April 30, 1930.

Mr. William Thum,
1507 East Mountain,
Pasadena, California.

My dear Mr. Thum:

Confirming my telephone will say I have reached a point where I am carrying a load that is too hard to bear along with my other obligations. I owned an undivided one-quarter interest, paid for, in the Hawley-Miller properties. The original purchase price for the other three-fourths interest which you owned was $151,248.44. The mortgage was dated the 22d of April, 1926.

I have paid you on principal	$24,383.57
reducing the mortgage to $126,864.87.	
I have, in addition, paid you on interest.	29,175.96
The state and county taxes, which have been paid . . .	22,325.53
The district taxes have been paid amounting to	15,245.10

(The above does not include the second half of the state and county and district taxes which are as yet unpaid, amounting to $6393.60).

In addition thereto I have expended in the development of the property to date, in levelling, pipe lines, planting of trees, platting and surveying	25,532.05.
not including interest on the above, making a Grand Total	$116,660.21

which I have put up.

There are approximately 2100 acres in the tract that I acquired from you. I have only had released about 85 acres.

I am asking you to take back, on an equitable basis the three fourths interest which you had in the property, or buy from me all of the property on some equitable basis. The load is too hard for me to bear with my other

properties.

Please come down next week and I hope you will have some solution of the problem for me. I do not anticipate any pleasure in trying to raise and pay the $6895.60 taxes which must be paid, or go delinquent.

The total amount of real estate that I have sold and been paid for is $4400.00. I did sell 10 or 11 acres in Block 20 to Stanley Byers. He paid nothing down and built a $7,000 home. I gave him a deed and took back a second trust deed. The property is mortgaged, a first trust deed for $4,000.00 toward the cost of the house. That mortgage is overdue. Byers is busted and in order to save my property I will have to probably pay off the $4000 mortgage.

In other words, to date I have put $116,660.00 into the property and have only taken out $4400.00. I hope you have a solution of the problem.

With kindest personal regards, I am

Sincerely yours,

ef/m

May 2, 1930.

Mr. William Thum,
1507 East Mountain,
Pasadena, California.

My dear Mr. Thum:

Would you consider taking over all of the property that I purchased from you. There were approximately 1300 acres. The purchase price of the three-fourths interest was $151,248.44, or $201.664.00 as the total value of the property, based on your purchase price to me.

I am willing to settle with you on the basis of what you sold to me, my interest representing $50,416.15 as of the 22d day of April, 1926, plus 6 percent interest and the monies I have put into the proposition since, plus 6 percent interest, all as outlined in my letter of April 30, 1930 to you.

The lands that have already been released, approximately 85 acres, I will keep and credit the settlement at $250.00 per acre. In addition I will take over your 1300 acres of the Kelly ranch as part payment, on the basis of $40.00 per acre, altho I bought last year the 1200 acres of the Canfield property for approximately $20.00 an acre, or $25,000 which I actually paid for it. Any balance that is coming to me you can pay for it in cash or give me your note for it payable in one and two years at 6 percent.

If this offer is not satisfactory to you, please make one that is.

If you think I should lose all my interest for that period I will do it, being credited only what monies that I have heretofore paid you and actual cash expenditures as outlined in my letter of April 30, 1930. Beggers cannot be choosers. I hope you can see your way clear to take this worry and responsibility off of my hands. It will make a new man out of me, and it goes

saying that I will never quit until the property is sold and at a splendid profit to you, but I have just simply got more than I can finance or handle and never should have gone into the project at all.

By the way, fossils have been found, in digging the cesspool on Block 20. Enclosed find copy of letter from Mr. Huey, the famous scientist. I have a letter from him today stating that they want to commence exploration out there immediately.

Two oil companies are after me to put down oil wells, and I have already written a letter to Mr. West, one of the directors of the La Mesa Irrigation District, copy of which is herewith enclosed. He represents the oil firm that believes there is oil in that section, and I believe their instruments have demonstrated it.

I cannot talk about "futures". I have got to get down to brass tacks and realities. I would appreciate making some kind of an arrangement on terms satisfactory to you, to let me handle Fletcher Hills as your representative, as I do not believe anyone can dispose of that property any better than I can. It is the dream of my life, the one piece of property that I have allowed my name to be identified with, "Fletcher Hills", and I want to see it developed along the right lines, but if you will accept my proposition I will be grateful to you the rest of my life, for I must have peace of mind.

Very sincerely yours,

EF:KLM

F. & W. THUM COMPANY
837 VAN NUYS BUILDING
LOS ANGELES
CALIFORNIA

May 17, 1930.

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

The map showing the location of the Improvement District on the El Cajon Lands received this morning and please accept our thanks for your promptness in attending to the matter. This will enable us to trace the same on the large map which we have in the office.

Mr. Thum has not been feeling well for the past several days, and consequently has asked me to reply to your letter of May 12th. Your letter was in regard to the F. & W. Thum Company taking back the land sold to you in 1926, and upon which they now hold the mortgage. In talking with Mr. Thum about the matter he was positive in saying that the Company could not take back the land. I believe that fact was understood at the time of making the sale. Therefore, I shall not take any time or space in discussing the merits of your offer as made in your letter of May 12th.

When you were in the office a few days ago and informed us of the oil boom, or scare, as the case may be, you were in an unsettled frame of mind as to what procedure to follow, that is, whether to trade back to the land to the Company or to await the results of the oil development. Of course, at that time I do not know whether you were aware of the fact that the Company could not take back the land.

There is only one solution in the premises and that is to make some arrangement for the deferring of principal payments until such time as you can make the grade. Mr. Thum will write you more fully when he returns to the office and I am sure he will lay still greater emphasis on the fact of the Company not being able to take back the land.

Very truly yours,

Turner M. Gass

G?. FOR F. & W. THUM COMPANY.

May Twenty-first,
1 9 3 0

F. & W. Thum Company,
837 Van Nuys Bldg.,
Los Angeles, California.

Attention Mr. G. M. Garr:

My dear Mr. Garr:

Answering yours of the seventeenth will say that when in your office a few days ago I never intended to give you the impression that I was in an unsettled frame of mind as to what procedure to follow.

The offer I made to sell Fletcher Hills to Mr. Thum was a definite one and I was hoping that Mr. Thum would at that time agree to take the property back.

It is a waste of time to talk about me paying either principal or interest. The way things look now I cannot even pay taxes this coming fall.

I borrowed $7500 last month on one of my best pieces of improved property to pay the last half of the state and county taxes and interest on the paved highway improvement, District No. 4.

Including the last payment of taxes I now have over $123,000 invested and am only taking back $4400. Unless I can accomplish something in the sale of the property between now and fall the taxes are going delinquent and I thought it was only a decent thing to notify you ahead of time.

I have paid $44,000 in taxes since I took the property over and paid almost $25,000 on principal and approximately $30,000 interest. In addition I have spent between $27,000 and $28,000 in improvements on the property and I have reached the end of my rope.

I would like to know if Mr. Thum would consider this proposition. Take back the three-fourths interest Mr.

#2

Thum sold me that has not heretofore been released on the same basis that he sold it to me at and pay the taxes and assessments until I am refunded the amount I have put in the project.

By that time I would have an undivided one-fourth interest paid for, Mr. Thum likewise and by that time I can probably get on my feet again to hold up my one-fourth interest of taxes, etc., in case the property has not been sold.

My idea is to find some solution that is equable to all parties in interest.

I have a large sum of money invested in this project and I certainly would hate to lose it all and particularly as the subdivision bears my name and was my dream of the best in San Diego County.

An early reply would be appreciated.

Yours very truly,

EF:ASK

5

F. & W. THUM COMPANY
837 VAN NUYS BUILDING
LOS ANGELES
CALIFORNIA

May 26, 1930.

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

In reply to your letter of May 21st mailed to Mr. Garr, I have to say that you have made the situation regarding Fletcher Hills look serious. It is utterly beyond the F. & W. Thum Company to aid by taking the property back. If you cannot hold it with your resources and ability, it will surely be a total loss to us.

You must know without a trace of doubt that at no time since the F. & W. Thum Company purchased what is now the major part of Fletcher Hills was it worth a dollar to the Company for development by the Company itself, nor would it be worth any more now. And you induced us to buy the property only by your wanting one quarter interest in it in exchange for managing its development to the point of making it plattable; and for managing its sale within the maximum period of ten years. As a further inducement you believed, and assured us in one of your letters, that by applying a few inches of flume water which were appurtenant to the "Park Ranch" to the already platted lots on the bluff on the North side of railway right of way, sufficient sales could be made to cover the original cost of the Ranch. This was a revelation of too much optimism, but we soon observed that you could be conservative. That you were too optimistic is seen by the fact that practically none of the lots have as yet been sold in the past twenty-four years.

We gambled on your enthusiasm, ability, your special knowledge of conditions in San Diego County, your integrity, persistence, and on your health, and even on your life, as well as your not deserting the proposition for some much better opportunity; the failure in any one of these qualities and conditions, or in your faith in the proposition, would have turned our investment into practically a complete loss.

In spite of these risks we stayed by you through thick and thin and gradually gathered in additional property, 1770 acres in all, to provide the material for a complete undertaking. For instance, by purchasing the Ballantyne land for a North approach; the Gillen Place as a possible source of water supply; explored for and found some water on

the Ballantyne land; and shortly before you purchased our interest, the Company installed a water system which was taken over by the Irrigation District. All making a good opportunity to do a fine job of city planning, and for sometime you let us understand you wanted to acquire the property to improve as soon as domestic water was available.

I do not remember you ever taking risks corresponding to what we took. If, instead of losing money, you were well on the way of making a million dollars, no one would be better pleased than ourselves for your sake as well as our own, and we would be proud of your work, and you would naturally not think of dividing with anyone and no one would expect you to.

I see no possible way of our spreading out to take back any part of the land. Despite the sale of this property to you, my business and other troubles and worries have not decreased, on the contrary, they have become heavier while my age has increased by four years.

Somewhere in your correspondence you refer to your interest as "paid for", this is not quite correct. This phrase ordinarily implies payment in cash or in like kind. You should have said earned. The Thum-Fletcher agreement provided that you take care of the property and supervise its development and dispose of it. The return of the property would leave the agreement unfilled in the most important matter and the 25% would still be unearned. But in your present worried state of mind, the oversight is entirely excusable.

If, in the final analysis, the property has to be sold for taxes, I do not see how we could even bid on it in an effort to save it from going over board.

We need all we can raise and more to make ourselves safe in matters already of long standing.

Yours sincerely,

William Thum

WT/G. William Thum.

May Twenty-eighth,
1 9 3 0

F. & W. Thum Company,
837 Van Nuys Bldg.,
Los Angeles, Calif.

Gentlemen:

I acknowledge receipt of yours of the twenty-sixth regarding Fletcher Hills and contents noted.

The one motive that prompted me to write you at this time as I did was the fact that I felt you should know the real situation.

Circumstances over which I have no control have brought this thing about - a national calamity.

The banks have congratulated me on having gone thru the situation as far as I have in as good condition as I have.

Literally hundreds of business men and supposedly well-to-do people have gone to the wall in San Diego the last six months. Claus Spreckels has been given three and a half million dollars since his father died and yet he is going to the wall with six or eight suits already filed against him.

The Point Loma Syndicate backed by the biggest men of this city including Marston, Bridges and Davidson has completely gone flooey with a loss of half a million dollars on Point Loma on real estate.

The California Land Buyers Syndicate has gone broke after having injudiciously invested six or seven hundred thousand dollars.

Fourteen different Matton Acts here with the pyramiding of taxes has brought about a catastrophe. Promotors bonded the property for $3,000 to $5,000 an acre and the bonds are selling for 15 to 20 cents on the dollar and yet I have been able so far to carry on and paid all my taxes to date excepting in one Matton Act District which I am letting go for taxes.

Probably the cheapest paving job ever put over in the county was at Fletcher Hills with cast iron water mains installed for the entire tract under Improvement District #19. The irrigation district has no money and each land owner must put in his own pipe lines.

Things never were as hard as they are today for me and where to get $12,000 to pay my Irrigation District taxes in the La Mesa, Santa Fe and San Dieguito Districts, I do not know at the present time. They go delinquent next month.

With Harry Taylor out of a job no money and costing me $250 to $300 a month, with my sister, Miss Mary going east at my expense, she is broken down with nervous prostration, with my married son in college demanding $300 a month; with my wife's sister on my hands and on whom I have spent ten thousand dollars the last few years to say nothing of a hundred different demands on me, I have reached a point where I cannot see day light unless I can sell some real estate.

I have shown my faith in this property, have put up in taxes, improvements, cash and contracts since you sold to me, over $120,000. You must admit I have carried on to some extent.

Today, the project is taking shape, it is a thing of beauty and it is only a matter of time. Some how, some way I must carry on. How, I do not know today.

I have given you the opportunity to buy the property back at what you sold it to me for. I am willing even to take a loss. I felt that it was a moral obligation that I owed you to write you fully.

Fletcher Hills is the dream of my best work in land development in this county.

Regarding your investment in Fletcher Hills today you have received your money back, 6% interest on cost and over $50,000 in cash and securities. On the other hand I stand to lose $100,000 to $125,000 for the privilege of being interested in the project but I don't intend to lose it if I can help it.

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

July 2
1930

Mr Ed. Fletcher
San Diego.

My dear Mr Fletcher;

In regard to further loans I regret being compelled to write that the company has all, if not more, than it can do to prevent the value of most of its property from disintegration. I can see how you must be loaded down with taxes. Twenty four hundred acres of high class beach property, El Cajon water and road district, these alone would "swamp" us not to mention all the other taxes you have to meet.

I personally cannot help you further. Under no circumstances would it be enough to cut any figure any such an attempt would prove disastrous to me without helping you.

What the company must do, somehow, is to extend payments on the mortgage in a way to keep matters from getting messed up again, and I believe

this can be done readily. I shall run down to San Diego soon again and see you about it.

My standing commitments and obligations (which cover the main things I am living for) are already in excess of what assets will ever be available to me. In fact I would be ready at any time to die on a single month's notice if the fulfillment of this obligation and purposes would be satisfactorily guaranteed - I would rather go that far than make this ~~situation~~ situation worse than it now is.

I trust the general conditions will improve very soon. Your beach property will probably respond quickly.

Yours sincerely,
William Thum

P.S. I left the maps of your beach land with the oil people. They seemed to be more interested in it than in other lands. Shall report to you soon.

W.T.

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

July 22, 1930.

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

Making the round trip to San Diego and back in one day proved too much for me, so have been in bed in earnest much of the time since. I have decided, or rather the force of circumstances has decided for me, to drop all business matters except what we have in San Diego, particularly changing the terms of your mortgage. This should not require much time. If I can forget all business, it will leave me time to exercise my little remaining energy on work I want to do and must do to live on a few years more,- the interest I may find in the work will do the trick. By the end of 1930 others will have the ~~job~~ business well in hand.

John and I shall run down to see you either Saturday morning or Monday morning, July 26th or July 28th, for the purpose of securing some additional data. We find that you did send us a map with the boundary lines of Fletcher Hills No. 2, but the lines were roughly sketched in place and not exact. Kindly have a map prepared (it need not be large) indicating the boundary lines of Fletcher Hills No. 2, also lines showing what part of Fletcher Hills No. 2 is located within the Water District. We can then insert the dividing line that separates the land formerly belonging to F. & W. Thum Company from that you purchased from others.

Also kindly give us the following information:

Paid — 1. Amount (due and unpaid) of assessment levied by Water District on land covered by your mortgage and not already released.
Paid — 2. Does amount stated cover for a full year, or are water assessments levied twice a year ?
S.A. doubt 22 yrs — 3. How long do water bonds for the District run ? —
4. When does first payment on principal of water bonds become due and payable ? 1935 to 1939
+ 5. Amounts (due and unpaid) of assessment made by County under Matoon Act for roads, applying to the land referred to above.
#4 - 1933 #19 - 1934 + 6. When does first payment on principal of road bonds become due and payable ?
#4 - 15 year #19 - 20 " + 7. How long do the road bonds run ?
+ 8. Answers to any other questions you may think of which might arise naturally in a discussion of the case.

Yours sincerely,
William Thum

I expect to call you by phone Friday morning to see whether you can see us Saturday at 10:30 A.M. instead of Monday as stated above.

WT/G.

July Twenty-fifth
1 9 3 0

Mr. Wm. Thum,
1507 E. Mountain,
Pasadena, Calif.

My dear Mr. Thum:

Answering yours of July twenty-second, I enclose herewith map of Fletcher Hills as asked for.

Answering your questions:

#1. All assessments on the Thum property, so-called, in Fletcher Hills, in which you have an interest, levied by the La Mesa Irrigation District are paid.

#2. The assessments for water for the entire year have been paid and are levied twice a year. The first half goes delinquent December 1st and the second half, July 1st. There are no more assessments to be paid until December 1st, 1930 and July 1st, 1931.

#3. The water bonds of the Irrigation District are as follows: A $56,000 bond issue from 1914 to 1935; approximately $2,000,000 bond issue issued in 1925. The final payment will be made in 1964. We are only paying interest at the present time on the last mentioned issue.

#4.##4The first payment of principal of the La Mesa Irrigation District water bonds becomes due and payable in 1935 but only a small amount with a graduated scale upward.

These bonds issues of a little over two million dollars are spread over twenty odd thousand acres including the cities of La Mesa, El Cajon, the towns of Spring Valley, Lemon Grove and certain sections

abbutting the city of San Diego and including the best ranches in El Cajon valley.

#5. All assessments made by the county under Mattoon Acts for roads apply/to the lands in which you are interested in Fletcher Hills have been paid to date.

#6 The first payment on principal of road bonds, District #4 commences in 1933 and District #19 in 1934.

#7 The Improvement District #4 for the east and west road is bonded at an average of $60 an acre on 15 year bonds. District #19 for the roads running north and south include the subdivision roads and they are twenty year bonds.

#8 I can only add that Improvement District #4 only takes in about one-third of the acreage and the total bonded indebtedness is about $60 an acre. Improvement District #19 takes in less than 700 acres and the total average cost is about $475 an acre for the paved roads and cast iron water mains.

In Improvement District #19 we have, I believe, 71% of all the roads in the district and are only paying 66% of the taxes.

Hoping the above is the information you desire, I am

Yours very truly,

EF:ASK

October Eleventh,
1 9 3 0

F. & W. Thum Company,
837 Van Nuys Bldg.,
Los Angeles, Calif.

Attention Mr. John Thum:

My dear Mr. Thum:

In our interview the other day you or your father stated that Mr. Stewart of the Municipal Bond Company had either made the direct charge or inferred that the A. & I. M. No. 19 was a very expensive job and that I had profitted by that job or been paid for my services in relation thereto for promoting the job.

Who ever makes that statement is a blankety blank liar with my compliments.

This was a county job at all times under the jurisdiction of the board of supervisors. They appointed an engineer and you know there is not a squarer man on earth than T. H. King whom I have known for fifteen years. He will lean over backwards to be square with all parties in interest.

Enclosed find his letter that is explanatory. Also enclosed find copy of letter from Mr. Butterfield the owner of the Butterfield Construction Company and the man who secured the contract for the work that is explanatory.

I never entered into a proposition with more enthusiasm and good faith in my life than I did in the development of Fletcher Hills.

It was started two or three years ago and was finished last fall.

The Municipal Bond Company, Elliott & Horne and one or two other bond companies were only paying ninety cents

on the dollar for bonds of similar character to the bonds on #19. I fought for a higher price and the bonds for No. 4 and No. 19 sold for 95.

Stanley Byers was the manager of the firm who bought the bonds at 95 from the Butterfield Construction Company and from what I understand, later on, sold these bonds to the Municipal Bond Company.

Any contractor bidding, under the law, must take bonds in payment in pay for his work. Mr. Butterfield of the Butterfield Construction Company made his own negotiations and sold the bonds at any price that he saw fit.

I was not a party to the matter and did not know that the Municipal Bond Company owned the bonds until a few months ago.

I had a tentative agreement with Mr. Byers to buy a half interest in Fletcher Hills but this blew up, when his oil wall did not come in and when he got stuck with Paradise Hills district bonds.

He already had a tentative sales organization created. I believe the man was sincere and it was simply hard luck.

He bought ten acres of land from me at Fletcher Hills, built a nice home for his father and mother and put four or five thousand dollars of his own money in to the development but had to give it up since the panic and turn the property back to me.

This is the only transaction directly or indirectly that I have had with him of any king excepting that he did buy a nice piece of property on Mt. Helix for his own home from the Crossmont Park Company and hopes some day to build his home there. My ten children own the stock of the Crossmont Park Company. I only own one share of stock and the total payment on that property that he has made was $12,000.

I went on Mr. Byers note for $3500 at the First National Bank of San Diego and had to pay it. Mr. Byers owes me this amount today and I have no security.

The above covers every transaction that I have ever had with Mr. Byers directly or indirectly and any man that says otherwise can go where the woodvine twineth.

There never was a better job done or a cleaner job to my knowledge.

Under ordinary conditions there would not have been a word from any one but this national and international depression has caused everybody to look for an alibi and Mr. Stewart is only throwing a smoke screen.

We have tried three times to get the tax bills from the tax collector's office but they will not deliver them until after the 15th of October as they are not prepared.

Yours very truly,

EF:ASK

October Fourteenth
1 9 3 0

Mr. William Thum
1507 East Mountain Street
Pasadena, California.

My dear Mr. Thum:

Answering yours of October 13th, I am more than happy to know you are back and on the job again.

I hate awfully to bother you, but I am worried to death about this Fletcher Hills matter. Enclosed find copy of letter I wrote the F. and W. Thum Company that is explanatory. I feel quite sure that I can get Mr. Cotton to, on some basis, pay me at least $100.00 an acre for the land in District No. 19, maybe spread out over a period of years. In that way both you and I will be relieved of doing anything or putting up any money to protect our interest in Fletcher Hills.

Would you consider some plan of taking back your three-fourths interest in all the property, giving me my one-fourth interest back again and refunding me the money I put into it, only after and when you have first received your money and interest? I am referring to the lands that are yet unver the mortgage.

The above is a suggestion that might work out mutually satisfactory.

Very sincerely yours,

EF:EK

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

October 17, 1930.

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

You are a little off, I believe, in your views on the "Thum-Fletcher Accounts". When you finally purchased the Thum-Fletcher lands, the price had been fixed on a previous occasion (about a year before) at $75.00 per acre for the 1777 acres in the Thum-Fletcher lands, (not including the Ballentyne land). During this interval of a year, the F. & W. Thum Company installed and paid for the water system, designed to fit in with the ultimate system, at a cost of $26,969.50. At the time of purchase this amount was added to the previously fixed purchase price. This resulted in a total purchase price for the 1777 acres of $160,244.50. On the day of purchase by you, the Thum-Fletcher Lands Account in the books of the F. & W. Thum Company carried a debit item of $38,687.17. Deducting this from the $160,244.50 left a balance of $121,557.33, representing profit on the Thum-Fletcher lands. Under terms of contract, three-fourths of this went to the F. & W. Thum Company, or $91,167.99. This with the unsettled charge of $38,687.50 standing against the account in the Company's books and the cost of Ballentyne lands, or $21,229.29, (being original cost plus 6% yearly interest on the original purchase price) fixed the amount of the mortgage.

At your suggestion we purchased the Gillen place with the gambling chance of aquiring a water right to transfer to the bluff land. When the Gillen place was finally sold to Dr. Good, we had lost $15,108.19 on a 6% basis. We considered these properties as a part of the problem of the Thum-Fletcher lands and should in fairness be deducted from the $91,167.99 to show the true profit in excess of a 6% profit, namely, $85,987.80 to which amount the mortgage would have to be reduced before the F. & W. Thum Company would have received all of its investment and 6% interest.

Now 6% is only interest, the chances the Company took regarding water and the growth of the back country, amounted easily to more than another 10%.* Your letter left one with the impression that we had already <u>received</u> the 6% interest plus the cost.

Yours sincerely,

WT/G. * In addition to the 6%

William Thum.

F. & W. THUM COMPANY
837 VAN NUYS BUILDING
LOS ANGELES
CALIFORNIA

November 7, 1930.

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

RE: The Relation of Ballantyne and Gillen to Thum-Fletcher Agreement called out by paragraph 4 in letter of October 28, 1930.

Dear Mr. Fletcher:

I know very well that the Gillen Place was not put under the "Thum-Fletcher Agreement", but neither was the Ballantyne Land. These properties were purchased in July, 1906, through you, at your suggestion and were presented as useful, self-sustaining supplements, of auxilliaries, to the Thum-Fletcher Lands on the Heights.

BALLANTYNE:

The Ballantyne land is the foreground at the north entrance to the Heights which would be greatly benefitted by a suitable development of the foreground. The Ballantyne was also considered useful on account of a moderate water possibility, which we later tested by drilling a well. You assured us that the level part was the best kind of land, especially for barley and hay, and that you could easily find hay farmers to work the land on shares, netting returns to us adequate to cover all carrying charges, taxes, and interest.

However, the soil, although very fertile, was of heavy adobe and crops could not be successfully matured unless the weather at planting time was ideal. During the entire twenty years, only $600.00 net was realized from all tenants which was duly taken into account at the time of sale. A hay crop prior to our purchasing the property warranted your belief. In 1909 we raised the crop and netted $200.00. You furnished several tenants, but none were successful. At the price we paid, you believed you could sell the place at any time we might wish to dispose of the property and escape without loss.

GILLEN PLACE:

The Gillen Place seemed to be the most available source of water supply which could possibly be

diverted to the north portion of the Heights. Here you satisfied Ferdinand and me that the Gillen Place could readily be kept rented steadily for dairy purposes at a rate ample to meet all carrying charges including six percent interest. Again you offered to attend to the renting free of charge if we should purchase the place. You did as promised and collected the rents, but when the tenants moved off, new ones could not be found. The average income per year from 1906 to 1912, both inclusive, the F. & W. Thum Company realized an average net annual income of $150.00 per year plus taxes.

In 1909 you suggested that it would be desirable to acquire a private right of way twenty feet wide (about 1000 feet long) connecting the Gillen Place with the Ballantyne Land for water main purposes to supply the latter property and the north part of the Heights with water from San Diego River. These considerations lead us to think it worthwhile to risk buying the property.

There was no suggestion on your part to include these properties in the Thum-Fletcher Agreement, and the F. & W. Thum Company had decided to keep them free of the agreement in order to dispose of them, if found necessary to do so, without responsibility on your account.

Yours sincerely,

William Thum

WT/G. William Thum.

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

Nov. 8
1930

My dear Mr. Fletcher

Here are two of the letter I was writing when you were at the office last Friday. There are for your enlightenment as far as they go. I will just add that for years, as I have several times told you, the "Thum-Fletcher Lands" were to be the source from which our losses on the outrageous purchase of the Robertson(?) bay frontage and the ridiculous ~~[illegible]~~ price paid for the Warehouse lots were to be made good. Just another blasted hope - the worst of it is, all my hopes have a conditional obligation attached which must be broken. I expect to write you Tuesday on the matter you brought up ~~yesterday~~ Friday

Yours sincerely
William Thum

F. & W. THUM COMPANY
837 VAN NUYS BUILDING
LOS ANGELES
CALIFORNIA

November 14, 1930.

Mr. Ed Fletcher,
1030 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

We had your proposal (made here on Friday of last week) under discussion with Mr. Bennett at his office and have to report that no change can be made by the F. & W. Thum Company in the propositions offered you in our letter of October 24th.

We certainly do not want to see you ruined as you feared would be the case if the Fletcher-Thum mortgage were sold by us to outside parties. However, you must do the rest of the sacrificing and not expect us to do any more than we have offered to do. The extension of time to February 15th, 1931, will probably cause considerable additional loss to us as this delay will doubtless spoil much of the opportunity we would otherwise have to recoup part of the large loss involved in the Company's proposition.

In regard to oil royalties. We would require 25% of whatever is realized by way of bonus or royalty from oil and gas from the land not in the Irrigation District.

Your counter proposition to pay all or a part of the $50,000.00 or $60,000.00 cash, (called for in our letter of October 24th under options numbered one and two) with mortgage notes of purchasers of some of your other properties and indorsed by yourself and Mrs. Fletcher is equivalent to a straight loan to you for possibly the entire amount, and there would then be no point in making a change from the situation as it existed before we gave you the options.

Very truly yours,

F. & W. THUM COMPANY

By William Thum
President.

WT/G.

They simply can't imagine your not being able to carry on with this extension if you once make up your mind to do so and I hope you will see it that way too.

November 17, 1930.

Mr. William Thum,
837 Van Nuys Building,
Los Angeles, California.

My dear Mr. Thum:

I acknowledge receipt of your letter of the 14th and contents noted. Beggars cannot be choosers! All I can do is the best I can.

Enclosed find copy of letter I have written the Municipal Bond Company that is explanatory and for your information. I only hope it will turn out for the best. Things look mighty dark for me.

With kindest personal regards,

I am

Sincerely yours,

HP:KLM

F. & W. THUM COMPANY
837 VAN NUYS BUILDING
LOS ANGELES
CALIFORNIA

October 6, 1930

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

We have been considering the situation arising from the Mattoon Improvement District tax liens and the irrigation district tax liens on San Diego property covered by your purchase money mortgage to us and desire to cooperate with you in such manner as to minimize your loss. We do not wish to dispose of our mortgage in such way as to embarrass you without giving you every opportunity to work the situation out. On the other hand our own tax liabilities are such that with a possible purchaser we could not give away or desire the mortgage security.

We have delayed answering until this time in anticipation receiving from you a letter in respect to the taxes, but other matters claiming your attention have doubtless led you to neglect this. We would like to have total amount of county taxes on the property for the year 1930-31. Also the amount of interest due on Improvement District bonds for 1930-31.

In consideration of your making every effort to dispose of the acreage now under water lines to Mr. Cotton or some other purchaser, at present values, from which you may realize and apply on the mortgage not less than $50,000.00, we will agree not to dispose of our mortgage prior to November 30th of this year, and if you do make such a sale we will accept the proceeds received, not less than $50,000.00, credit the same on the first installments of principal becoming due on the mortgage and release the land so sold from the mortgage. You are to give us your notes for back interest and interest to accrue for sometime in the future upon the unpaid balance, the length of time we will take up with you, and to secure these notes for interest upon other land owned by you in San Diego County. This will give you a period of years within which to see what can be worked out of the remaining lands. This will, of course, wipe out any anticipated profit to you and may make you a net loss, but transactions in anticipation of profit always assume that the other who did make the profit assumes the risk of loss. It is no more fair for us to waive all chances of profit on our long investment in San Diego lands than it is for you to loose everything that you have invested in San Diego lands and water rights. If, at the expiration of the period for which you have given these notes in advance, when payments become due on the principal of the balance of the mortgage notes, if it should seem the right thing for us to take a larger loss and you a lesser loss, it will be time enough for us to consider it then.

Very truly yours,

John Thum

FOR F. & W. THUM COMPANY

F. & W. THUM COMPANY

1507 EAST MOUNTAIN ST.

PASADENA, CALIF.

January 21, 1931

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

I took up with Mr. Bennett this morning the alternative you suggested in place of our option relieving you of the mortgage on El Cajon lands, and he does not consider it satisfactory, in that we would be relieving you of a $130.000.00 obligation for one of $60,000.00 without improving our security. He believes that you should dispose of some of your first trust deeds on the market, and send us cash for the amount.

Under the circumstances we will not be able to accept your proposition as outlined in your letter dated Jan. 20, 1931. Trusting that you will be able to raise the cash before Feb. 15, 1931, the date of expiration of the option.

Very truly yours,

F. & W. THUM COMPANY

By John A. Thum
Secretary

J.

January 22, 1931.

F. & W. Thum Company,
1507 East Mountain Street,
Pasadena, California.

Attention Mr. John A. Thum

My dear Mr. Thum:

Answering yours of the 21st, it certainly comes as a great disappointment. I see no way of raising the cash at the present time, and Mrs. Fletcher and I will deed the property under the mortgage to you, which means the loss of 20 years' work, an undivided one-quarter interest, and thousands of dollars which I have put into the development of the property.

Will you accept this in full cancellation thereof?

Yours very truly,

EF:M

F. & W. THUM COMPANY
~~607 Van Nuys Building~~
~~Los Angeles~~
~~California~~
1507 EAST MOUNTAIN ST.
PASADENA, CALIF.

January 30, 1931

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

De ar Mr. Fletcher:

It is our understanding, from the conference had at Mr. Bennett's office yesterday morning that you will be unable to exercise either one of the options offered you the fore part of November 1930 relative to cancellation and satisfaction of Thum-Fletcher mortgage. The reason for the F. & W. Thum Company's refusal to accept trust deeds in the sum of $60,000.00 in payment of the amount provided for in the option was fully explained during the conference.

The F. & W. Thum Company will forego any action of foreclosure until March 15, 1932, provided that you pay the county taxes and improvement district assessments on the 1224 acres, which are not within the A. & I. D. #19. This action on the part of the Company will afford you fourteen months time in which to dispose of the land under the mortgage.

Also if it is your desire to have additional time until March 1, 1933, the F. & W. Thum Company, before March 1, 1931, will take an assignment of the Mackay note secured by trust deed to Lots 12 and 13 of Avocado Acres #3, dated August 8, 1930 securing note in the principal sum of $27,500.00 with interest 7% quarterly, as additional security for your pruchase money mortgage note. This Mackay trust deed provides for the payment upon principal of $2500.00 annually and the total sum of principal due on or before August 8, 1935, and any payments received thereunder will be credited on your purchase money mortgage note.

If you give us this additional security and before March 1, 1933 pay us $50,000.00 cash we will release the mortgaged property within A. & I. D. #19 and reduce the balance of the mortgage debt to $30,000.00 as of March 1, 1933.

In letter (11)

Very truly yours,

F. & W. THUM COMPANY

By William Thum
President.

WT/J

Filed

February Eleventh,
1 9 3 1

F. & W. Thum Company,
1507 E. Mountain,
Pasadena, California.

Attention Mr. William Thum, Pres..

My dear Mr. Thum:

Answering yours of January thirtieth, I confirm my verbal conversation with Mr. John Thum by 'phone wherein I told him in any event I would pay the delinquent state, county and improvement district taxes on all the property in the Thum mortgage, excepting A. & I. D. #19.

What I desire, if agreeable, is that if I pay the $70,000 on or before March 15th, 1932 or a very substantial payment that you will feel safe and be willing to take a mortgage for part of it with the security satisfactory to you, that a settlement on a basis of $70,000 will be satisfactory.

Also, if I require additional time until March 1st, 1933 you will accept the Mackey note secured by trust deeds to Lots 12 and 13 of Avocado Acres No. 3 as mentioned in your letter as additional security in which case the payment to you is to be $80,000, the understanding being that you will accept $50,000 cash on or before that time, release the mortgage property within A. & I. D. No. 19 and reduce the balance of the mortgage to $30,000 as of March 1st, 1933.

Your approval of this matter will be gratefully received.

I am doing everything a human being can do to do something.

Am still working on one or two parties hoping to settle with you on a cash basis of $60,000. If only given time I am sure I can work this problem out.

Sincerely yours,

EF:ASK

F. & W. THUM COMPANY
~~607 Van Nuys Building~~
~~Los Angeles~~
~~California~~
1507 EAST MOUNTAIN ST.
PASADENA, CALIF.

February 20, 1931

Mr. Ed Fletcher,
1020 Ninth Street,
San Diego, California.

Dear Mr. Fletcher:

Replying to your letter of Feb. 17, 1931, we understood you would pay all taxes excepting A. & I. D. #19, and regret you did not realize we had this understanding.

From this same letter, we are unable to decide if you have definitely accepted our offer as outlined in our letter of Jan. 30, 1931. We are hoping you will be able to make disposition of Mackay trust deed before Mar. 1, 1931 as specified in our letter. In any event, we wish to hear from you at once regarding your acceptance of our offer not to foreclose before Mar. 15, 1932.

Regarding our releasing mortgage upon payment of $60,000.00 (Option #1, Oct. 24, 1930), we will repeat that this offer expired Feb. 15, 1931, and was only temporary, since we felt that we could have used the money to good advantage, which opportunity no longer presents itself. Let us hear from you immediately if you have any prospects.

Very truly yours,

F. & W. THUM COMPANY

By John A. Thum

J

February 21, 1931.

F. & W. Thum Company,
1507 East Mountain Street,
Pasadena, California.

Attention Mr. John A. Thum.

My dear Mr. Thum:-

Answering yours of February 20th, I shall pay all taxes excepting A.& I. D. No. 19. By reading again my letter of February 17th, I stated,

> "Answering yours of the 16th, I thought I made it plain, both over the phone and by letter of the 11th, that I would, in any event, pay the state, county and improvement district taxes, excepting A. & I. D. No. 19, before they go delinquent next April and pay the first half of next year's taxes."

Wherein is there any misunderstanding?

I will have to pay the penalty in any event now, for delinquent taxes, and when I pay the last half, which goes delinquent April 28th next, I will pay the first half of the state, county and district, as well, excepting A. & I. D. No. 19, and send you the receipted tax bills for same, bringing everything up to date. I will pay these taxes even if I have to borrow money on my life insurance and let the taxes on my own house go delinquent.

I had not thought for one moment that you would ask me to pay now instead of April 28th and lose my interest on the money for the next two months. Is that your point?

I am moving Heaven and earth on two prospects to try and sell Fletcher Hills. Mr. Stewart has offered to settle 70¢ on the dollar, cash, for the Mattoon Act bonds. I have offered to sell them all lands in A. & I. D. No. 19 under your mortgage for $50.00 an acre. They are working also. Somehow, some way, between us we are going to put over a deal but these uncertain times it is impossible to tell when. Ready money is harder to get right today than any time in the last six months.

F. & W. Thum Company
#2.

Feb. 21, 1931.

I have, directly and indirectly, sixty-two families that are looking to me for a check every week for bread and butter and have less than $3,000.00 in the bank today to run my whole establishment. I will be harvesting my potato crop in April and this will release some of my money.

I am hoping to dispose of the McKay Trust Deed before March 1, 1931. If I don't, I will send it up to you as additional security, as per your offer not to foreclose before March 15, 1933. Any money that you receive from the McKay Trust Deed to apply on the $30,000.00 settlement for full cancellation of the mortgage on or before that date, all as per your letter of January 30, 1931.

Yours very truly,

MF/MC

F. & W. Thum Company
#2.

February 21, 1931.

I have, directly and indirectly, sixty-two families that are looking to me for a check every week for bread and butter and have less than $3,000.00 in the bank today to run my whole establishment. I will be harvesting my potato crop in April and this will release some of my money.

I am hoping to dispose of the McKay Trust Deed before March 1, 1931. If I do, I shall pay this to you on account. If I don't, I will send the McKay Trust Deed up to you as additional security, as per your offer of January 30, 1931. You say in your letter of January 30, 1931, "If you give us this additional security (McKay Trust Deed) and before March 1, 1933, pay us $50,000.00 cash, we will release the mortgaged property from A. & I. D. No. 19 and reduce the balance of the mortgage debt to $30,000.00 as of March 1, 1933." I assume that any money that I pay you between now and March 1, 1933, or which you receive from the McKay Trust Deed, will apply on the $50,000.00 payment that is due on or before March 1, 1933.

By the payment of this $50,000.00 ormor before March 1, 1933, it is my understanding that the whole mortgage will be completely cancelled and that you will accept a new mortgage for $30,000.00 as of date of March 1, 1933, on the balance of the property under the mortgage excepting that within A. & I. D. No. 19, the terms and conditions to be made at that time with release clauses mutually satisfactory, with 6% interest covering a period of years and reasonable release clause. Is this your understanding?

Your letter of January 30, 1931, said, "Also, if it is your desire to have additional time until March 1, 1933, the F. & W. Thum Company, before March 1, 1931, will take an assignment of the McKay note," etc. I took it from this that I had from you until March 1, 1931, the right to either sell the McKay note on or before that time or turn it over to you.

You wrote me in your letter of February 20th, stating that you wished to hear from me at once regarding my acceptance of your offer. Can you not wait until the first of March and see whether I sell the McKay Trust Deed or not? If I don't, I shall send it up to you in any event, as additional security under the conditions just mentioned.

F. & W. Thum Company
#5.

February 21, 1931.

Assuring you of my appreciation of your cooperation,

Yours very truly,

EF/RC

February 25, 1931.

F. & W. Thum Company,
1507 East Mountain Street,
Pasadena, California.

Gentlemen:

Enclosed find the David Mackay Trust Deed note for $27,500.00 duly assigned to you, as additional security for the payment of $30,000.00, in full of account, on or before March 1st, 1933, any monies received from this trust deed note to be applied on the $30,000 obligation, as per your letter of January 30, 1931.

We have granted a six months' extension of time to Mr. Mackay to make his payment of $1250.00 which was due Feb. 8th, 1931. He has paid the interest on said note to Feb. 8, 1931.

Yours very truly,

EF:KLM

Please return

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

June 20
1931

My dear Mr Fleetton

I do not see why you should be worried by your mortage note to us, at least not for the present. I understand there was a two years suspension of payments on principal and interest with more than a year still to run. You are meeting the deficits in payments on notes which the F.W.T.Co accepted in lieu of cash payments on your mortgage note.

There are two notes totalling $2500.00 and owing to me personally. Soon I shall badly need the money. and if you pay only $500.00 it will help me materially.

Had we not sold a small business lot just before the big break, we would have had a very hard time before this.

Now we are depending on the readjustment of to have a

February Eighth
1 9 3 2

F. & W. Thum Company
1507 E. Mountain
Pasadena, California

Gentlemen:

Answering yours of the fifth will say it has been a fight for br ad and butter down here.

I hope by the 15th or 16th to send you a check but it sure has been hallelujah. I have not been able to keep up even the interest on mynotes at the bank.

The reason I wrote you about the $3000 was the enclosed letter from Bell Lloyd that is explanatory.

Regarding the interview in the paper. Mr. William Thum is absolutely correct and I am sorry that the article misquoted in any way.

I was under the impression that Mr. Hugo Thum had turned the property over to the F. & W. Thum Company and of course as Mr. Thum knows I was interested in seeing the La Mesa District and the Lakeside district each get their share of the water and did help in getting the county to accept the trust.

The Cuyamca Water Company, in any event, will only get approximately $20,000 after Mr. Stern get's his share and there are many stockholders and many debts but I am doing the best I can in a most difficult situation.

The San Diego Athletic Club failed to keep up its paymnets of principal and interest and I was nearly floored by being compelled to take over and assume their notes, involving $58,000 or $60,000. Robinson, however, took care of his third but I am flounderin around trying to save something out of the wreck.

The banks have taken White's note and mine for over $30,000 and White is as bad off financially as I am.

We are making a voluntary assessment in the near future hoping that those responsible will pay but I find that

sufficiently stimulating effect on business to start a permanent movement upwards. What a relief it would be. One thing is certain we are six months nearer than at close of 1930, to the time when the cork can be put back into the red ink bottle again.

Yours sincerely
William Thum

80% of the members are broke.

Things have changed from bad to worse since last November until now I am thoroughly discouraged.

With National City Bank of New York stock dropping from 664 to 38, Security-First National of Los Angeles from 166 to 53, San Diego First National Bank from 66 to 18, Goldman Sacks from 120 a share to 2, Transamerica from 77 to 2, with the best irrigation district bonds in San Diego County which they paid par for, are selling now at $25 and $40.

It is useless for you to attempt to collect from me that mortgage until times get normal again and if you want to put me thru involuntary bankruptcy that is what it means.

Very sincerely yours,

EF:ASK

P. S. Cannot find letter from Bell Lloyd but he wrote me on January 18 that he had paid you $3000 of the $7500 due and I was rejoicing in the knowledge that you secured this amount.

E.F.

31

(1)

May Third
1 9 3 2

PERSONAL

Mr. William Thum
1507 E. Mountain
Pasadena, California

My dear Mr. Thum:

I thank you for your letter of the second and the motive that prompted you to write it.

I did tell John nearly a year ago that when the El Capitan money came in I would try and pay something. I have to have money to pay my household expenses, office expense and to pay for the care of 125 acres of avocados. Money that I expected failed to come in. I never was so bitterly disappointed in my life.

Instead of getting $100,000 for El Capitan as we expected we got less than $40,000. Mr. Stern got nearly $15,000 of that as his share and with the bills of the company that we had to pay it left me very little money to go on with the result that what money was available I had to pay to keep from going into insolvency.

I owed $5000 or $6000 in over due accounts arround town that had to be paid in order to take in enough money to get credit for grub. There was about $10,000 out on notes that had to be paid or I would have been thrown into insolvency.

I explained this to John and told him that out of the next money that came in (and I expected it any time from the government) on the post office deal, I would pay him $500 any way, possibly $1000. There was no need of his writing that letter at all thru Mr. Bennett. It was a mistake. He if would have got the money just as quick.

If you have any desire to put me into insolvency go ahead and do it now and have it over with. I am doing the very best I can and no one can do more.

Taylor is out of a job and with his wife and three children they have less than $30 in the bank today. I am carrying a terrible load and we have never seen anything like it for 40 years.

-3-

(11)

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

Mar 18
1934

Mr Ed. Fletcher
San Diego Calif
Dear Mr Fletcher :-

Enclosed is an abbreviated form of what may be called a history of the Thum-Fletcher El Cajon Land Account. I wrote it for the stock holding members of the family.

It is not written as a complete history but suffient to give them a general idea of what took place in connection with the account. Please read it before the meeting for which Mr Bennett has arranged with you.

Yours sincerely
William Thum

Bot p 14
$38M due in

Quarterly
1. $60M
2. " (last TP)
3. $80M (top TP)
4. $70 + 80M (last 2 Ps)
5. $60M (top TP)
5. $80M (last 2 Ps)

My wife is doing her own washing. She fired the cook, second girl and the boys are taking care of the lawn and flowers. We are down to brass tacks but have not lost faith.

Over 125 contracts that were good a year or two ago involving $200,000 have gone flooey. We are glad to have them pay just interest and taxes.

I can send you up one of our contracts that is still alive to protect you on your $2500 if you want it but I don't know how long it will remain good.

When the second largest bank in America, the National City Bank of New York in less than four years drops from 674 a share to 35, Trans-America from 77 to 3, Timken Roller Bearing from 122 to 13 and it has gone down the last six weeks to 11, Security First National of Los Angeles from 172 to 45, First National Bank of San Diego, 78 to 12, you can get some idea of where we are.

I am borrowing some money on my life insurance so as to pay you at least $250 and possibly $500. I am sending a copy of this letter to Mr. Bennett.

Tell John the check for last month's collections goes forward today.

I want you to know that I have always looked upon you and do now, as one of my best friends in life and no matter what happens I shall never forget to appreciate your many stirling qualities and friendship.

Sincerely yours,

EF:ASK

(12)

April 5, 1934.

Mr. William Thum,
1507 E. Mountain,
Pasadena, California.

My dear Mr. Thum:

I acknowledge receipt of your letter of March 18th together with your review of the Thum-Fletcher El Cajon land account. We have been close friends too many years and know each other so well, I hope that nothing can come up that will mar our friendship for the rest of our lives. I know you do not want to do me an injustice, and I know that if you err it would be against yourself and in my favor, with matters left to you. That shows you the confidence, love and respect that I have for you and your judgment.

I wish to make the following reply: On Page 7 you say that I have publicly criticized the F. & W. Thum Company. I have no knowledge of this whatever, and have never said anything disrespectful, or with any intention of hurting your feelings or criticizing the F. & W. Thum Company. Please put me in touch, face to face with the man who made that statement.

All I can say is that when we went into the project together you intended to put up the money for the development, such as building roads, putting in pipe lines, and allow me to put it on the market. It was nothing compulsory and you changed your mind, which you had a perfect right to do.

On Page 7 you say: "After Fletcher had acquired this land he had a great deal of street work done, including water mains, sidewalks, street lighting, etc. —— All these improvements were fully covered by improvement bonds". In this you are mistaken. I spent over $15,000.00 just in levelling the property, grading, surveying, etc. and as you know planted 10 acres to oranges and avocados, 5 acres of which are living today. In all I have personally invested of my own money over $100,000.00, after deducting all credits, as per statement hereto attached. If you took the property back and called everything square the above will be a total loss, and in addition I would be losing the "net surplus" as you call it of $30,768.04, which represents my compensation for 25 years work.

The improvements that I did put in under the bond issue were not completed until after the 1929 stock panic, and I had no opportunity of putting the property on the market since then, as conditions did not warrant it.

Ballantyne Land: You have overlooked the principal reason for acquiring the Ballantyne land, and that was on account of its being needed for reservoir purposes and would be flooded, a major portion of the land, by the building at Mission Gorge No. 2 dam site. Mr. Savage, the hydraulic engineer, insisted this dam be built. The city council twice submitted it to a vote of the people and it looked for a long time as if the dam would be built. If the dam had been built the average cost of water bearing lands that would be flooded would have been between $200 and $300 an acre, and the balance of the land would have skirted the lake and been an attraction to all of the Thum-Fletcher tract, looking down on the lake.

The land was bought at a cheap price at that time, and as I remember it was riparian to the stream and San Diego River, and was a good buy under existing conditions, but as we have learned to our sorrow the paramount right to the waters of the San Diego River was decreed to the City of San Diego, in 1924 I believe, 18 years after you bought the Ballantyne property. When you bought no one had ever even thot that such a thing as a paramount right existed and the suit to determine the question of paramount right was not brought until 1914, 8 years after your purchase.

I did make a splendid sale of 700 acres to Mr. Murray and that property can today be bought for 10 cents on the dollar of what we sold it for in 1910.

On Page 14 you say that the F. & W. Thum Company should be treated more justly. I have treated you as I have my other creditors, no worse, no better. I can satisfy your Mr. Bennett in this if he will come down here at any time and go over my records with me. I sent a deed to my own home to H. H. Tinken, who has a $27,500 mortgage on the property. He returned it and told me to pay as and when and is giving me a chance to work it out, asking me if possible to pay the taxes, which I have not yet been able to do. As regards our 9th & Broadway property, I sent a deed to Mrs. Strong, which she recently returned. Her contract is $1,000 a month and I am paying her just what money I receive from her property, which averages $150.00 to $200.00 a month. The banks have treated me splendidly and some how, some way I am going to work out of this mess, if given time.

On Page 15, under the subject "Lost Hopes", you say: "I considered it outrageous the price which Mr. Fletcher had allowed Ferdinand to pay for the vacant lots on which the Lyon Van and Storage Warehouse stands". - "One of the talking points was the proximity of the main shipping pier to San Diego Bay." On investigation you will find, and my recollection of 20 years ago is that I had nothing to do with, neither did I make a commission on two of the properties which Mr. Ferdinand selected. My recollection is of his asking me to buy one or two lots, I do not remember which, as an investment.

At that time Fifth Street was the main street of

April 6, 1934.

Mr. William Thum,
1507 E. Mountain
Pasadena, California.

My dear Mr. Thum:

I acknowledge receipt of your letter of March 18th together with your review of the Thum-Fletcher El Cajon land account. We have been close friends too many years and know each other so well, I hope that nothing can come up that will mar our friendship for the rest of our lives. I know you do not want to do me an injustice, and I know that if you err it would be against yourself and in my favor, with matters left to you. That shows you the confidence, love and respect that I have for you and your judgment.

I wish to make the following reply: On Page 7 you say that I have publicly criticized the F. & W. Thum Company. I have no knowledge of this whatever and have never said anything disrespectful or with any intention of hurting your feelings or criticizing the F. & W. Thum Company. Please put me in touch, face to face with the man who made that statement.

All I can say is that when we went into the project together you intended to put up the money for the development, such as building roads, putting in pipe lines, and allow me to put it on the market. It was nothing compulsory and you changed your mind, which you had a perfect right to do.

On Page 7 you say: "After Fletcher had acquired this land he had a great deal of street work done, including water mains, sidewalks, street lighting, etc. — All these improvements were fully covered by improvement bonds". In this you are mistaken. I spent over $15,000.00 just in levelling the property, grading, surveying, etc, and as you know planted 10 acres to oranges and avocados, 5 acres of which are living today. In all I have personally invested of my own money over $100,000.00 and can give you an itemized account of it if you wish.

The improvements that I did put in under the bond issue were not completed until after the 1929 stock panic and I had no opportunity of putting the property on the market since then, as conditions did not warrant it.

San Diego and the Pacific Coast Steamship Company operated its line at the pier at the foot of 5th Street. Everyone believed that was the main street of the town. Even the City of San Diego had its city hall at 5th & G Streets. I had nothing whatsoever to do with putting in of your large investment in the building at 5th & K, now occupied by the Lyon Van & Storage Warehouse. Neither was I paid any compensation or commission in relation thereto, only the usual percentage of rentals after the warehouse was built.

Mr. Gould today over the telephone stated that he took the matter of the large fireproof building up with you direct, and the negotiations were completed between you. I am sure you do not want to do me an injustice. The facts are easily verified if you will talk to Mr. Gould.

Nearly all of the business men were fooled as to the future of the lower end of Fifth Street, and no one knew that the Pacific Coast Steamship Company would change its location, so I do not feel I should be criticized for anything pertaining to 5th & K. My understanding is that your investment in the Lyon Van & Storage Warehouse property is paying you better interest on your investment the last five years than your buildings in Los Angeles and Pasadena. Is this not true?

While we are discussing this subject, you ought to keep in mind the splendid investment that I got you to make at 7th & Broadway, and at least place something to my credit. My recollection is that you paid $80,000 for the real estate, put about $50,000 into the building and sold out for over $200,000.00. The above is just from memory. Please do not forget the splendid sale I made for you of the Carlsbad property to the South Coast Land Company, 700 or 800 acres of the McKnight ranch, on which, if I remember rightly, you made a profit of $125 or $150 an acre - all from memory.

On Page 15 you say: "Another case of outrageous overpayment was for land at Roseville purchased thru Mr. Roberts for $16,000. Mr. Hugo and Mr. Ferdinand, without my knowledge, purchased a 25 foot lot over there, as I recall it, a piece of land running down to mean high tide, facing the outlet of the harbor to the ocean. They wanted this for their boat and wanted more room. For over a year they tried to buy Mr. Jennings' piece on the right, or West. Mr. Jennings would not sell at any price. Mr. Ferdinand and Mr. Hugo told me of their plans and asked me to see what I could do about getting the property on the west or property on the east in sufficient size to satisfy them. Mr. Roberts had been trying for a year to secure for Mr. Ferdinand and Mr. Hugo land on either side, and failed, but thru Mr. Roberts the piece on the East, as I remember it, was eventually bought. Mr. Roberts nor anyone else ever paid me a nickel commission. If I was paid anything at all it was paid me by Mr. Ferdinand Thum. Just whether I received any compensation for my services from Mr. Thum I do not remember, but in no case did I receive any compensation from anyone else. Mr. Al Roberts confirmed this by phone this week. This Roberts property so-called was purchased about 20 years ago.

There is no dispute as to whether the city or state owns the property. My understanding is that ownership of land is to mean high tide and either the city or state has the right, if it so desires, to fill in between the bulkhead line and mean high tide, but as San Diego Bay has about 35 miles of bay frontage, never in your life time or mine is there any chance in my opinion, or for the next 25 years, if ever, will this particular bay frontage in front of F. & W. Thum Company's property at Roseville be filled in by the city or state. Conditions are now just as they were twenty years ago. No filling in has taken place between mean high tide and the bulk head line, and there has been a growing public sentiment against it. In my opinion the tide lands in front of the property bought at Roseville will never be fill in, for there are one or two thousand people who are demanding that this particular portion of the Bay be forever set aside as a yacht harbor carrying out exactly the ideas of Mr. Ferdinand and Mr. Hugo, with no intention or any dredging so far as I know.

I am in the same fix as 98 percent of the people in this city and county. I could not pay $78,000 in taxes year before last or $86,000 last year. Anyone can put me thru insolvency by filing a suit against me. I carried along as long as I could. Since you sold me the property I have put $100,000.00 of my own money into the whole project and paid you $ 50,845.07 in cash or notes. In addition I put in 15 or 20 years looking after the property and in addition paid Frank Salmons $ 4,000 .00I happened to be in partnership with Frank Salmons at the time the deal was made and he claimed he had a legal right to the F. & W. Thum Co. contract. Rather than have litigation I acquiesced and bought him off for $4,000.00, altho I always felt it was an injustice.

As I have stated before I am fighting for money to eat on and feed a family of 22, including grandchildren. I could not keep my last two boys in college and had to accept charity. Mr. Gilmore is putting up the money for Ferdinand who has one and a half years more in law in Stanford University. Mrs. Coleman is putting up the money for Eugene. No real estate is selling even at 10 or 15 cents on the dollar, and 95 percent of my real estate contracts are delinquent, even those at the banks as collateral. I owe the Bank of America, the First National Bank and the San Diego Trust & Savings Bank nearly $300,000.00, with these delinquent contracts and some other lands as security, but they are carrying me along, cooperating in every way, and it is simply a matter of waiting until we get out of this mess and can sell something.

The Mattoon Acts here have caused ruination to all our suburban holdings. In El Cajon Acres, which Murray purchased from you, the bond issue for paved roads, sidewalks, curbs, sewers and cast iron water mains was $1500 an acre. This adjoins the City of El Cajon to the south. It was the cheapest unit price bid when the contract was awarded of anything in the county, and the bonds sold for 95. These bonds are offered to us today for 15 cents on the dollar cash, or 20 cents spread over a period of 10 years. Rolando bonds sold for 9 cents

in court and every Hattoon Act in San Diego County is from 60 to 99 percent delinquent, 49 of them. When over 2000 cities in the United States are delinquent in their interest and sinking fund that will give you some idea where we are at. With taxes delinquent 55 percent down here, with Oregon over 50 percent, and in Michigan I was told two weeks ago, that out of 51 million acres of farming land, 17 million acres are delinquent in taxes two and three years.

Your figures show that after receiving your money, taxes and interest for 20 odd years there is still due you $38,368.32 as of Jan. 1st, 1934, including the Ballantyne land. If you took back the mortgage, even tho you lost everything else under the Hattoon Act, you would have approximately 850 acres of land free and clear of all encumbrances in El Cajon Valley and Heights, which land is not included in any improvement district.

A considerable portion of this land is splendid land in the valley, has its own water supply and certainly is worth the balance due you. The taxes that are delinquent do not amount to much. In addition by no means are we dead and entirely frozen out as regards additional income from the land within the Hattoon Acts. There can always be a compromise made, and I believe one-third of the lands can be saved on a compromise. The bonds in A. & I. D. No. 19 were recently offered to me for 35 cents on the dollar and probably can be bought for 25 cents cash. The bond issue was only $400 an acre for paved roads, cast iron mains, etc. A. & I. D. No. 6 covering only a portion of the property was 50 an acre for the cost of the paved roads.

The president of the Municipal Bond Company told me that I was the only one that he knew of who could dispose of this property, they are friendly and playing the game. If given time I know I can work this thing out to your satisfaction, but things have been going from bad to worse for the last 5 years, and I do not see the end in sight.

I hope we will have no hard feelings in this matter, for what I need is encouragement, not criticism, and it goes without saying I am a willing horse and will go the limit to get us both out of this mess. It is only a matter of time. Heaven knows I do not want you to take the property over. I have every reason to keep the property. I lent my name to it - "Fletcher Hills", the only subdivision in the two county. I love it. My boys and I can, in time, make good if given the opportunity. I feel it was my duty as long as I could not pay the interest and principal, to take my loss of $[illegible] and offer you a deed to the property. It was with no intention of forcing it on you, but at least it showed the right spirit.

After reading your brief I feel that I should have a reply from you to this letter before having a conference. I do not want to go up there and say something that will hurt your feelings, neither do I want to be criticized and have my feelings hurt. In the spirit of friendship and desire to do everything possible under the circumstances,

I ask you to take this letter in the most friendly way and beg of you not to let our friendship of twenty years or more be marred by hurt feelings. We have had many happy times together. I am grateful for your friendship, more than I can say, and want to keep it to the last. If I live this matter will be straightened out to the satisfaction of all. If you have any suggestions or solution let me know. Maybe you have some offer to submit. It is just possible that for cash, and a bargain, I could get someone to put in the money and pay you up and talk half or two-thirds interest in the property. If this is what you want, let me know, but in the long run if you will let things drift a while longer I believe I can work something out that will be satisfactory to all parties in interest.

Yours sincerely,

EF:KLM

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

April 9
1934

Mr. Ed. Fletcher
- San Diego

Dear Mr Fletcher:-

Do not fear that any unpleasantness might arise at our meeting. It is only within a month that I have had sufficient stock-holders support to act in your case as I preferred, and that only on condition that Mr. Bennett be with me.

On account of my having lost heavily in trying to assist others financially in business matters in the past few years, the family has justly lost faith in my own business ability. I agree with your other creditors that you are the logical man, and probably the only man who will ever make Fletcher Hills a real success.

The other matter I want to see you about very much can wait until I go to San Diego to fix some matters in regard to Hugo's Estate.

Yours sincerely William Thum

WILLIAM THUM
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

April 10
1934

Dear Mr Fletcher:-

I have not been able to get near Mr. Bennett and will not be able to reach him by phone until this evening at his home. As I have already written you I cannot act independently. But I can say that the last paragraph in your letter of April 3 is in line with what he and I have been thinking right along should be done. I expect to read the paragraph to him over the phone this evening to get his approval and then phone to you at your home. If I fail to reach you there I shall send a night letter to your office so that you may still come up on the day Mr Bennett will be free. I have read your good letter of April 3 carefully and will reply in full later

Yours sincerely
William Thum

There is no one at home to type write. Hand writing is hard work for me.

P.S. I just learned from Bennetts office that he received a carbon of your letter to me, but has not read it yet as the case is taking all his time. He has the twelfth of April over for us.

W.T.

April Tenth
1 9 3 4

Mr. William Thum
1507 E. Mpuntain
Pasadena, California

My dear Mr. Thum:

You don't know how happy it made me, your letter of April 9th. I cannot put it in words.

You and Ferdinand as well as Mr. Gross have been my three most confidential friends during my life time. Neither of us have many years left and under no conditions do I want to break that personal friendship that has existed between you and me.

John has talked pretty severely to me and I think misjudged me. I am writing you in strict confidence.

You can see what a horrible mess of things I have made and how much money I have put in this whole thing, when I offered it back and take my loss of the quarter interest which was almost paid for together with all the money I put into it. You can see what a sacrifice I am making. I did it believing it was only equable to you that you would not be forced to go into court and pay any additional expenses to foreclose the mortgage. I have done that in a half dozen cases with other people and in every case they have returned the deed and said, "Fletcher, if you can't make a go of it we can't so let the matter ride,"

You can imagine how I feel about the property when I call it Fletcher Hills and look upon it as the completion of my life's work in subdivision. So you can get some idea of how I love it and want to stay with it to the end. If there is any way on earth that I can be of any service to you during your life time never hesitate to call onme and I know, no matter if you are over ruled in your own company that you have a kindly spot in your heart for me and always will have.

Always your friend,

EF:ASK

(13)

F. & W. THUM COMPANY
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

April 18, 1934.

Mr. Ed Fletcher,
1020 Ninth Avenue,
San Diego, Calif.

Dear Mr. Fletcher:

Relative to our conversation in Mr. Bennett's office on April 12, I will say that we are interested in cooperating with you in the disposal of the Fletcher Hills property.

We will accept $30,000.00 as full settlement for our remaining interest in the land under the mortgage; this payment to be made in cash on or before sixty days from this date. This is less than 20% of the amount of the note and interest on same to date.

Hoping that your prospective purchaser is still interested in the property, and that we will hear from you.

Very truly yours,

F. & W. THUM COMPANY

By William Thum
Pres.

WT/J

May Twenty-fourth
1 9 3 4

F. & W. Thum Co.
1507 E. Mountain
Pasadena, Calif.

Attention Mr. John Thum

My dear John:

Thanks kindly for yours of the 23rd.

I am sending you a check for $50 and interest with a new note for $700 payable on or before one year. I am grateful for your many kindness and it is only such friendships and leniencies that gives me any ambition whatever to attempt to get back on my feet again.

I am moving heaven and earth to dig up some cash. I have two possibilities in the east and am awaiting their reply with interest. There is absolutely no money in this country. Everybody laughs at me when I talk of raising $30,000 in California to put in land that carries with it all the obligations of two Mattoon Districts and delinquent taxes with no real estate selling.

The only possibility that I can see is this. I might make a deal whereby we could put in escrow the property, get the Municipal Bond Company to cancel the bonds and stipulate in an agreement that you would be paid the first $35,000 from any sales made, the Municipal Bond Company to take up the other obligations against the property. I have had two conferences with them.

The situation is desperate because the taxes in Fletcher Hills No. 1 have not been paid by the irrigation district for three years and the La Mesa District can take the property in on a deed for the taxes and we have no recourse.

All the rest of the property on which there is a mortgage held by the F. & W. Thum Company can be sold for taxes next August and all the land within the irrigation district will be lost as security for what I owe you. But, as it is clouded with an additional Mattoon Act, #4, and with state and county taxes as well, I think it would be a splendid adjustment if you would, as a last resort, accept $35,000 as and when the money comes in. With the Murray Estate doing likewise, as I believe they will on their 300 or 400 acres, there are only 4 or 5 small pieces to settle with and we can cancel the whole A. & I. D. #19 Mattoon Act. A. & I. D. #4 Mattoon Act only averages $50 an acre and no doubt the Municipal Bond Company will assume that. That would have to be one of the conditions to protect them.

-3-

September 30, 1935

The F. & W. Thum Company
1507 E. Mountain
Pasadena, California

Attention Mr. John Thum.

My dear John:

I called to see Mr. Bennett Saturday but found he was out.

There is mighty little hope to do anything with the Fletcher Hills property. I am completely broke and there is hardly enough money coming in to eat.

Have just returned from the East, people paid my expenses, and I may make something on a deal and have something to offer. Have fallen down on everybody that I have tried to sell the property to.

I still am ready to deed all the property to you and take back my notes. There is one note that I am going to pay. Your father and I thought it was a good thing to plant a 10 acre orange and avocado orchard at Fletcher Hills to start things going and he loaned me $1,000. I have paid out over $2,000 and am now dealing up the trees, but I am going to pay the note and I hope in a short time to have enough money to pay the delinquent interest on it, tell him, although the rate of interest ought to be reduced, as the banks have done for me, some 5% and some 6%. One bank, the First National, went away back to 1930 and credited me with 1% interest, nearly $5,000, in making out a new note.

I hope all the family are well.

With kind personal regards

Sincerely yours

EF:RC

Let me know if you would, as a last resort, accept the $35,000 obligation in lie of your letter of April 18th, 1934. If so, this must be decided by August for otherwise we will always be in fear of the district closing us out.

It goes without saying that I gratefully appreci te your offer and if I live and get on my feet again and can sell the property so that I even get my own money back even although you do give me a receipt in full I shall feel it a moral obligation to pay you an additional amount 50-50 as the money comes in, hoping that some day I can pay you in full .

I am finding out who my friends are and they have been more than good to me. I don't know whether I wrote you or not that the home in which we live cost $75,000. We owe $25,000 to H. H. Timken. I could not even pay the interest and sent him a deed to the property and agreed to get out in 90 days. He sent the deed back and told me just to pay the taxes for three to five years and that is all he wanted and if I could refinance some time he would make a liberal discount.

I have just been east again on other matters with my expenses paid and hope to pick up a little money on the side to eat on for a while until real estate picks up.

With kind personal regards to you and the family.

Sincerely yours,

EF:ASK

Not in our notes

April 14, 1936

F.&.W.Thum Company
1507 E. Mountain
Pasadena, California

Attention:-Mr. John Thum

My dear John:

I have been moving heaven and earth to straighten our affairs with the F.&.W. Thum Company, but the situation has been hopeless. I had a cousin come out here from the East hoping to finance me, but a letter from him today says that he is not interested.

Six or eight months ago I called on your Mr. Bennett and it was he who said he would recommend a settlement of $25,000 cash. I believe we had some correspondence to that effect, but I have absolutely failed. I have had three foreclosure suits brought against me recently, so I am deeding the property and kissing my equity good-bye. There is no land sale down here excepting house lots and a few lots at Grossmont. I am completely swamped and anybody can put me through insolvency - I have not paid any interest even to the First National Bank for over two years.

I want to know if you still want me to keep on trying to get $25,000 cash and clean up the F.&.W. Thum account, or do you want to take a deed to the property. I have one or two good propositions here that might bring up to $20,000 or $25,000 on the F.&.W. Thum Company holdings. What is your pleasure in the matter? I was hoping you and your father would come down here as we planned to go over the whole situation together.

With kindest regards to all,

Sincerely yours,

EF/jv

COPY-William Thum
Jas. S. Bennett, 837 Van Nuys Bldg., L.A.

Not in our notes

May 6, 1936

Mr. William Thum
c/o F.&.W.Thum Company
1507 East Mountain Street
Pasadena, California

My dear Mr. Thum:

I was in Los Angles Monday and tried to reach you by phone in the morning but no one answered, so I telephoned your son John in Glendora, and Mrs. Thum said she would try to have John and you meet me at your house. I was there between 4:00 and 4:30 P.M. and found no one at home but left my card. I had to come home that evening, knew you would be tired, and will arrange to see you when I am in Los Angeles again in a few days.

What I really wanted to know was - shall I continue trying to get the money, $25,000, from someone in cash for the return of the securities you are now holding on my obligation? I have one or two good prospects but it is foolish for me to attempt anything of that kind without knowing how you all feel. What I would like is a letter stating "until cancelled, say on two weeks written notice, the offer still holds." If you prefer the property, I will deed it to you on the return of our notes, although it means a tremendous loss and twenty years work on the project. With the money that I have spent on the property out of my own pocket, the money I paid Sammons to get him out of the picture, and the cost of other securities which you have, I stand to lose over $100,000 by giving the property up, but if that is what you want, I will turn it over to you as is for the return of my notes.

Regarding the notes secured by the Corkran trust deed, will you let me know if you are collecting these payments so that we can keep our records straight here.

I am sorry to have to inform you that we have had eight or ten suits filed us against to quiet title for sale of Irrigation property for delinquent taxes within the last week, but we are going to litigate with the Irrigation District to the end. They are stealing our property and violating the agreement with the RFC to give worthy but unfortunate landowners a chance to work it out - the same as the State gave the landowners a moratorium on State and County taxes. I am very happy to say, however, that the La Mesa Irrigation District are treating us with the greatest consideration, but it is the Santa Fe and San Dieguito Districts that are doing the dirty work.

Sincerely yours,

EF/jv CC-Mr.John Thum

May 11, 1956

Mr. Ed Fletcher
1020 Ninth Avenue
San Diego, California

Dear Mr. Fletcher:

We were sorry to miss you Monday afternoon, and apparently missed you only by a few moments, as werwere here by 4:20.

Corkran is paying $10 per month on his note, and has reduced the balance to $956.67.

We have been unable to decide if we would be willing to cancel the obligation you owe us under the Fletcher Hills mortgage, for $25,000, but will advise you within ten days.

Very truly yours,

F. & W. THUM COMPANY
By William Thum
President
Secretary.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

1201-S

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

R. B. WHITE, PRESIDENT
NEWCOMB CARLTON, CHAIRMAN OF THE BOARD
J. C. WILLEVER, FIRST VICE-PRESIDENT

SYMBOLS
DL = Day Letter
NM = Night Message
NL = Night Letter
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

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Received at THE BILTMORE HOTEL NEW YORK 1956 MAY 19 AM 9 35

NQ42 24 NM 5 EXTRA=PASADENA CALIF 18 VIA TW WASHINGTON DC 19

COL ED FLETCHER=
BILTMORE HOTEL=

WE CANMOT AGREE ON ACCEPTING PRICE OF TWENTY FIVE THOUSAND HOWEVER IF YOU HAVE A DEFINITE OFFER PLEASE SUBMIT=
JOHN A THUM.

WESTERN UNION ALONE SERVES 89% OF THE PLACES HAVING TELEGRAPH OFFICES

May 29, 1936

F. & W. Thum Company
1507 E. Mountain Street
Pasadena, California

Attention: Mr. John A. Thum

My dear John:

I received your telegram in New York; but having nothing definite from you, it was impossible for me to talk intelligently to my people, and they were not in a position to make any offer.

It is too bad, because I had nothing to work on and had hoped that you would again give me a reasonably time in which to try and find the $25,000. I was trying to borrow the money from one of my relatives.

The Santa Fe District have taken the deed to all our holdings in the town of Salinas Beach, and all our acreage, on account of delinquent taxes, and have filed suit to quiet title and serve papers on us. I assume the San Dieguito District will soon do likewise.

I am still fighting for money to feed 18 or20, and have no money even to pay taxes. Mrs. Fletcher and I are still ready to deed the property and kiss over $125,000 good-bye, although I still feel that when the time comes I am the best man to dispose of the property.

If you will give me something definite, I will make one last effort to raise the money somehow, somewhere.

Very sincerely yours,

Ed Fletcher

EF/jm

(Rec'd #1, Thum)

June 3, 1936

F.&.W.Thum Company
1507 East Mountain Street
Pasadena, California

Attention:-Mr. William Thum

My dear Mr. Thum:

I thank you for your letter of June 1st - it is something definite and something I can work on. I only wish I had had it when I was in the East where I had the chance of personal contact, instead, the telegram I received in New York from John threw me up in the air and I was not in a position to submit anything definite to my people there.

I will now correspond with them, and if there is any hope or encouragement in getting the money from my relatives, I will make the trip East again. Also, I will work here in San Diego, trying to locate the money somewhere. I am more than grateful for this definite proposition as it is something to work on.

I am losing our property at 9th & Broadway, having put $70,000 into it, but hope to have a reasonable rental so that I can stay here a while longer in the building anyway. I have not paid any interest on the mortgage on our home in two years - I cannot do so and it is only a matter of time when we will lose it - kissing another $50,000 good-bye as there is nothing selling in big homes. Mr. Fred White's home almost adjoining that cost him $50,000, sold a few weeks ago for $5,000.

Our three sons are getting married this year and it will only leave Virginia, so we will probably build a small house and go out to Grossmont or Helix to live.

With kindest personal regards, and hoping to see you in the near future,

Sincerely yours,

EF/jv

(Signed) Ed Fletcher

July 25, 1936

Mr. William Thum
F. & W. Thum Company
1507 E. Mountain Street
Pasadena, California

My dear Mr. Thum:

I want to let you know that I am moving heaven and earth to raise the funds to pay you the $25,000. I tried to get the money both in Los Angeles and San Francisco but failed. I am endeavoring to get money now through Ralph Clock of Long Beach - a client of his. My cousin in the East from whom I expected to secure the money six months ago, has invested it, so I lost out there.

I have three parties here in San Diego that I am working on and hope to have something definite for you in the near future. We lost our property this week at 9th & Broadway and $70,000 we had invested.

Sincerely yours,

ED FLETCHER

EF/jm

August 26, 1936

Mr. John Thum,
F. & W. Thum Company
1507 East Mountain Street
Pasadena, California

My dear John:

Answering yours of the 23rd, enclosed find copy of letter I have written Arthur H. Fischer, for your information and hope it is satisfactory.

I was in Los Angeles yesterday working on another party who has promised to come down in the next 10 days or two weeks and look the whole proposition over, regarding a $25,000 loan, His name is Mr. Ball and he impresses me very favorably. In the meantime I expect to get an answer tomorrow from George Sawday that he is going to let me have the $12,500. I will have to give him a lease for five years for practically nothing for cattle.

I saw Mr. Bennett yesterday, also. When I get the $12,500 from Sawday, as I believe I will, Mr. Bennett and I felt that the simple way was to give a release of Block 56, take the $12,500 and by an agreement of some kind cancel the old deal completely and we sign a new agreement for the payment of $12,500 and interest, you holding the property that you now have as security interest, until the payment is made in full. There will have to be a time limit and I hope you can make it on or before two or three years, three years preferred, however, I am going to keep right after it and the first money I can get my hands on your note will be paid.

I want to again assure you that I am more than deeply grateful for your splendid generosity in helping me out at a most critical moment. If things come back and I get back on my feet again and dispose of this property, to even the extent of getting my money back that I have invested, I, too, will voluntarily be generous with you, for you are sure casting your bread on the waters at the present time.

With kind personal regards, I am

Sincerely yours,

ED FLETCHER

EF/jm

August 28, 1936.

Mr. John Thum,
1507 E. Mountain St.,
Pasadena, California.

My dear John:

Thanks kindly for your telephone yesterday and the new arrangement to accept $10,000 now and release Block 36, and under a new argreement the payment of $15,000 within a year, the new agreement to cancel all former obligations and when the $15,000 is paid, with interest, the present securities which you are holding to be returned or assigned.

I am enclosing release of mortgage to Block 36 which kindly sign, have acknowledged and mail to the Union Title Insurance Company, Order No. 277094, with instructions to file of record on receipt of $10,000. George Sawday put this $10,000 in escrow with the Union Title Insurance Company last night.

My job now is to pay the six years' taxes that are delinquent. It is going to take me some little time to do it but I will do it at the earliest possible minute. My suggestion is that you insert in your instructions that the $10,000 is to be paid on or before October 1st, 1936, but I will try and clean it up within the next 10 days, if possible. I may be delayed in getting a release from the state to clear the taxes, as the title company will not issue a clear certificate to Block 36 until this is completed. As you probably know all of this property has been deeded to the state and I think we have to get a deed from the state controller.

Will you please have Mr. Bennett immediately draw up the agreement and send me the original and two copies so that if satisfactory I can sign them and return, as I do not want the agreement to go thru escrow. It is nobody's business. This can be done in advance and you can hold both signed copies of the agreement until you receive the $10,000.

As I told you over the phone, I have another possibility

of getting money from a man named Mr. Ball in Los Angeles who is coming down here later on with money to invest in unimproved real estate, and it goes without saying I will pay as soon as I can. My understanding is that the new agreement will be for a year.

Thank heaven I have been able to partially finance this without taking money from men who might try to bring influence to bear on me politically. Again I want to let you know how grateful I am. Have sent copy of this letter to Mr. Bennett.

Yours sincerely,

Ed Fletcher

EF/jm

P. S. I find on checking up that the property can be redeemed by the county auditor without references to Sacramento and the state controller.

E. F.

September 3, 1936

Mr. John Thum
F. & W. Thum Company
1507 E. Mountain Street
Pasadena, California

My dear John:

Enclosed find letter from Harold Reed that is explanatory. Please return.

I am still waiting for the release on Block 36 and a letter from you as agreed on. Your sister said that she was taking it down Monday night and it would be mailed to us Tuesday, but it did not come in this morning's mail.

With kindest regards,

Sincerely yours,

Ed Fletcher

EF/jm
Enclosure

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(1) (3) 16

F. & W. THUM COMPANY
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

Sept. 4, 1936.

Mr. Ed Fletcher,
1020 Ninth Ave.,
San Diego, Calif.

Dear Mr. Fletcher:

In reply to your letter of Sept. 3; the release on Block 36 and letter was mailed to the Title Company on Sept. 1. They must not have advised you of its arrival.

Replying to yours of August 28, it was not Mr. Bennett's or my understanding that we would draw up a new agreement for the payment of the balance of $15,000; but to release Block 36 from the mortgage upon the payment of $10,000 and to cancel the old obligation upon the payment of the balance of $15,000. within one year.

Very truly yours,

F. & W. THUM COMPANY

By John A Thum
Sec.

J

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5c
M.

September 10, 1936

F. & W. Thum Company
1507 E. Mountain
Pasadena, California

Attention Mr. John Thum:

My dear John:

Answering yours of the 4th, will say that the $10,000 is probably being sent you today.

In completing this transaction it is my understanding that in no event am I to be asked to pay in excess of $15,000, and on failure thereof the securities that you are holding, at your option, revert to you.

I shall certainly make every effort to raise the $15,000 within the year and am grateful for your kindness in the matter.

(signed) Ed Fletcher
Yours sincerely,

EF/jm

F. & W. THUM COMPANY
1507 EAST MOUNTAIN STREET
PASADENA, CALIFORNIA

Sept. 14, 1936.

Ed Fletcher,
1020 Ninth Ave.,
San Diego, Calif.

Dear Mr. Fletcher:

We have today received the $10,000 payment from the Union Title Insurance Co. for release of Block 36, Fletcher Hills Unit #2 under mortgage dated Dec. 10, 1929.

As stated in our letter of Sept. 4, we will release our mortgage recorded in Book 582 at page 252 of Mortgages, Official Records of San Diego County and return the mortgage notes and any other securities we may have upon your paying to us the sum of $15,000 on or before September 1, 1937. Upon your failure to make such payment, your obligation for the balance of the mortgage indebtedness shall continue according to its terms, free from this or any other obligation to reduce the same.

Very truly yours,
F. & W. THUM COMPANY

By John A Thum
Sec.

J

Ed Fletcher Papers

1870-1955

MSS.81

Box: 30 Folder: 2

General Correspondence - Thum, William - 1930 - 1936