

# FEDERAL RESERVE BANK OF ST. LOUIS

ST. LOUIS 2, MISSOURI

OFFICE OF  
THE PRESIDENT

October 31, 1945

Honorable Marriner S. Eccles, Chairman,  
Board of Governors of the  
Federal Reserve System,  
Washington 25, D. C.

Dear Marriner:

Recently the head of the R.F.C. local agency approached us with the proposal that we lease to them all of the space in the Nugent building except the newly built space on the first floor and in the basement which our fiscal agency department will use for savings bond functions.

At present, the R.F.C. rents space in three different buildings, and they would like to consolidate. We would like to have them for tenants, in line with our hope to make this a sort of center for federal financial agencies in St. Louis.

Our present tenants have a lease which expires in February, 1947. However, they need more room than we can give them and there is a possibility that they will move out shortly. We hope they do; the lease rental is a lump sum of a little over \$25,000 annually.

My purpose in writing you and the other members of the Board is to indicate the income possibilities if we are able to finish up the building, and change tenants. The R.F.C. pays \$1.20 a foot for ordinary office space, \$1.50 for air-conditioned space. In these calculations I have applied these rates to the net rental floor area of 102,103, of which 31,576 would be rented to the Treasury for fiscal agency work.

Gross rental income, at \$1.20 a foot, would be \$122,523.60 a year; at \$1.50, \$153,145.50.


Conditions may not justify us in going ahead with the rest of the improvements, which we will probably have to do before we can make a deal with R.F.C. However, there may be some improvement; the present contractor, or another contractor, may be willing to undertake the rest of the work on a reasonable basis. If that develops, I think we should complete the job. The rental income would amortize the total cost within a reasonably short time.

- 2 -

Honorable Marriner S. Eccles.

I will keep you informed of any new development.

Sincerely yours,

A handwritten signature in cursive script that reads "Chester C. Davis". The signature is written in black ink and is positioned above the typed name.

Chester C. Davis,  
President.