



How Lambda Alpha Epsilon Purchased the House at 12 Myrtle Ave.  
(or how to buy a mansion without any money)

In 1957 it was becoming clear that the chapter should be looking into obtaining a new house. The house at 7 Hawthorne Ave. was adequate for the present membership but if the chapter was to grow we needed a larger and more inviting house. At the house corporation board meeting on May 19 a New Facilities Committee was formed. Over the next two years the committee actively looked for a suitable house with no real leads. In 1960 we had a lead on a house at the corner of Pawling Ave. and Whitman Court, which is now a Funeral Home. Unfortunately the owner refused to sell to a fraternity.

In the spring of 1961 we were contacted by a representative of Mr. Saul Chuckrow stating that his family home at 12 Myrtle Ave. was to go on sale. On April 6, 1961 Dave Kendall, representing the house corporation, signed an option to purchase the house for a price of \$64,000. Mr. Chuckrow asked for a down payment of \$26,000 and offered to provide a seller mortgage for \$38,000 at an interest rate of 6%. On April 22 the house corporation sent a letter to all active and alumni brothers stating that a contract to purchase the house had been signed. The financial arrangements were outlined as follows.

Purchase price plus closing costs	67,000
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To be raised as follows:

Seller mortgage	38,000
Second mortgage form SAE National	10,000
Current corporation bank balance	6,000
Sale of 7 Hawthorne	10,000
Contributions and loans from brothers and parents	3,000

We were aware that we needed the services of an attorney to finalize this sale. We had no connection with an attorney but we knew that a Sheldon Smith had handled the purchase of 7 Hawthorne so we called his office. We were informed that Mr. Smith had retired but that the firm he had founded, Smith, Pattison, Sampson and Jones would be happy to handle the transaction. As it turned out, this was a very lucky move. It is interesting to note that the co-founder of the firm, Mr. Edward Pattison is the grandfather of the current Mayor of Troy. Mr. Steve Sampson was assigned to handle our case initially. In July we were informed that the attorneys had found a clause in the original deed to the property that could possibly prevent a fraternity from occupying the house. It was their opinion that the wording of the clause was such that they believed that if a suit was brought against the fraternity they could win the case. However they would not guarantee this. On July 31 a special meeting of the house

corporation board was called to consider whether to proceed with the purchase. We also had found that there were few buyers interested in purchasing 7 Hawthorne, knowing its history. The best offer that we had received was \$8,000, which meant that another \$2,000 would have to be raised from brothers and parents. The attendance at the July 31 meeting did not consist of a quorum. The directors present were Henry Andrews, Stephen Ruggles, Robert Ruckterstuhl, Robert Todt and David Kendall. Knowing that they did not have the legal authority to do so and, in spite of the possible legal problems, they decided to proceed with the purchase of 12 Myrtle for \$64,000 and the sale of 7 Hawthorne for \$8,000.

Closing on the house was held on August 8, 1961. At that time the corporation had not received the second mortgage from SAE National and sufficient loans and contributions to make the full down payment. They were able to pay \$12,000. Fortunately, Mr. Chuckrow agreed to increase his seller mortgage to \$45,000 and accepted a 30 day note for \$7,500 in place of the rest of the down payment.

The neighbors obtained a temporary injunction just as the brothers were moving in. At this time we were represented by Mr. Paul Jones, who died unexpectedly later that year. The chapter was, in words of the lawsuit, enjoined from "living in the house as a fraternity." The temporary order did not preclude us from living there as "25 individuals," but we could not do anything "as a fraternity" such as fly the flag, hold house meetings, or rush. We could have a party (25 individuals could do that without being a fraternity) but we chose not to. Thus was born the "term of the tomb."

The biggest problem for us was no rushing in the house. We held events in the 15th Street Lounge(today the Playhouse), built a fantastic cardboard model of the house and offered "teas" all under the careful direction of Mrs. Warren, the Social Director. She thought we were right, proper "boys"! We held our 3-to-3 rush party by packing everyone into the back of a semi and went to the SAE house at WPI. Six pledges took a chance and accepted bids.

The restraining order was lifted (that is, Judge Staley decided not to grant the permanent injunction requested in the lawsuit) just before the Spring 1962 term began. Because of the lawsuit SAE rejected our application for the \$10,000 second mortgage and the corporation could not repay the \$7,500 note to Mr. Chuckrow. Fortunately he did not take any legal action to collect the note. After a trial before Supreme Court Justice Ellis Staley, the lawsuit was finally settled in our favor in September 1965. At the trial we were represented by Mr. Lambert Ginsberg. The covenant in the deed stated that the "premises shall not be used for any other than residential purposes and that no two family house or flat shall be erected thereon." The judge ruled that a fraternity is a residence and that the wording of the covenant does not restrict the use of the premises to a single-family dwelling. Unfortunately the suit cost the corporation over \$5,000 in legal fees.

In March 1966 the application process for the second mortgage from SAE was begun again. At that point we had received about \$5,000 in notes from alumni and friends. The formal application for the second mortgage was submitted in May 1967. The delay was caused by the time required to have a full audit of the corporations books performed. The planned use of the \$10,000 was as follows.

Repay note to Mr. Chuckrow	2000
Legal fees	5235
Closing costs	500
Repay alumni notes	2265

The \$10,000 was finally received in March 1968. The corporate balance sheet in June 1968 showed that \$4900 was still owed to Mr. Chuckrow. This was eventually paid.

By Dave Kendall with assistance from Dave Haviland