

—of—

*Fairhope Single Tax Corporation*

Fairhope, Ala.,

194

TO THE EXECUTIVE COUNCIL

FAIRHOPE SINGLE TAX CORPORATION

I, the undersigned, hereby make application for lease of

upon the terms and conditions set forth in the leases given by you, and the further stipulations set forth in this application, which are hereby made a part of my lease contract as fully as if printed in the lease.

I make this application with the full knowledge that I will be required to pay your Corporation the full rental value of the land exclusive of my improvements thereon. I understand that the rental value will increase as demand for the land increases, whatever the cause; that said value will be determined by the Corporation in the manner set forth in its constitution and lease contracts; that the corporation will pay all taxes on the land, and will accept from lessees on rent, receipts for taxes paid to state, county, town, or school district, on improvements and personal property (moneys and credits excepted) held upon leaseholds, but not to an amount greater for any year than the rent for such year on the land on which such improvements and personal property are held; and that the balance will be spent for the public good as provided in its constitution.

I further particularly state that I understand the purpose of the Single Tax Corporation to be to prevent anyone profiting from the holding of its land, other than by the bona fide use of the same, and respecting this purpose, of which I am beneficiary, in the Corporation making land available to me without any purchase price and recognizing further that it is to my interest that what is commonly known as "land speculation" shall be kept out of the "Single Tax Colony" conducted by the Corporation, so that rents assessed against me shall not be affected by an artificial demand for land not for use, but for resale at a profit, I agree that I will neither ask nor accept a "bonus" for 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; nor will I charge an excessive price, out of any fair relation to the value of my improvements for transfer of an improved leasehold; and, recognizing that in the transfer of an improved leasehold there are necessarily two factors of value, one the improvements which are my property and the other the land upon which the same stand, which is not my property but the property of the Corporation, I agree to advise the Corporation, before a transfer of an improved leasehold shall be effective, of the exact consideration for the transaction and that the Corporation, if it believes the consideration to include in fact a profit for the transfer of the land which belongs to it, shall be entitled to examine me and the prospective purchaser as to the elements of value in the consideration and if satisfied that the consideration is in part for the possession of the land above the value of the improvements, may refuse approval of the transfer; in which event I shall be entitled to call for an appraisal of the value of my improvements by three disinterested persons, myself and the Corporation each choosing one out of three persons named by the other and the third being selected by the two; and the Corporation shall be required to approve the transfer at such consideration as the arbitrators shall find to be the real value of my property, if accepted by me; it being understood and agreed that every factor of value attaching to the premises proposed to be transferred due to my efforts or expenditures, or in any way to my initiative which is transferable, such as the good will of a going business, the exercise of taste in planning improvements or the making of grounds attractive, or the element of time and care in growing an orchard or shade trees, or making land more productive by improved methods of farming, or increment of value due to increasing cost of building, shall be held to inure to me as fully as tangible structures upon the land; the purpose being to protect the user and improver of land in the full ownership and right of transference of everything due to him, but to preserve to the Corporation all value due to demand for the land exclusive of improvements.

I have read your constitution and pledge myself that while I hold lease of Fairhope land I will not oppose the full application of the principles set forth therein.

Respectfully yours,