

Falls Church, Virginia  
May 29<sup>th</sup>, 1922

Mr. M. E. Church  
Falls Church, Va.

Dear Mr. Church:-

It has now been a year since I talked over my financial affairs with you and made certain arrangements in regard to money with the bank. I wish at this time to make a progress report and ask a re-adjustment of my bank arrangements.

There has been some delay in making this report, as I have been, until the past day or two, quite uncertain as to my immediate future plans, having been asked to return to China and take up certain important education work in connection with one of the large Normal Colleges. After considerable correspondence and consideration it has seemed advisable to defer departure to China until next year. This work in China will probably keep me in that country for a period of about three years, after which I should have to return to America for another period of about two years. During this absence I wish to make the Falls Church Bank the depository and agent for my finances as outlined hereafter. Owing to the fact that my obligations to the bank fall due this year and necessitate re-newal arrangements and also for the sake of greater immediate comfort and convenience of my family, I am making the suggestions herein stated.

In my statement to you in May of last year I put my total liabilities at a little over \$14,000.00. By the surplus of a new trust and an additional loan of \$500.00 this was increased to about \$14,700.00. But, after the dismissal of my former farm manager, I discovered, what I had previously expected to some extent, that he had made considerable purchases on the farm account for which he had turned in no bills of purchase as he was supposed to do in every instance. These various unrecorded accounts gradually came to light during the first two or three months following his departure. On account of the straggling manner in which they came in, I was not able to keep a very accurate record of their total at any one time, but such accounts must have been enough to have brought the above total liabilities, about the month of June, up to several hundred dollars over the \$15,000.00 mark.

With all accounts available, - no unrecorded accounts as above, I found at the first of January of the current year that my total liabilities had been reduced to \$13,457.50. Since the first of January I have been able to further to reduce this amount by an average of about \$200.00 per month, or a total to date of approximately \$1,000.00, - including a few payments to be made within the next day or two. The actual reduction today I find is just about \$900.00, or say, present total liabilities, including trusts, \$12,550.00, - lacking only a little \$3,000.00 less than the apparent high water mark in June of last year. In making this reduction only about \$600.00 of the money so applied was secured from the sale of some of my personal property, - live stock, machinery, etc.

The immediate prospects are that, by a very strict economy, I may continue to make fair reductions in my liabilities, but possibility not quite as rapidly as during the past few months, owing to the fact that I shall have to meet about \$200.00 in taxes over \$600.00 in Life Insurance premiums before the end of the year.

In addition to a very considerable reduction of liabilities as shown above, I believe that it would be fair to claim that there has been a very decided enhancement of assets in the form of real property. I find that last year I put the value on my real estate, -exclusive of the Swift place, - at \$26,826.00. Since those figures were made, several things have happened to show that they are too low for present consideration.

First: The highway passing the place has been designated by the State Legislature as a state road, which fact undoubtedly adds immediate increase of value and, when actual construction take place, will add still more.

Second: I had a tentative offer for the place last year in which offer the value set on the farm, exclusive of stone quarry, was \$25,000.00. (The parties making the offer were not particularly interested in the quarry, on the value of which we could not agree.)

Third: There is a reliable party now who has made me a standing offer to lease 100 acres of my farm, - quarry excluded, - for a period of five years for the interest on \$30,000.00 per annum, or a monthly rental of \$150.00.

Fourth: The stone quarry is now working on a substantial business basis and the prospects are that the present parties expect to continue their operations there for a number of years, but, whether they continue or now, it appears by their present rate of operations, the special low royalty they give and the amount of stone apparently available, based on a geological estimate made a number of years ago, and the present showing of the trend of the rock, that a minimum capital value could be set on that special property of \$20,000.00 which is capable of giving a net return of 8 percent on the investment with full allowance for depreciation. Should this quarry later be developed for the extraction of stone for building and monumental purposes, the value would have to be estimated at threefold the above capital figure.

Taking the above facts and figures as a basis, I make the following minimum valuation:

Farm, exclusive of quarry, \$25,000.00  
Quarry, ½ present apparent value, 10,000.00  
Other real estate, exclusive of Swift place 3,000.00

Total real estate value: \$38,000.00

No calculation made of personal property.

In regard to my several sources of revenue and the various amounts to be derived from each, I make the following statement, based on present and past figures, -giving the minimum in each case, - and on the lease offer above mentioned, in the case of the farm:

Farm lease at offer, per annum \$1800.00  
Quarry, estimate much below actual present returns 1,500.00  
City property, probably more 3,200.00

Total per annum \$6,500.00

To the above several modifications must be noted:

During the first three years of lease, the actual cash paid per month would probably only be \$135.00, the remainder being otherwise applied on the place. In the city property there will probably be an actual reduction of about \$1,200.00 between now and the first of next July to take care of certain extraordinary amounts spent on improvement of property. On the other hand, there are some minor sources of income, such as Swift payments, etc, and the probability that the revenue from quarry and city property will probably exceed considerable the amounts given. By making liberal deductions for the year June 1922-June 1923, my gross income should be at least \$5,250.00

In the budget of regular expenditures for one year from the first of next month I figure as follows:

Taxes \$175.00  
Fire insurance 20.00  
Federal Farm Loan installments, including interest 260.00  
Life Insurance premiums 755.00  
Interest on other indebtedness 480.00  
Living expenses 1,800.00

Total \$3,495.00

Modifications as follows: Taxes will probably be \$20.00 or more than estimate, including personal and income taxes. Interest on indebtedness may be lower by cause of curtailments of debts. Life Insurance Premiums will be considerable lower by checking off my share of revenue against face amount of premiums.

The end of the year should show a net surplus of about \$1,750.00. After the first year there should be a net surplus for several years of at least \$5,000.00, as I should be earning in China more than enough for my living expenses.

Now my proposition to the Falls Church Bank is this: At this time, when one of trust notes is about to fall due, the bank shall not only grant me a renewal of the same, but shall take this opportunity to consolidate the present note and another trust note falling due in October of this year and further grant me an increase on the present amount of

the two notes of sufficient to pay off all my other indebtedness payable now or by August 1<sup>st</sup>, making a single trust of \$8,000.00 in lieu of the two trusts now amounting to \$6,500.00.

The increase, I should point out, is only \$1000.00 more than here heretofore maximum debt to the bank, as I have had a loan of \$500.00 in addition to the trusts above mentioned. Further, my deposit in the bank for the past year, my present more apparent sources of revenue and the undoubted considerable increase in the value of the real property offered as security, and further, the terms I offer as to repayment of the principal as hereinafter shown seem to me to more than warrant the granting of this request.

The additional \$1,500.00 would be employed as follows:

To paying off balance of special loan from bank \$350.00  
To balance on note to Hoge 250.00  
To balance F.C. Auto and Lumber Co. notes and account 300.00  
To other local accounts, Brown Abbott, Lynch, etc 600.00  
\$1,500.00

This would leave between \$100.00 and \$200.00 which I could easily close up from cash now in hand or money about due, and one note for \$500.00 due at the end of the year, which I could meet from accumulated revenues, - reducing the surplus at end of year by corresponding amount, of course.

In view of the fact that I am expecting to go to China for a period of about three years and it will not be practicable within that time for me to attend to many matters personally, I request that the terms of this loan be made for a period of four years in order to give ample time for the whole amount to be paid off in several installments before maturity and without any necessity of further renewal. I further propose as follows that, until my departure, the Fall Church Bank shall be the depository of all my cash funds except such as I may personally need for my own expenses should I be residing elsewhere than Falls Church. That after my departure from America, my agents and representatives or such persons as may be indebted to me during my absence as shown by above statement of sources of revenue, shall make regular payments to my account into the Fall Church Bank, which institution I shall constitute my financial agent in America. That from the time of my departure the bank shall handle my account as follows:

There shall first be provided sufficient to meet the regular expenditures as shown on page 5. Second, the bank, or some agent, -perhaps yourself, -shall pay out from the reserve the necessary amounts when due. Third, from each semi annual balance there shall be made an equal division; the first division shall be applied to paying off the principal of the loan and the other half shall continue to my account until my account shall show a balance of \$2,000.00, which I shall let remain in the bank as a special contingency fund. After this \$2,000.00 is reached, all further balance shall be applied to the paying off of the loan until such loan is completely wiped out, or my return to the country. Any balance, after paying off the loan shall be added to my account.

It is probable that I shall not need to use much, if any, of the reserve to my credit, as I expect that my income in China will take care of living and return passage, but I wish to have something on hand in case the unexpected happens.

I particularly request this arrangement and additional loan at this time for the following reasons:

My creditors, -mostly local concerns, - are handicapped just to the extent of my indebtedness to them, and these various amounts paid in will contribute that much to local business.

Without this loan, some of my creditors will have to wait an uncomfortably long time to my embarrassment and perhaps to theirs.

To relieve me of the present handicap I am working under in trying to provide for the necessities of my family and enable me to give them certain comforts and enjoyments such as they are rightfully entitled to without going to any unwarrantable extravagances.

To enable me to be prepared financially to undertake the return to China, -the chief expenses for which I expect to be met from that side.

Earnestly soliciting your careful and kindly consideration of this rather lengthy epistle,

I am  
Very Sincerely Yours  
Percy B. Tripp      Source: Special Collections,  
University of Virginia Library  
“Papers of Merton Elbridge Church, 1866-1959”