

351 West 114th Street, N. Y.
November 21st, 1922.

To the Stockholders
of the Clarence H. White Realty Corporation:

I am more sorry than I can tell you to have to
to write this letter.

Mr. White has called a meeting of stockholders
and has asked you, if you are unable to be present, to
make him your attorney and agent at that meeting.

This letter was written without my knowledge.
It misstates the nature of the action taken by the Board
of Directors. It confuses the Corporation with the
School. It questions the wisdom of the Board of Directors
in voting to sell the property, and it voices the senti-
ment of a "group" (whose names Mr. White says he is not
at liberty to disclose) who feel that the stockholders
should have had and should now have a voice and a vote.

Let me try, briefly, to clarify the situation.

The middle of August came with no money with
which to pay bills. I had asked Mr. White for \$112
with which to make the monthly payment on the second
mortgage. He did not pay it, though he wrote me on
September 20th that he could have paid it. But of
course I understood that he could not conveniently meet
the obligation. No rent had been paid for months. The
School was not paying and was not likely to pay its ex-
penses. Mr. White had found and had stated to me that
his estimates, on which our enterprise was undertaken,
were much too high. I told him, "I see nothing for it
but to sell the house. We must have a Directors' meet-
ing as soon as possible." He said, "Go ahead without
me. It will perhaps be better if I am not there." The
meeting was held. Legal advice was taken as to calling
a meeting of stockholders. Time was pressing, and it
seemed better to act at once and communicate with the
stockholders afterwards. This was done. I have received
no word from any stockholder questioning the wisdom or
the necessity of the action taken, - with the sole excep-
tion of Mr. White who said after the action had been
taken that he wanted to be present at his own funeral.
What we were trying to do was to avoid a funeral of the
stockholders, of whom he is one of the largest. - As for
the decision to give up the School, it was made by
Mr. White and by no other, and I have not stated or

implied anything to the contrary.

Since the action of the Directors the situation has not improved. No past due rent has been paid. Payments on the second mortgage have been suspended. In order to meet the interest on the first mortgage due November 1st and so protect the stockholders I lent the Corporation \$200 - although I had previously reached the limit of what I could conveniently advance. A receipt for this payment reached Mr. White's office a day or two before he called the meeting.

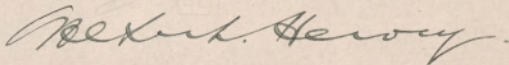
I have begged Mr. White, in vain, to recall the notice of the meeting, urging that if there is money, no meeting is needed to place the School again in possession of the house; but if there are no funds, no change is possible; and that if the purpose of the meeting is to devise ways and means of carrying on the School, a stockholders' meeting, especially under the circumstances, is not a good place to accomplish it.

If any of you wish me to act as your proxy, I will do so. If anyone has sent his proxy to Mr. White and wishes to cancel it, a proxy of later date made out to me, or anyone else, would have that effect. I shall vote to sustain the Directors, unless it is proved that the School can meet the bills of the Corporation and pay rent due and to be due. - Aside from this I shall be ready, as always, to do all I can to further the interests of Mr. White and of what he stands for.

A form is enclosed for your use if you so desire. Please understand that I do not ask you to use it.

I am writing because a number of people are under the impression that I am one of the "group." I had to remove that impression, and I also feel bound to do what I can to safeguard your interests, which I believe are endangered.

Sincerely yours,



Walter L. Hervey,
Secretary - Treasurer.

P R O X Y

KNOW ALL MEN BY THESE PRESENTS, That _____

_____ the undersigned, Stockholder in
Clarence H. White Realty Corporation, do hereby constitute
and appoint Walter L. Hervey my true and lawful attorney and
agent for me, and in my name, place and stead, to vote as my
proxy at the Special Meeting of the Stockholders of the said
Company, to be held at Room 126, No. 40 Wall Street, New York
City, N.Y., on the 27th day of November, 1922, at 12 o'clock,
noon, or at any adjournment thereof, for the transaction of
any business which may legally come before the said Meeting,
and for me and in my name, to act as fully as I could do if
personally present; and I hereby revoke any other proxy
heretofore given by me.

WITNESS my hand and seal this _____ day of
1922.

(L.S.)

In presence of:
