

## The McGregor Estate

In the *North Iowa Times* on June 13, 1860, appeared an account of the arrest of certain prominent citizens of McGregor, Iowa, on a charge of "rioting". They were carried before Squire Watkins of Farmersburg, and "accused of the forcible ejection of one James Dymond from premises he claimed by virtue of a deed from James McGregor."

A bit of mediaevalism in the staid nineteenth century! What could influence men of wealth and dignity, respected for their judgment, to so behave? Why were the "rioters" not haled before a magistrate in their own community for a hearing? Probably the circumstances were such as to goad them beyond reason, and to convince them that there was small hope for redress through orderly channels. And such was the case!

The community of McGregor was twenty years old or more. It was at the peak of its prosperity, the center of a wholesale and retail trade stretching far to the west and even northwest into Minnesota. The business houses ranged along the river front and through a narrow coulee for more than a mile. The streets were jammed in favorable seasons. And yet scarcely a building stood on land to which its owner

had title, and there was no assurance that titles would be cleared with any great promptness.

All this had come of a family quarrel. On the one side was James McGregor, Jr.; on the other his brothers, Alexander and Duncan, and the brothers of Ann Gardner McGregor, wife of Alexander. A series of law suits both in New York and Iowa were the bitter fruits of this dissension.

The McGregor family home was in New York. In 1832 Alexander went west. He stopped for a time at Fort Dearborn, then went on to Prairie du Chien which he thought was more favorably located, and decided to cast his fortunes there. But he did not prosper. Among his enterprises was the operation of a horse ferry across the Mississippi River in partnership with Thomas Burnett. In 1837, when the ferry was installed, there was very little traffic. Settlers were not crossing north of Dubuque, partly because the tide of settlement was coming from the southeast and partly due to the rugged nature of the country in northeastern Iowa.

At the same time McGregor bought an interest in the ferry, he also acquired a half interest in Burnett's share of the Giard tract. Thus two-thirds of the original Spanish grant was owned by James H. Lockwood, one-sixth by Burnett, and one-sixth by McGregor. In 1841, McGregor and Burnett sold all but 160 acres of their interest in the land to Peter Powell

of St. Louis, who also bought Lockwood's interest in the tract which he shared with Burnett. In this manner Powell became the owner of approximately two-thirds of the tract, while Lockwood apparently retained the one-third he had owned independently.

The quarter section reserved for a ferry landing on the west bank of the river where the town of McGregor is now located, became known as the "Ferry Property". From a few squatters who had preëmpted claims adjacent to the Giard tract, additional land was purchased until the Ferry Property included about three hundred acres.

It appears that Alexander McGregor was not only unfortunate in some of his business ventures, particularly the ferry, but was improvident as well. His family, moved by Scotch clannishness or sympathy for Alexander's wife and children, sent his brother James out West in 1842 and again in 1845 to relieve his financial embarrassments. With this aid he purchased Burnett's share of the ferry and real estate for \$1500 and bought a preëmption claim of forty acres from Samuel Olmstead. In both deals James McGregor advanced the money. While these transactions were conducted in Alexander's name, he did not claim title to the property, probably because his affairs were so involved that he feared losing everything he held in his own name.

Meanwhile James McGregor seems to have become

interested in acquiring Iowa property. Certificates for most of his brother's holdings had been assigned to him. Moreover, when Olmstead purchased ninety-nine acres for James and Alexander, the transaction was in James's name. James also bought a tract from Solomon Wadsworth and another early settler named King which was thereafter included in the Ferry Property.

Evidently the seeds of trouble were sown early. In 1845 Samuel Murdock introduced a bill in the Iowa House of Representatives, authorizing Duncan McGregor to operate "a ferry across the Mississippi in the County of Clayton". In the next session Murdock introduced another bill to authorize James McGregor to "keep a ferry across the Mississippi River in the County of Clayton". Neither of these bills was passed.

There is nothing in the information to be gleaned from court decisions, newspapers, and such sources to explain whether the claims made later by James were the result of his own avarice or whether his acts were in retaliation for some grievance. But the facts are that, when the town of McGregor began to grow on the Ferry Property and the business of Alexander began to prosper, James laid claim to the entire holding, not only the land obtained from the Giard estate but tracts of the preëmptors as well. His claim was contested by other members of the family, however, and long and fierce was the struggle over right and title to the Ferry Property.

In 1845 a fourth brother, Gregor McGregor died in his New York home. He bequeathed \$2000 to be held in trust for Ann, wife of Alexander, "for her sole and separate use, and free from the debts, control or interference of her husband". James and Duncan McGregor, brothers of Alexander, were named as trustees. If children survived both Ann and her husband the principal was to be paid to them; if not, to the "next of kin". The intention of the donor seems obvious; but the trustees did not so dispose. They planned to invest the money in New York. James claimed that they did; the other members of the family declared that it was all turned over to Alexander McGregor — \$500 to build a tavern and \$1500 to pay for Burnett's share of the Ferry Property. When James McGregor came to Iowa the following year, no mention as to the source of this loan was made. Some years later, during a visit in New York, Duncan told Alexander and his wife that the money was the "trust fund", and they agreed to the arrangement. Later James denied that the trust fund had been so used; but whatever the disposition of the money, according to later testimony, Ann had no other benefit from its income.

Meanwhile the property steadily increased in value. A brisk town of six hundred persons, named for its founder, McGregor, was located on the property, with a business far beyond the scope of a town of its size

to-day. It boasted a newspaper, and a wholesale business in grain and commodities engaged the interests and resources of several firms. Alexander began to make sales to these business men for sites of stores and residences.

With this change in the affairs of his brother, James McGregor appears to have been dissatisfied. He seemed to regret that Ann was profiting so much from the trust fund and wished to share in the returns from the investments he had helped to negotiate. In 1851 he again came to Iowa and threatened to dispossess Alexander and his family. Finally, Ann agreed to purchase all his interests in the Iowa property for \$6500; James credited her with the \$2000 trust and took her note for \$4500. But this arrangement the family was determined should not stand; so Ann brought suit in the name of herself and minor children, Gregor and Gardner, both in Iowa courts and in New York, to restrain collection of the \$4500 note and to void the agreement of 1851 on the grounds that she and her husband were sole owners of the property at the time. The New York Supreme Court decided against her, inasmuch as the "trust fund" could not legally be invested in real estate or be paid to herself or her husband. The District Court of Dubuque had decided in her favor; but after the New York decision the Iowa Supreme Court reversed the Dubuque decision, and the case was retried. On the assumption

that the \$2000 had not been invested in the Ferry Property, a special master in chancery attempted to adjust the financial phases of the controversy. The sum of \$1700 was awarded to James as still due him on the various transactions with Alexander, but this settlement was not satisfactory. Before the case was appealed again, however, Alexander McGregor died, in 1858. His will provided that the case be defended with vigor; his wife, her brother George D. Gardner, and other executors took up the fight. A final award of \$3263 to Alexander's heirs for improvements was made. With the court's approval the lands were divided; lots were drawn by ballot, and the adjustment filed for record in Clayton County.

It is almost impossible to follow the currents and counter currents of litigation in this controversy. Alexander, acting under power of attorney, bought much property for James in Iowa, Illinois, and Wisconsin. On December 7, 1852, he conveyed by this power of attorney all of the Iowa real estate held in the name of James to his brothers-in-law Egbert and George D. Gardner. The consideration for the land in and about the town of McGregor was \$2000. A year later James brought suit to set aside the deeds as fraudulent. Although the State Supreme Court denied any intentional fraud on the part of Alexander, the deeds were set aside, and after a second appeal, in 1867, a rehearing was denied.

In 1853 James McGregor, Sr., died in New York. Two wills were produced, the later will showing distinct preference for his son, James, Jr., and a grandson, James Buell. This will was rejected by the courts of New York, and a will written before the death of his son Gregor was admitted to probate. This will named three sons, James, Gregor, and Duncan as executors. Gregor had died; James was then living in Iowa; only Duncan was left in New York. When James appealed to the surrogate of Saratoga County, New York, in 1861 for letters testamentary, Duncan resisted on the grounds that James had forfeited his rights when he contested the will, that he was not a resident of New York, and that he was "subject to mental aberrations". The court decided that James, although "of a high and rash temper" was not insane, that he was not an alien in the sense of the law, and might properly act as executor of his father's estate.

Of all the ramifications of this bitter feud, the suit brought to test the title to the Giard tract was the most amazing. Although Alexander McGregor and James Lockwood had sold a large portion of the Giard tract (excepting the Ferry Property) in 1841 to Peter Powell of St. Louis, in some manner Alexander McGregor acquired this land again. Powell and Burnett had both died in 1846. In his will Alexander McGregor provided that a mortgage of \$12,000, secured by the Giard tract, be speedily paid to John Powell. No doubt this



indebtedness was concerned in his reacquisition of the tract.

In 1854, James McGregor, Jr., in an effort to secure this property for himself, induced the heirs of Giard to re-sell their inheritance to him in order to test the validity of the transactions which took place prior to the award of government patent on July 2, 1844. The case went to the Iowa Supreme Court; in rendering decision the court sharply rebuked James McGregor. "To our minds it would be a reproach upon the principles of the law — a premium paid for cunning and duplicity — a reward offered to those who would stir up and maintain litigation to permit him to take advantage of any defects in this deed." The alleged sale of the land to James McGregor in 1854 had been for a very small consideration, a few dollars, gift of a "patent coffee pot" to each heir and interest in a company to manufacture them. Unpleasant notoriety developed over the "coffee-pot patent" during the course of the suit.

The cases of *McGregor v. McGregor* and *McGregor v. Gardner* were appealed and reappealed. Suit was brought in the United States Circuit Court. Every phase of the dispute was tested: the disposition of the "trust fund", the intent of James as to the disposal of the Ferry Property when he received the patent for it, the value of improvements, and the rights of Alexander under his "power of attorney". Final division

of the property by the court allotted to James a considerable share, but not until his death in 1867 did the heirs of Alexander cease their persistent efforts to dispossess him.

But troubles were not over for the citizens of McGregor. In 1845, \$1500 was considered a fair price for a half interest in the Ferry Property. When Alexander McGregor attempted to transfer the property to his brothers-in-law in 1852 the price was set at \$2000, while James McGregor had contracted to sell the property to Ann McGregor for \$6500 in 1851. But meanwhile, the "City of McGregor", so called in the special charter under which it was governed, had prospered. Every bit of land where a house could perch along the rugged hillside was occupied. North and south along the river stretched an imposing line of warehouses and grain elevators; the "Main Street" was crowded with traffic, for McGregor had become a center for wholesale trade; the town lots were valuable.

What is more, public opinion was sharply partisan; Alexander and his family had fostered the town and the great majority of his neighbors wished him to succeed. They firmly believed he had been defrauded by his brother. By his will Alexander bequeathed \$5000 to build a road through the Giard tract to Monona, and he had previously donated a plot for a cemetery. James, who had transferred his residence

to McGregor, must have often met coldness if not actual antagonism on the part of his neighbors in his new home.

After the favorable Iowa Supreme Court decision in 1860, James began to exert pressure to force the townsmen to buy the property upon which their buildings stood. But the heirs of Alexander McGregor were in court again, and the citizens refused. Then came the determination to offer the lots for sale to whomsoever would buy, without consideration for the occupants. A "riot" was the consequence. A citizens' committee was formed to protect the interests of claimants. Every member of the committee had more than local fame for ability and fairness; they did what they could to prevent open rupture between the citizens and James McGregor.

Late in 1861 the proposal was made that five hundred lots be sold to the citizens for the lump sum of \$190,000, and a committee of appraisal was appointed to assess the lots. But their findings were not satisfactory to Mr. McGregor, who changed the appraisals to suit himself. Again the citizens held a mass-meeting, the third in a fortnight, and resolved not to purchase any property of James McGregor or of heirs of Alexander McGregor until the true ownership was finally adjusted. They arranged for funds to resist sales to third parties and appointed able counsel of the town to protect their interests.

Court records of Clayton County abound with cases relating to titles to town lots in McGregor — foreclosures, damage suits, and efforts to recover under title bonds. Many residents asserted their squatters' rights under the "Occupying Claimant Law". In some few instances clouds upon title were cleared by allowing the lots to be sold for taxes and repurchasing from the holders of tax titles. The Iowa law was soon changed, however, to prevent fraud in tax sales, so this legitimate use of the scheme was no longer possible. Many titles remain clouded to this day, but if traceable to transactions with the McGregor family they do not often defeat sales. And the claim that title is still vested in the Giard heirs is a pure myth.

Alexander McGregor and one of his family were buried in the tract proposed for a cemetery, on a beautiful knoll now included in the property of the McGregor Heights Association. When this portion was awarded to the heirs of James McGregor, the bodies were removed to the cemetery in Prairie du Chien. James McGregor died in New York, but was buried in McGregor in the exact center of a beautiful little formal park a block square, under an imposing shaft of granite.

What long litigation had left of the fortune of Alexander was gradually dissipated by his heirs. The affairs of James Buell, however, nephew of James McGregor, prospered mightily and as a result most of the

beautiful bluff lands about McGregor remained in the family. These have been recently presented to the government of the United States to be included in the "Wild Life Refuge". What more lasting monument could be conceived to perpetuate the name and fame of the family that was so closely associated with the early fortunes of the community!

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