. The increase was accomplished by the investment of that amount of the \$3,710.00 received in February from the Plymouth Oil Co., to extend for one year their lease to the oil and mineral rights in our country land. This and an additional \$3,000.00 derived from maturing U. S. "G" bonds purchased in 1942 were invested in savings certificates of Baldwin County Savings & Loan Association. In addition to the above we have another \$1,000.00 likewise invested and \$3,000.00 in U. S. "G" bonds that mature this year. Our savings investments thus amount to a total of \$8,000.00.

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We again have the sad duty of reporting loss by death of one of our older local members. Mrs. Anne B. Call who died May 1, came to Fairhope in 1899. Already an ardent single taxer, Mrs. Call gave freely of her time and understanding to promote both the Colony and the young community it had established. On the credit side we are pleased to report that a new name was added to our membership list in 1954. At the last council meeting of the year an application for membership from Claude W. Arnold was accepted. Our new member is of a generation of which we have all too few. We are pleased to report, however, assurance that our 1955 report will show additional acquisitions that will accomplish as much to be desired lowering of the age level of Colony members.

COMMENTS

Our financial statement shows a considerable improvement in rent collections. It will be noted that the \$78,508.59 collected exceeded the 1954 rent charges by \$938.51. Since not all of our lessees paid in full

their 1954 rent. This and the considerable increase in penalty collections indicate the collection of a considerable amount of delinquent rent. This reversal of the situation as reported for 1953 was in part due to positive action. Particularly was this true with respect to delinquent rent payments on unimproved or poorly improved leaseholds. We believe no one was hurt and surely no one was deprived of any property that contributed to his livelihood. Of our \$97 leasehold accounts in 1954 only 44 failed to pay in full before the year ended.

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Miscellaneous Refunds	108.96
	<u>\$ 96,944.80</u>
Cash on Hand January 1, 1954	5,898.06
	<u>\$102,842.86</u>

DISBURSEMENTS

Taxes Paid for Lessees:	
General Property	\$ 33,153.97
Car and Truck Taxes	3,388.89
Poll Taxes	115.26
Corporation Land and Property Taxes	6,123.38
City Business License	150.00
Income Taxes	278.06
Social Security Taxes	134.36
Salaries	9,363.80
Office Expenses, Etc.	1,799.18
Lands & Highways Department	17,558.70
Library Maintenance	1,865.20
Library Interest	87.50
Cemetery Maintenance	400.00
Civic Contributions	3,652.30
Miscellaneous Re- funds	909.02
Corporation Invest- ments	5,000.00
Library Investments	1,100.00
	<u>\$ 85,084.62</u>
Cash on Hand December 31, 1954	17,758.24
	<u>\$102,842.86</u>

SECRETARY'S REPORT

The year 1954 brought to a satisfying and hopeful conclusion the 60th year of your Colony's occupancy of Fairhope land. We believe this report of the results of our application of Henry George's single

tax principles on that land offers evidence of the soundness of those principles and that they are essential to the social and economic welfare.

RENTS

Net rent charges in 1954 were \$77,570.08. The increase of \$9,311.11 over 1953 net rent charges was produced in large part by the council's reappraisal of the rental value of our land as reported last year. Urban land inside the municipality accounted for \$7,552.07 of the increase, urban land outside, in the Magnolia Beach section, \$1,007.18 and country land, \$751.86. The 1954 rental charges were distributed as follows: Urban municipal land, \$66,632.84, non-municipal urban land, \$2,331.16 and country land \$8,606.08.

It will be noted that the proportionate rent increase on land in the non-municipal Magnolia Beach section was by far the greatest. Two main factors were responsible for this. One was that much of the leased land was leased for only a part of the previous year. The other was that the 1953 extensions of water, electric, gas and sewer services in that section produced a greatly increased demand for the land and a corresponding increase in its rental value.

The council directed that 1955 rental charges be calculated on the same basis used in 1954 except for a few lots at the east end of Edward St., where paving had been extended. As a result the only other increases in 1955 will result from a full year's rental charge on land that was leased for only a part of 1954 and from such additional land as may be leased in 1955. Unless we get the land in the former municipal golf course section ready for lease this year such additions will be of little consequence. All the country lands are leased as they have been since 1944. All Colony land west of Section St., is leased as is all of the more utilizable and accessible and east of Section St.

to Greeno Road.

LAND TRANSACTIONS

APPLICATIONS: Twenty applications were approved. Three were for land to which the Colony had perfected its title within the year and eleven were made possible as a result of current surrenders and forfeitures. Eleven new residences now occupy the newly applied for leaseholds. Five were built for occupancy by the original lessee. Five were built for sale and before the end of the year two of these were purchased and occupied. Another was transferred and the new lessee has built a home on it so there are eight new home owners on land applied for during the year.

SURRENDERS: As we predicted last year some of those who so hastily leased lots in the Magnolia Beach section surrendered their leaseholds in 1954. Of the nine surrenders accepted six were in that section. With three exceptions the surrendered land was again leased within the year.

To encourage surrenders and get unimproved land into use the council agreed to waive the lease requirement affecting surrenders. The lease requires the lessee to give six months notice in writing and to pay all rents due to the end of such six month period. The council agreed, in lieu of such requirement, to accept payment of the rent to the date of surrender acceptance and to refund to the surrendering lessee such advance rent as he might have paid and such amount as he might have paid the Colony for trees or other improvements remaining on the land.

FORFEITURES: In accordance with paragraph (6) of the lease contract three leases to unimproved lots were declared forfeited, the rent having been due and unpaid for more than the ninety days specified in paragraph (6). One such leasehold was divided and leased to two of the previously reported applicants. Another was leased and the nice home on it is one of those previously reported. The other is presently withheld as it lies within the borders of land that is being replatted.

TRANSFERS More leasehold transfers were approved in 1954 than in any other one year in the

Colony's history. There were one hundred four. Contributing to the increase was a greater activity in the building of homes for sale. These accounted for eleven of the sixty-three improved leasehold transfers. Completed or under construction before the end of the year were nine more new residences that are or will be for sale.

Unimproved or only partially improved leaseholds accounted for twenty-three transfers and there was no substantial evidence of bonus payments for such transfers. Seven went to builders and on these two homes had been built and sold before the end of the year with five more under construction. Five went to lessees who have built their own new homes.

The eighteen remaining transfers approved in 1954 were mainly inter-family transfers. Several should be classed as gifts, one was an estate transfer to a legatee, one an adjustment to clarify ownership and the others were for the purpose of sharing or transferring of title within the family.

Involved in all the transfers were ninety-five urban and nine country leaseholds. Reported sale prices and estimated value of gifts and bequests run the total to well over \$500,000.00.

ASSESSED VALUATIONS

The county assessor's records show that the 1954 assessment values of the Colony and those who occupy its lands increased from a 1953 total of \$1,454,650 to a 1954 total of \$1,543,960, an increase of \$89,310, 6.14 per cent. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1953 total of \$23,650,780 to a 1954 total of \$25,248,260, an increase of \$1,597,480, 6.75 per cent. It will be noted that in 1954 the Colony assessments accounted for a smaller proportion of the total than in 1953. Percentage-wise the drop was from 6.15 per cent to 6.12 per cent.

In the City of Fairhope Colony assessment values increased from a 1953 total of \$1,291,330 to a 1954 total of \$1,372,380, an increase of \$81,050, 6.28 per cent. The assessed values for all of the City increased from a 1953 total of \$2,119,700 to a 1954 total of \$2,297,980, an increase of \$178,280, 8.41 per cent.

Here as in the county the Colony accounted for a smaller proportion of the total. Percentage-wise the drop was from 60.90 per cent to 59.72 per cent. This trend must be expected to continue for, unlike the Colony, both city and county have broad areas of undeveloped land on which to grow.

Twenty-three new buildings completed in 1953 were counted in the 1954 assessment records and the assessed value of sixty-three other properties was increased to reflect added values resulting from additions or improvements to existing buildings.

LANDS AND HIGHWAYS

Activities in the department of lands and highways fell far short of what was accomplished in 1953. Probably more could and should have been done. However, there were some substantial accomplishments. We did get the plant mix asphalt seal on De La Mare and Church Sts., and on Magnolia Ave., from Section St., to the top of the Fairhope Ave., bay hill. Not only do these streets now present a more finished and satisfying appearance but the smooth driving surface affords much satisfaction. The paving on Edward St. was extended to its intersection with Greeno Road, much to the satisfaction of the lessees affected. Other paving improvements paid for by the Colony were the paving of the heavily used alley running east from Church St., back of the postoffice and the paving of the parking strip on the south side of Fairhope Ave., west of Church St.

The only other major expenditures were in the new subdivision of the former municipal golf course land on which work was started in 1953. The nine inch rain of December, 1953 proved the two foot culvert under the Johnson St. fill across the gully back of the old club house to be too small. To remedy that situation it was replaced with a four foot brick arch culvert. An eight inch clay pipe sanitary sewer main was installed on Johnson St., and on Berglin St., the street running south from the east end of Johnson St., to Morphy Avenue.

Much remains to be done in that section before we can open for lease the lots that will be available there. In 1954 many who came

to our office for the prospective purposes of applying for a lease to land on which they might build were disappointed. With the exception of the very meagre number of lots the Colony may recover in 1955 through surrender or forfeiture this section is our only immediately prospective source of supply with which to meet the continuing demand.

INVESTMENTS

The Colony's savings investments were increased by \$2,000.00 in 1954. The increase was accomplished by the investment of that amount of the \$3,710.00 received in February from the Plymouth Oil Co., to extend for one year their lease to the oil and mineral rights in our country land. This and an additional \$3,000.00 derived from maturing U. S. "G" bonds purchased in 1942 were invested in savings certificates of Baldwin County Savings & Loan Association. In addition to the above we have another \$1,000.00 likewise invested and \$3,000.00 in U. S. "G" bonds that mature this year. Our savings investments thus amount to a total of \$8,000.00.

MEMBERSHIP

We again have the sad duty of reporting loss by death of one of our older local members. Mrs. Anne B. Call who died May 1, came to Fairhope in 1899. Already an ardent single taxpayer, Mrs. Call gave freely of her time and understanding to promote both the Colony and the young community it had established. On the credit side we are pleased to report that a new name was added to our membership list in 1954. At the last council meeting of the year an application for membership from Claude W. Arnold was accepted. Our new member is of a generation of which we have all too few. We are pleased to report, however, assurance that our 1955 report will show additional acquisitions that will accomplish as much to be desired lowering of the age level of Colony members.

COMMENTS

Our financial statement shows a considerable improvement in rent collections. It will be noted that the \$78,508.59 collected exceeded the 1954 rent charges by \$938.51. Since not all of our lessees paid in full

Fred Chapin Jr., lost his long and valiant fight against physical ailments that had kept him bed-ridden for more than a year. Another loss, but one we have hopes may not be permanent, was suffered when R. L. Rockwell and Mrs. Rockwell went to Costa Rica. Mr. Rockwell was a highly valued member of our Executive Council for many years and conducted Henry George study classes both in his home and at the Organic School. Happily his son R. Lucier Rockwell filled his position in both capacities.

COMMENTS

Rent collections continued to improve in 1955. The excess of current collections over current charges amounted to more than \$2,000.00. While some of this excess must be charged to advance payments on rent most of it went to the reduction of lessees' delinquent rent accounts. Our good showing in the collection department reflects the generally favorable economic status of our lessees. An increasing number of these are employed in substantial industrial and commercial institutions. The regular pay checks enable them to pay their rent charges promptly. Another factor in promoting current payment of rent to the Colony is its present practice of making direct payment to the tax collector of the property tax obligations of those lessees who have paid their Colony rent in full before the end of the year.

The general property taxes of Colony lessees for which the Colony is liable, increased in 1955 by slightly more than \$2,000.00. The quality of the buildings now being built on Colony land is generally better and more expensive than were many of the earlier years, resulting in higher assessed valuations. Lessees' car and truck taxes, the receipts for which were allowed as rent credits or refunded to the lessee owners decreased some. This decrease was not due to any decrease in numbers but to the graduated decline in assessed values.

In 1955 the lessee to the oil and mineral rights on our country lands made his annual payment of \$3,710.00, maintaining his lease in force for another year, the fourth and the longest any such lease on Colony land has been maintained in force. The discovery of oil in the Pollard field accounted for the initiating of the present lease and now the discovery at Citro-

nelle is probably responsible for continuing that interest.

In 1955 we made long needed alterations in the use of our office space and valuable additions to our office equipment. The partitions were removed to give us a single large office. This has made equally accessible to the public both the secretary's and the cashier's departments. Some additional improvements are yet needed to add to the office appearance as well as its utility and it is hoped that we will be in position to report further progress next year.

New desks and desk chairs were purchased for the secretary and cashier. The new desks are not only better suited to the needs but present a considerably more favorable appearance. An improvement in our Lessees' accounts system was effected by replacing the cumbersome looseleaf ledger with a ledger card and tray system. Adding greatly to the protection of our current records and leases was the purchase of a heavily insulated filing cabinet. All current leases, ledger accounts and cash books are kept in this cabinet which affords far greater protection against fire damage than does our iron safe. Adding appreciably to the comfort of the office force and to those having business with the Colony was the installation of an air conditioner.

Confidence in the stability of our Colony and the security of its lessees is afforded by the number and distribution of mortgage agreements negotiated by our lessees. In addition to those consummated with the Bank of Fairhope eighty assents to mortgage were approved by the Executive Council. The Baldwin County Savings & Loan Association secured the major part of the business but borrowing lessees also found favor with the First Federal Savings & Loan Association of Mobile, both The First National and the Merchants National Banks of Mobile, State and National Insurance companies as well as with a number of local individuals and with the Veterans Administration.

For the year 1955 the Colony was officered as follows: President, M. Dyson, Vice-President, J. E. Gaston, Secretary, C. A. Gaston, Treasurer, M. O. Berglin, Supt. Lands and Highways, Marvin Nichols, Supt. Public Service, R. H. Brown, Supt. Public Health, Sam Dyson, Supt. Industries, R. Lucier Rockwell and Trustees, A. H. Mershon, J. O. Stimpson and Lillian Totten.

1955 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT

1955

RECEIPTS

Rent	\$ 79,695.58
Penalty	664.12
Lease Fees	103.00
Oil Lease	3,710.00
Miscellaneous Sales	315.00
Bond Redemption	3,000.00
Corporation Interest	232.50
Library Interest	93.00
Membership Fees	180.00
Lease Bonus	50.00
Tax Refunds	203.67
Miscellaneous	85.50
	<u>\$ 83,332.37</u>

Cash on Hand,	
January 1, 1955	17,768.24
	<u>\$106,090.61</u>

DISBURSEMENTS

Taxes Paid for Lessees:	
General Property	\$ 35,259.43
Car and Truck	3,303.53
Poll Taxes	77.03
Corporation Land and	
Property Taxes	6,089.52
City Business License	150.00
Income Taxes	849.50
Social Security Taxes	159.00
Salaries	9,321.00
Office Expenses	1,906.70
Lands and Highways	32,403.04
Library Maintenance	1,942.03
Library Interest	79.25
Cemetery Maintenance	400.00
Civic Contributions	393.00
Miscellaneous Refunds	185.42
Corporation Investments	3,000.00
Land Purchase	2,900.00
Office Equipment	1,217.84
Membership Redemption	50.00
Organic School	3,625.25
	<u>\$103,311.59</u>

Cash on Hand,	
December 31, 1955	2,779.02
	<u>\$106,090.61</u>

SECRETARY'S REPORT

Mr. President and Fellow Members: Happily this year your secretary can report another year of accelerated activity in the progress of our Colony. All departments with but one exception, show increased achievement. The exception was in our decreased ability to satisfy the demand for Colony land. Our failure there was due to an exhaustion of available supply a condition we have all known

must be faced sooner or later. Unhappily there is little we can do to remedy that situation but you may be assured every reasonable measure will be taken to alleviate its effects.

We hope that our detailed reports of the various departments will be of interest not only to you as members but also to our many non-member lessees and neighbors. New interest in the Colony and its operations is essential to its continued existence. We believe these reports carry convincing evidence of the Colony's value to the community and of its potential value to the fundamental purposes of society.

RENTS

Total rent charges for 1955 amounted to \$77,659.05. Rent charges were distributed as follows: on urban municipal land, \$66,411.44; on non-municipal urban land \$2,679.03 and on rural or country land, \$8,568.58. All of the non-municipal urban land is in the Magnolia Beach section. Of the 906 rent accounts listed all but fifty had paid their 1955 rent charges in full before the end of the year. This good payment record of our lessees accounts for the \$79,695.58 of 1955 rent collections heading our financial statement.

As anticipated in our 1954 report rent charges for 1955 were only slightly more than for 1954. With the exception of only one minor sectional rate increase the street frontage rates on urban lands and acre rates on country lands from which rental charges are calculated were the same in 1955 as in 1954. Since no new lands were opened for lease during the year there was no increase from that source.

Rent charges for 1956 will be the same as for 1955 with the exception of increases on existing leaseholds on Fairhope and Ingleside Avenues now having additional street frontage on newly opened Johnson, Berglin and Call Streets. Another exception will be the increase resulting from a rate increase on Liberty and Pecan

Streets in the Magnolia Beach section as a result of the added benefit provided by the paving of those streets.

LAND TRANSACTIONS

APPLICATIONS — Due to the fact that as previously reported the Colony had exhausted its immediate supply of available land with which to satisfy an increasing number of applicants, only five new applications for land could be approved. This was probably the smallest number of approved land applications since the founding of the Colony in 1895. Four of the successful applicants started building immediately after securing possession and are now domiciled in their own comfortable homes. The remaining one hopes to build this year.

SURRENDERS — Only one surrender was received in 1955. After leasing the lot the lessee decided it was in a location not suited to the type of improvement he had planned.

FORFEITURES — Two leases were forfeited in 1955. One was for the more common cause, non-payment of rent. The other was a result of the lessee's violation of his agreement as set forth in the "Application for Land." In making the application for a lease the applicant declares: "I agree that I will neither ask nor accept a 'bonus' for the transfer of an unimproved leasehold and that the proved attempt to do so shall be cause for forfeiture of my lease to such unimproved land." These forfeitures made possible two of the approved applications herein reported.

TRANSFERS — Ninety - nine transfers of leasehold interests were approved. Thirteen were interfamily or partnership transactions or from estates of deceased lessees to their legatees. In these no cash consideration was involved and no estimate made of the value. Reported considerations for the remaining eighty-six amounted to \$651,047.00.

Seventy-two of the transfers were urban properties on which there were building improvements, sixty-nine residences and three business buildings. There were six vacant city lots, partially improved. Eight were country leaseholds, though only two could be classed as farm property.

All of the residences built for sale were disposed of by the builders before the end of the year. These and new houses built by

lessees will account for thirty-six new properties placed on the 1956 assessment roll.

LANDS AND HIGHWAYS

The major achievement in the Lands and Highways department was the completion of the streets in the Golf Course Subdivision. There, some 2200 feet of new streets have been provided. The quality of street improvement furnished is the highest the Colony has initially supplied. The twenty-four foot center strip of plant mix asphalt paving is flanked on either side by a two foot wide concrete curb retainer of the mountable type. The mountable curb has the advantage of giving the lot developer full freedom in locating his entrance drive.

With a view to avoiding so far as possible, the cutting of the pavement sewer service connections extending from the main in the center of the road to a point free of the paving were installed prior to the paving of the streets. Water and gas mains are located between the curb and the property lines. Where house service lines for water and gas must cross the street it is anticipated that such service lines can be jacked or jetted under the pavement to the other side.

The opening of these streets has made available land with street frontage sufficient to provide thirty-seven lots of ample size for the presently popular ranch type house. There is good prospect of an active demand for the lots made available and at the rates fixed by the council the annual rental return should amount to nearly \$2,000.00.

Another such improvement was the paving of Liberty and Pecan Streets in the Magnolia Beach Section. The Liberty Street paving is complete with concrete curb and gutter extending from Pecan St. on the North to Fig St. on the South. Liberty St. formerly 1st Avenue, was originally platted by the Magnolia Beach Development Co., as a forty foot street but after the Colony acquired the land on either side from Pecan to Fig St., it increased the width of that section to sixty feet. This made it possible for the Colony to provide it with the same width of pavement used on the Golf Course streets.

The Pecan Street paving extends from Church St., on the East to Pomelo St. on the West. On this street the Colony owns none

of the land on the North side and only part of that on the South side and the right of way is only forty feet wide as originally platted. Because of the narrower right of way it was necessary to reduce the width of the asphalt paved strip to twenty feet. Also on Pecan St., the private owners were unwilling to pay the additional cost of concrete curbs except at the street intersections where it was required by the City as a condition to its approval of the project. As a result concrete curb and gutter is provided as a pavement retainer only where the street abuts land owned by the Colony.

A concrete sidewalk was provided by the Colony along the East side of Church Street South from De La Mare Street to the Junior High School playground. An additional paving improvement was the paving of the parking area on the north side of Fairhope Ave., in front of the fine new Boone-Huffman office building. All of these projects were completed and paid for during the year and account for the major part of the considerable increase in that department's expenditures as shown in the financial statement.

We did add to our land holdings in 1955. A five acre lot abutting the North line of our Block forty-five, Division four, on the West side of Blue Island Ave., was purchased from Mr. and Mrs. Donald B. Jones. None of this land will be available for development until Blue Island Ave., is opened to the North from Fairhope Ave. Another purchase was the Bell land on the West side of Church St. abutting on the North line of our Block five, Division one. It has a frontage on Church St. of 209 feet, more or less and lies directly in front of a strip of land owned by the Colony to which it can be added. This land will require some correction of drainage before it can be brought to suitable use.

ASSESSED VALUATIONS

The County assessor's records show that the 1955 assessment values of the Colony and those who occupy its lands increased from a 1954 total of \$1,543,960 to a 1955 total of \$1,664,020, an increase of 7.78 per cent as compared with last year's 6.14 per cent increase. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1954 total of \$25,248,260 to a 1955 total of \$27,372,800, an increase of

8.41 per cent.

In the City of Fairhope Colony assessment values increased from a 1954 total of \$1,372,380 to a 1955 total of \$1,481,360, an increase of 7.94 per cent. The assessed values for the entire City, exclusive of public utility assessed values increased from a 1954 total of \$2,297,980 to a 1955 total of \$2,479,770, an increase of 7.91 per cent. Of the \$181,790 increase in the City as a whole the Colony's increase accounted for \$108,980, 59.95 per cent.

We consider these figures to be of particular significance. Fairhope had its birth on Colony land. At the present time the Colony land occupies approximately one fourth of the land within the municipal boundaries of the City of Fairhope. Although the Colony has been most generous in providing land from its small area for streets, parks and other public use the people of Fairhope have largely depended upon the Colony to supply them with land on which they might build their community of homes and business institutions.

Is it not significant that after sixty-one years the Colony, on its approximately one-fourth of the area should be supplying the City with about three-fifths of its property tax revenue? On the map of Baldwin County the Colony land appears as a very very small fraction of Baldwin's broad acres yet in 1955 the Colony accounted for almost one-sixteenth of the county's assessed values exclusive of public utilities.

INVESTMENTS

Our savings investments remained unchanged at a total of \$8,000.00. The United States "G" bonds reported last year to be maturing in 1955 were invested in saving certificates of the Baldwin County Savings & Loan Association.

MEMBERSHIP

Three new members were added to our membership roll in 1955. M. O. Berglin was the first to be enrolled and is now actively serving the Colony as its treasurer and superintendent of Finance and Insurance, having been elected to that position at the February election of officers. Another new member is Bruce Evans, Jr., who has been employed in our office as cashier and bookkeeper since July 1954. The third is Charles A. Kinney, a long time lessee and winter resident of Fairhope.

In May our former treasurer,

Fred Chapin Jr., lost his long and valiant fight against physical ailments that had kept him bed-ridden for more than a year. Another loss, but one we have hopes may not be permanent, was suffered when R. L. Rockwell and Mrs. Rockwell went to Costa Rica. Mr. Rockwell was a highly valued member of our Executive Council for many years and conducted Henry George study classes both in his home and at the Organic School. Happily his son R. Lucier Rockwell filled his position in both capacities.

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1955 Report Fairhope Single Tax Corp.

Fairhope, Alabama

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RENTS

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The County assessor's records show that the 1955 assessment values of the Colony and those who occupy its lands increased from a 1954 total of \$1,543,960 to a 1955 total of \$1,664,020, an increase of 7.73 per cent as compared with last year's 6.14 per cent increase. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1954 total of \$25,248,260 to a 1955 total of \$27,372,800, an increase of

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We consider these figures to be of particular significance. Fairhope had its birth on Colony land. At the present time the Colony land occupies approximately one fourth of the land within the municipal boundaries of the City of Fairhope. Although the Colony has been most generous in providing land from its small area for streets, parks and other public use the people of Fairhope have largely depended upon the Colony to supply them with land on which they might build their community of homes and business institutions.

Is it not significant that after sixty-one years the Colony, on its approximately one-fourth of the area should be supplying the City with about three-fifths of its property tax revenue? On the map of Baldwin County the Colony land appears as a very very small fraction of Baldwin's broad acres yet in 1955 the Colony accounted for almost one-sixteenth of the county's assessed values exclusive of public utilities.

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Our savings investments remained unchanged at a total of \$8,000.00. The United States "G" bonds reported last year to be maturing in 1955 were invested in saving certificates of the Baldwin County Savings & Loan Association.

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1955 Report Fairhope Single Tax Corp.

Fairhope, Alabama

FINANCIAL STATEMENT

1955

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Penalty	664.12
Lease Fees	103.00
Oil Lease	3,710.00
Miscellaneous Sales	315.00
Bond Redemption	3,000.00
Corporation Interest	232.50
Library Interest	93.00
Membership Fees	130.00
Lease Bonus	50.00
Tax Refunds	203.67
Miscellaneous	85.50
	<u>\$ 88,332.37</u>

Cash on Hand,	
January 1, 1955	17,758.24
	<u>\$106,090.61</u>

DISBURSEMENTS

Taxes Paid for Lessees:	
General Property	\$ 35,259.43
Car and Truck	3,303.58
Poll Taxes	77.03
Corporation Land and	
Property Taxes	6,089.52
City Business License	150.00
Income Taxes	849.50
Social Security Taxes	159.00
Salaries	9,321.00
Office Expenses	1,906.70
Lands and Highways	32,403.04
Library Maintenance	1,942.03
Library Interest	79.25
Cemetery Maintenance	400.00
Civic Contributions	333.00
Miscellaneous Refunds	185.42
Corporation Investments	3,000.00
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Streets in the Magnolia Beach section as a result of the added benefit provided by the paving of those streets.

LAND TRANSACTIONS

APPLICATIONS — Due to the fact that as previously reported, the Colony had exhausted its immediate supply of available land with which to satisfy an increasing number of applicants, only five new applications for land could be approved. This was probably the smallest number of approved land applications since the founding of the Colony in 1895. Four of the successful applicants started building immediately after securing possession and are now domiciled in their own comfortable homes. The remaining one hopes to build this year.

SURRENDERS — Only one surrender was received in 1955. After leasing the lot the lessee decided it was in a location not suited to the type of improvement he had planned.

FORFEITURES — Two leases were forfeited in 1955. One was for the more common cause, non-payment of rent. The other was a result of the lessee's violation of his agreement as set forth in the "Application for Land." In making the application for a lease the applicant declares: "I agree that I will neither ask nor accept a 'bonus' for the transfer of an unimproved leasehold and that the proved attempt to do so shall be cause for forfeiture of my lease to such unimproved land." These forfeitures made possible two of the approved applications herein reported.

TRANSFERS — Ninety - nine transfers of leasehold interests were approved. Thirteen were interfamily or partnership transactions or from estates of deceased lessees to their legatees. In these no cash consideration was involved and no estimate made of the value. Reported considerations for the remaining eighty-six amounted to \$651,047.00.

Seventy-two of the transfers were urban properties on which there were building improvements, sixty-nine residences and three business buildings. There were six vacant city lots, partially improved. Eight were country leaseholds, though only two could be classed as farm property.

All of the residences built for sale were disposed of by the builders before the end of the year. These and new houses built by

lessees will account for thirty-six new properties placed on the 1956 assessment roll.

LANDS AND HIGHWAYS

The major achievement in the Lands and Highways department was the completion of the streets in the Golf Course Subdivision. There, some 2200 feet of new streets have been provided. The quality of street improvement furnished is the highest the Colony has initially supplied. The twenty-four foot center strip of plant mix asphalt paving is flanked on either side by a two foot wide concrete curb retainer of the mountable type. The mountable curb has the advantage of giving the lot developer full freedom in locating his entrance drive.

With a view to avoiding so far as possible, the cutting of the pavement sewer service connections extending from the main in the center of the road to a point free of the paving were installed prior to the paving of the streets. Water and gas mains are located between the curb and the property lines. Where house service lines for water and gas must cross the street it is anticipated that such service lines can be jacked or jetted under the pavement to the other side.

The opening of these streets has made available land with street frontage sufficient to provide thirty-seven lots of ample size for the presently popular ranch type house. There is good prospect of an active demand for the lots made available and at the rates fixed by the council the annual rental return should amount to nearly \$2,000.00.

Another such improvement was the paving of Liberty and Pecan Streets in the Magnolia Beach Section. The Liberty Street paving is complete with concrete curb and gutter extending from Pecan St. on the North to Fig St. on the South. Liberty St. formerly 1st Avenue, was originally platted by the Magnolia Beach Development Co., as a forty foot street but after the Colony acquired the land on either side from Pecan to Fig St., it increased the width of that section to sixty feet. This made it possible for the Colony to provide it with the same width of pavement used on the Golf Course streets.

The Pecan Street paving extends from Church St., on the East to Pomelo St. on the West. On this street the Colony owns none

of the land on the North side and only part of that on the South side and the right of way is only forty feet wide as originally platted. Because of the narrower right of way it was necessary to reduce the width of the asphalt paved strip to twenty feet. Also on Pecan St., the private owners were unwilling to pay the additional cost of concrete curbs except at the street intersections where it was required by the City as a condition to its approval of the project. As a result concrete curb and gutter is provided as a pavement retainer only where the street abuts land owned by the Colony.

A concrete sidewalk was provided by the Colony along the East side of Church Street South from De La Mare Street to the Junior High School playground. An additional paving improvement was the paving of the parking area on the north side of Fairhope Ave., in front of the fine new Boone-Huffman office building. All of these projects were completed and paid for during the year and account for the major part of the considerable increase in that department's expenditures as shown in the financial statement.

We did add to our land holdings in 1955. A five acre lot abutting the North line of our Block forty-five, Division four, on the West side of Blue Island Ave., was purchased from Mr. and Mrs. Donald B. Jones. None of this land will be available for development until Blue Island Ave., is opened to the North from Fairhope Ave. Another purchase was the Bell land on the West side of Church St. abutting on the North line of our Block five, Division one. It has a frontage on Church St. of 209 feet, more or less and lies directly in front of a strip of land owned by the Colony to which it can be added. This land will require some correction of drainage before it can be brought to suitable use.

ASSESSED VALUATIONS

The County assessor's records show that the 1955 assessment values of the Colony and those who occupy its lands increased from a 1954 total of \$1,543,960 to a 1955 total of \$1,664,020, an increase of 7.78 per cent as compared with last year's 6.14 per cent increase. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1954 total of \$25,248,260 to a 1955 total of \$27,372,800, an increase of

8.41 per cent.

In the City of Fairhope Colony assessment values increased from a 1954 total of \$1,372,380 to a 1955 total of \$1,481,860, an increase of 7.94 per cent. The assessed values for the entire City, exclusive of public utility assessed values increased from a 1954 total of \$2,297,980 to a 1955 total of \$2,479,770, an increase of 7.91 per cent. Of the \$181,790 increase in the City as a whole the Colony's increase accounted for \$108,980, 59.95 per cent.

We consider these figures to be of particular significance. Fairhope had its birth on Colony land. At the present time the Colony land occupies approximately one fourth of the land within the municipal boundaries of the City of Fairhope. Although the Colony has been most generous in providing land from its small area for streets, parks and other public use the people of Fairhope have largely depended upon the Colony to supply them with land on which they might build their community of homes and business institutions.

Is it not significant that after sixty-one years the Colony, on its approximately one-fourth of the area should be supplying the City with about three-fifths of its property tax revenue? On the map of Baldwin County the Colony land appears as a very very small fraction of Baldwin's broad acres yet in 1955 the Colony accounted for almost one-sixteenth of the county's assessed values exclusive of public utilities.

INVESTMENTS

Our savings investments remained unchanged at a total of \$3,000.00. The United States "G" bonds reported last year to be maturing in 1955 were invested in saving certificates of the Baldwin County Savings & Loan Association.

MEMBERSHIP

Three new members were added to our membership roll in 1955. M. O. Berglin was the first to be enrolled and is now actively serving the Colony as its treasurer and superintendent of Finance and Insurance, having been elected to that position at the February election of officers. Another new member is Bruce Evans, Jr., who has been employed in our office as cashier and bookkeeper since July 1954. The third is Charles A. Kinney, a long time lessee and winter resident of Fairhope.

In May our former treasurer,