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Frans Nelson at the Age of 68.

FRANS NELSON

A Biography

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NEW HORIZONS

The same year that Frans saw his holding in Commonwealth transformed into liquid assets, he reached another of those momentous decisions: to retire from active business and enjoy that retirement in the warmth of California's sunshine.

Having decided, he sold his three banks at Hartington, Crofton and Fordyce, settled other business interests and laid plans for a happy retirement in a land of sunshine and orange blossoms.

By January of 1922, Mr. and Mrs. Frans Nelson were comfortably settled in Long Beach, California, where the green carpets of golf fairways invited play the year around. Life seemed complete but for one important ingredient.

All his life, Frans had been a doer . . . a man of action and decisions, so much so that in the spring of 1922 when his sons Harvey and George joined him he needed

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scant encouragement from them to jump into the world of business once more.

After a family pow-wow, the three at Frans' suggestion decided that a fling in the building and loan field offered the greatest opportunity for immediate and continued success. Accordingly, the trio formed the Commonwealth Building and Loan Association, undoubtedly influenced in their choice of a name by the enviable success Frans' last business venture had enjoyed.

With real estate sales far outstripping permanent construction in Southern California, the Nelsons—father and sons—soon decided that this route to success was too leisurely and so sold the new business.

Seeking a new outlet for their energies, Frans learned of a farm six miles north of Long Beach which a Mr. Amsell had offered for sale at \$1200 an acre. He admits that the price per acre startled him. With his customary curiosity he made inquiries as to how land priced at that figure could be profitable to a buyer. He received one answer from a real estate salesman named DeReeme who insisted that the 101 acres of farm land were ripe and ready for sub-

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dividing as residential property. This gentleman even insisted that this land, parcelled in five or six lots to the acre, would easily sell at from \$400 to \$600 a lot.

Happy, almost feverishly so, to be back in the field of speculative business once more, Frans studied the possibilities from all angles, learned all he could from every articulate source. His biggest discouragement came from his banker, J. C. Walker, president of the Farmers & Merchants Bank of Long Beach, who very frankly told him that it was doubtful if such lots would sell for as much as \$25.00 per lot.

After describing the discouraging interview, Frans said:

"In spite of this advice from my banker and notwithstanding the self interest of the salesman, I decided to buy the tract and put it on the market at once. In other words, I took the advice of a fly-by-night real estate salesman over that of a sound banker—and have never regretted it.

"In six months the 560 lots in the tract were sold, with prices ranging from \$400 to \$1200 a lot. The property was built up in a short time and, I might add, that sec-

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tion is today the heart of North Long Beach."

"Fair Acres," as Frans called it, not only sold out in record time but also confirmed him as a pioneer in Southern California's real estate boom of the early twenties. The selling technique of those days, since accepted in pattern form by real estate promoters, was in its formative stage. Frans and his sons were among the first to emphasize this technique.

A sprinkling of trained solicitors brought hundreds of prospects to special busses each day. These possible buyers were then taken to the properties where under canvas headquarters they learned from persuasive salesmen the advantages of the particular tract. Free lunches were followed by special sales solicitations from a young army of sales people. And the net result?

A tract sold out in less than six months which a reputable banker, with twenty-five years of experience in Southern California real estate, insisted would not move at any price!

The by-products of this venture were also profitable. With rents commanding month-

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ly returns of from \$40 to \$50 a month for workers' quarters, homes were at a premium in Long Beach. The Nelsons decided that it would be advantageous to finance home construction. This they did, stimulating a building boom in their tract that may have been equalled but not exceeded before or since.

With Fair Acres sold out to the ringing congratulations of banker Walker, Frans looked around for new real estate worlds to conquer. Fresh in his memory was the off-hand observation of the Long Beach financier:

"It beats all that people who have been here for only sixty days can see possibilities in California which we who have been here twenty-five years can't see. . . ."

Even more surprising was Frans' choice of new tasks in the autumn of his life, particularly since those he selected actually meant risking a lifetime of success in work that at its best was speculative.

"In looking around for further opportunities in community building," he explained, "I decided that the biggest returns, both in money and personal satisfaction,

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were to be realized in the better class of residential properties.

"So, after careful inspection of available properties, I bought 130 acres in West Los Angeles.

"By the time that this deal was concluded I was used to high prices for land but the \$2,100 an acre which I paid for the tract was just a bit breathtaking.

"When we got ready to put this new property on the market, my sales organization numbered about thirty, each of whom was nearly as enthusiastic as were Harvey, George, and I.

"We decided to let them help select a name for the new subdivision and I arranged a contest among them for that purpose. Each salesman was asked to submit a name and upon those turned in we held a contest. Final balloting determined our choice—Cheviot Hills!"

A natural question of, "Why Cheviot Hills?" drew a whimsical smile and the answer:

"One of our salesmen was a Scotchman by the name of Simpson. He turned in the name of a district in his homeland and when

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this name, Cheviot Hills, was finally selected offered the further suggestion, producing a map of Scotland, that the streets be given Scotch names.

"Someone else suggested that for the opening we secure a bagpipe band. Whether it was the band or the general appeal of the tract, our opening was a tremendous success. We drew a huge crowd and as that Ripley fellow would say, 'Believe it or not,' enjoyed a total sale of \$104,000 worth of property the first twenty-four hours. In the first three months the tract was open, we sold \$900,000 in lots covered by building restrictions ranging from \$5,000 to \$10,000."

To a cynical, "Wasn't Cheviot Hills part of the West Los Angeles 'sticks' at that time?" Frans continued his half amused recital.

"Yes, it was pretty far out then. We had to spend over \$400,000 in improvements such as sidewalks, curbs, streets, electroliers, water and gas mains, and power lines. But as fast as the utilities went in the homes went up. We also built a clubhouse near the properties complete with plunge and tennis courts."

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No one could possibly miss the pride in Frans' voice as he told of facing and solving the problems which the promotion of such a tract created.

"Who laid out the streets of Cheviot Hills so that they seem to run in circles?" I asked rather naively.

"We hired an engineer but when he first attempted to plan a community with streets conforming to points of the compass the problem alone of draining the tract seemed almost prohibitive.

"The rolling hills meant rapid run-off of rains and a proportionately large drainage system.

"I finally suggested that we build our streets where they would also serve as drains and that's what we did."

The result of this mild innovation in community planning is one of Southern California's best drained residential sections. Even the heaviest of rains quickly runs off down natural channels—the roads—without damage or corrosive action to property. A second result of this seemingly aimless street planning also proved a boon in promoting

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the tract. The lots had to be cut in odd shapes.

"Buyers seemed to prefer these lots to conventional shapes in other tracts," Frans explained. But, with a modesty which never deserts him, he hurried to add, "Just as it had been at Fair Acres, the real estate boom of the twenties was the biggest factor in our success.

"Property turned over so fast that it sometimes doubled in less than a week.

"I'll never forget an experience I had with two middle-aged schoolteachers, sisters. They bought a lot one Saturday, giving a check in payment. The next day one of them called and notified me quite firmly that they had decided not to go through with the deal and were stopping payment on the check. She hung up," Frans added with a chuckle, "before I could tell her that I had received an offer of \$500 more than they had paid."



TODAY

Young at an age when most men are old, Frans Nelson today belies his years in many ways. It is his active mind and youthful outlook, however, rather than his firm step that make him at ease among friends or strangers of all ages.

As he drives his car down a highway, that little cigar held jauntily between lips that are constantly breaking into a smile or a chuckle, Frans' keen, twinkling eyes seem to take in everything. Truly a picture of a man who has always and always will enjoy life, he can stray from expressions of great tolerance to those of strong convictions.

Of a banker he had once known he said one day: "A pleasant fellow—quite—likeable—but not strong enough for his job. He never learned how to say 'no.' He was far from dishonest, just weak."

Of another man whose past included a

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closed chapter, he explained, "I told him he had much to live down, but that I believed in him and would help him do it."

Few are the times, however, when it is necessary for Frans to recall the unpleasant. So seldom do these crop up that mention of old friends and bygone days are seemingly an unending recollection of the pleasant.

Many times he has made some mention of J. C. Robinson, a Hartington lawyer whose wise and honest counsel was his all through those Nebraska years. John Lammers, a farmer near Hartington is still another whose memory is dear. "He believed in me and trusted me. Many times John Lammers loaned me money without bothering for details as to its use and with only my word for security."

In fraternal orders, Frans Nelson was likewise a leader. He rose high in Masonry, has for many years been a Thirty-Second Degree Mason. He also founded an Odd Fellows Lodge at Hartington where each week his brothers in the order begin their meeting by pronouncing his name.

For many years, Hal Hughes, one of Los Angeles' outstanding attorneys, has been his

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close friend and adviser. Many of the stories I have heard from his lips belong in this document of Frans Nelson's life, but to include one would be a strong temptation to include all. In every case, however, they add up to the same total: Strength of character, love of life and friends, devotion to his family and an honesty in business that never weighs the slightest possibilities of wrongful gains.

As Chairman of the Board of the Eagle Oil & Refining Company, Frans Nelson still marches confidently on into a future that is pleasant to behold. His home is in Long Beach.

