

CLARENCE H. WHITE REALTY CORPORATION

460 WEST 144TH STREET
NEW YORK CITY

BOARD OF DIRECTORS
PRESIDENT CLARENCE H. WHITE
VICE-PRESIDENT DR. CHARLES H. JAEGER SECRETARY-TREASURER DR. WALTER L. HERVEY MARY B. WHITE WALTER L. EHRLICH

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

I am sending you a copy of my report to the Board of Directors, containing a Resolution which was unanimously adopted; in pursuance of which the Corporation has taken over the property and has offered it for sale at \$20,000. Mr. Wm. A. Alcock is attending to this matter.

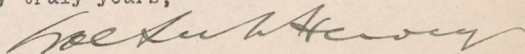
From the gross amount realized from the sale of the house there will be deducted the amount of the mortgages, \$9000 and \$2300 respectively, with accrued interest; the temporary loans to meet carrying charges, now amounting to \$1000; brokerage, and any bills that may accrue between now and the passing of the title. The remainder goes to the stockholders, whose stock totals \$5824.

I have explained why we felt justified in going into the project, and why we have been forced to abandon it. A further question has been asked: Why have no dividends been paid? The following statement will, I hope, give the answer:

The first year in the new building was not a fair test from any point of view. The school began late and had to be built almost from the ground up. The rent was paid, not out of earnings but out of Mr. White's personal capital. Moreover, the Corporation had to meet extraordinary expenses that first year. For these reasons no dividends could be paid then. The second year showed a healthy and hopeful increase both in number of students and in the quality of work. But the school did not pay financially; part of the carrying charges had to be met by personal loans; hence dividends were not paid.

You will understand that the decision to give up the School was a hard one and was not reached until many plans had been considered.

Very truly yours,



Secretary-Treasurer.