



EXECUTIVE OFFICES
652-653-654 SPRECKELS BLDG.

RECEIVED
SEP 8 1922

SAN DIEGO, CALIF.,

Sept 7. 22

Keegan Water Co.

Attention Mr Mathews,

Dear Sir:—

Enclosed is check as
deposit for water on
Grossman's, handling for
you.

S. L. Studios

X
May 7, 1934.

Mr. C. C. Kompley,
District Attorney,
San Diego, California.

My dear Mr. Kompley:

Re: the S. L. Studios, will say the following names have been given me of parties who have purchased S. L. Studios stock, or have been in their employ, and from whom you may be able to get some information.

Robert Hart, 3133 Front St., City.

I understand he has put \$70,000 into this deal. That he purchased \$40,300 worth of stock, that he lent Sawyer personally \$15,000 and took as security a personal note which has never been paid. Hart traded a lot of United States Steel and East San Diego street improvement bonds for stock. J. H. Shrove knows all about this trade and cashed the steel bonds. It would be interesting to know what became of the money Hart paid to Sawyer.

Dr. Robert Donnell, Grant Hotel, City.

He is supposed to have paid \$350.00 but secured no stock.

W. J. Page, 1980 Alameda Drive, City.

Paid \$1,000 by check for stock and does not owe anything but the books show there is a \$1,000 note of Mr. Page's due. There is a question as to whether it is genuine.

J. H. Shrove, Union National Bank, city.

Has been connected with this S. L. Studio matter in several ways thru financing Sawyer and Hart and you might get some information from him.

A. S. Ahrens, 806 Beech, City.

He was a stock salesman for the S. L. Studios and I am sure can give you leads that will be of interest.

Alex Reynolds, Jr., 419 C Street, City.

Sawyer admitted to me that he used some of the S. L. Studios money to go into a real estate deal with Alex Reynolds, Jr. in forming the Film City Land Company, and the records show that the Film City Land Company still owes \$4,000 to S. L. Studios. This is a separate real estate deal on a separate piece of land, and I do not see how that money could be used for that purpose legally.

Mrs. Helene Goble, 335 Spring St., La Mesa.

She gave Sawyer \$500 in cash and he gave her a note in return with an agreement that she was to have the lunch counter privileges. An investigation will probably show that the S. L. Studios paid the expense of having the lunch counter fitted up and Sawyer kept the money.

Robert Warwiok, 510 Spreckels Bldg., City.

He was personal agent of Mr. Sawyer's and has a real story to tell.

Mrs. Rosa Kieferlo, Owl Drug Bldg., City.

Paid \$350 and has a written contract to go to work out there as an actress.

Dr. H. C. Harding, Electric Bldg., City.

Paid money but did not get any stock.

Miss Jo Clark, Lesem Apartments, City.

"as a stenographer in office of S. L. Studios. Was in state only four months when got a commission as a Notary. Understand Mr. Sawyer signed papers recommending she be given commission.

Mrs. K. Vitan, 1323 Second St., City.

Is a dressmaker who bought stock on promise of having a dressmaking shop there.

Fred Bohn, Vallojo, Calif.

Paid \$1500 for a contract for a barber shop. Is in Vallojo now but will come to San Diego is wanted.

M. Behn,

Paid \$1500 for contract for cleaning establishment.

Frank Fitzhugh, 2515 Front St., City.

Paid \$500 for a contract to go into the movies - understand it was for a daughter to go into movies.

Mrs. Anna Guehring, 939 - 5th St., San Diego, Calif

Paid for a contract for the hairdressing shop.

Mrs. Minnie B. Chase, La Mesa, Calif.

Paid \$1200 but did not receive any stock.

Al Gottenburen, La Mesa, Calif

Dr. F. G. Touvant, 120 Fir St., City

Mrs. Ralph Moody, 247 Date St., City

Mrs. C. E. Olds, 120 Fir St., City

Eddie Schuler, La Mesa, Calif.

Robt. McLeon, 3979 Park Blvd., City.

Geo. H. Stone, Spreckels Bldg., City -- Ask him what he knows, to

produce papers and list of those people to whom Sawyer sold stock, took the money and has not given any stock in return.

The above is information that has been furnished me and I suggest that these people be cited to appear before the Grand Jury and tell what they know.

Yours very truly,

MF:KLM

Original sent to Judge Chambers office.

In the Superior Court of the State of California
In and for the County of San Diego

No. 43604

P. H. O'Brien
Plaintiff

vs

S. L. STUDIOS, A Trust Estate,
F. M. WHITE, ED FLETCHER, CLAUDE L.
CHAMBERS, WILLIAM R. WHEELER and
RAYMOND WELLS
Defendants

COMPLAINT

THE PLAINTIFF COMPLAINS OF THE DEFENDANTS, and for cause of action alleges:

I

That the S. L. STUDIOS IS a Trust Estate, and that the defendants, F. M. WHITE, ED FLETCHER, CLAUDE L. CHAMBERS, WILLIAM R. WHEELER and RAYMOND WELLS, are the Trustees thereof.

II

That within two years last last the defendants became, ever since have been and now are, indebted to the plaintiff in the sum of ONE THOUSAND, TWO HUNDRED NINETY and no/100 Dollars (\$1,290.) for work, labor and services as watchman, performed by the plaintiff for the defendants in caring for the property of the said S. L. STUDIOS at Grossmont, California, at the special instance and request of the defendant, and for which they promised to pay said sum of ONE THOUSAND TWO HUNDRED NINETY and no/100 Dollars (\$1,290.)

III

That neither the whole, nor any part thereof has been paid.

AS A SECOND CAUSE OF ACTION:

I

Paragraph I in the FIRST CAUSE OF ACTION is hereby referred to and made a part of this cause of action.

II

That within two years last past the defendants became, ever since have been and now are indebted to the plaintiff in the sum of TWELVE HUNDRED NINETY and no/100 Dollars (\$1290.) as the reasonable value of work, labor and services performed by the plaintiff for the defendants, at their special instance and request and with their knowledge and consent, as a watchman in caring for the property of the S. L. Studios at Grossmont, California.

III

That neither the whole, nor any part thereof, has been paid.

AS A THIRD CAUSE OF ACTION:

I

That within two years last past, the plaintiff paid to the defendants the sum of TWO HUNDRED DOLLARS (\$200.) and authorized the defendants to withhold the sum of TWO HUNDRED FORTY and no/100 Dollars (\$240) from amounts due labor, as recited in the FIRST and SECOND CAUSE OF ACTION herein, for which the defendants promised and agreed to issue to the plaintiff a shareholder's certificate in the defendant, S. L STUDIOS. That the defendants have failed and refused to issue said certificate, and that the same has not been issued to this plaintiff.

WHEREFORE, the plaintiff prays judgment against the defendants for the sum of FOURTEEN HUNDRED NINETY and no.100 Dollars (\$1490.) together with his costs herein.

EDWARD J. KELLY
ATTORNEY FOR PLAINTIFF

STATE OF CALIFORNIA)
County of San Diego)^{ss}

P. H. O'BRIEN, being first duly sworn, deposes and says:

That he is the plaintiff in the above-entitled action; that he has heard read the foregoing COMPLAINT and knows the contents thereof, and that the same is true of his own knowledge.

P. H. O'BRIEN

SUBSCRIBED AND SWORN TO BEFORE ME
This 26th day of November, A. D. 1924

LUCY A. AUST

NOTARY PUBLIC IN AND FOR THE COUNTY OF SAN DIEGO
STATE OF CALIFORNIA

(SEAL)

(served on Mr. Fletcher December 1, 1924.)

ESCROW INSTRUCTIONS.

Southern Trust and Commerce Bank,
San Diego, California.

We hand you herewith deeds as follows:-

1. Grant deed from Grossmont Park Company, a corporation, conveying a certain tract of land containing twenty (20) acres, more or less, located near Grossmont, San Diego County, California, and bounded and described as follows, to-wit:

Lots 9, 10, 14, 15, 16, 17, 18, 21, 22, 23, 24, 34, 35, 36 and East 40 ft. of Lot 32, and West 40 feet of Lot 31 of the Brier Tract, San Diego County, California, as per map No. 1475 recorded in the office of the County Recorder, San Diego County, the 11th day of September, 1912.

2. Grant deed from Arthur H. Sawyer and Rosamond B. Sawyer, his wife, to the trustees of S. L. Studios-San Diego, a trust estate, unincorporated, conveying said property.

3. A quit claim deed from Grossmont Park Company, a corporation, to the trustees of S. L. Studios-San Diego, for said property, given to release the reversion clause in our grant deed.

We certify that the above property, conveyed by us, is free and clear of all encumbrance, and that we have a fee simple title to the same, and will file certificate of title to said property with you, within thirty (30) days from this date.

You will hold said grant deeds on the following terms;

If and when evidence and proof shall be given to you that \$50,000.00 worth of preferred shares at par, of said S. L. Studios-San Diego, have been subscribed and paid for, and you receive an agreement satisfactory to me made by at least three (3) of the five (5) trustees of the S. L. Studios-San Diego, individually two of whom shall be Arthur H. Sawyer and George H. Stone, to the effect that \$35,000.00 of the money so subscribed shall be spent in the improvement of said property in the deeds described, you will then deliver the two (2) grant deeds to S. L. Studios-San Diego

PROVIDED, that if there is no evidence and proof furnished to you within six (6) months from the date hereof, that \$50,000.00 worth of preferred shares at par of said S. L. Studios-San Diego have been subscribed and paid for, and if said agreement is not, within said period furnished you, then the said two (2) grant deeds will be held by you in that event solely for, and subject to our order. If the \$50,000.00 above referred to is in your hands within six months from date, then this quit claim deed you will hold until one (1) year from the date of commencement of operation of studio, and the operation must commence within one (1) year from date, and if at that time S. L. Studios-San Diego shall be maintaining and operating a studio on the lands in said deed subscribed, you may deliver said quit claim deed to them, otherwise hold subject to our order.

Dated at San Diego, California, this 31st day of
December, 1921

GROSSMONT PARK COMPANY

By ED FLETCHER, Pres.

Witness

K. L. May

Grossmont Park Co., .

We acknowledge receipt of the two deeds
above referred to, and will follow instructions herein contained.

SOUTHERN TRUST & COMMECE BANK

Per _____

Copy was
destroyed & new
sheet made.

280-2

1 to you within six (6) months from the date hereof, that \$50,000.00
2 worth of preferred shares at par of said S. L. Studios-San Diego
3 have been subscribed and paid for, and if said agreement is not,
4 within said period, furnished you, then the said two (3) grant
5 deeds will be held by you in that event solely for, and subject to
6 our order. If the \$50,000 above referred to is in your hands
7 within six (6) months from date, then

8 This quit claim deed you will hold until one (1) year
9 and the operation must commence within one year from date
10 from the date of commencement of operation of studio, and if at
11 that time S. L. Studios-San Diego shall be maintaining and operating
12 a studio
13 on the lands in said deed described, you may deliver said quit
14 claim deed to them, otherwise hold subject to our order.

15 Dated at San Diego, California, this 31st day of
16 December, 1921.

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GROSSMONT PARK COMPANY

BY _____

CREDITORS - S. L. STUDIOS
April 12, 1924

W. M. Rumsey	920 Eighth St.	\$ 179.87
H. Ivor Thomas (No claim made)		323.93
Robt. Cordtz	1241 India Street	45.14
Smyour & Seymour	522 Union Bldg.	47.05
Dodge & Carlisle	P.O. Box 972	79.04
Clunes Theatre Company (No claim)		129.58
W. C. Merritt Company	727 Seventh Street	364.56
Bledsoe Company	1100 Sixth Street	101.71
H. F. Lee Company	1041 Columbia Street	233.36
Whenn Electric Company	955 Eighth Street	797.44
Ross Bros.	860 Third Street	89.40
M. G. White Company	241 Spreckels Bldg.	363.80
Chas. R. McCormick Lumber Co.,	3835 University Ave.	1,771.97
R. Francis	La Mesa	130.34
Geo. H. Stone	653 Spreckels Bldg. (Aprox)	626.07
Quayle Bros	601 Spreckels Bldg.	658.58
Salary R. D. McLeod	Arno Hotel	349.36
Advances By R. Hard, Dec. 5 to Jan. 12		657.17
R. Hart		400.00
H. Loring		400.00
E. J. Shulter,		575.00
A. H. Arnett note		977.88

Cuyamaca

Solana Beach



Pine Hills

Grossmont

Ed Fletcher Company
Fletcher Building
920 Eighth St.

San Diego, California

December 16, 1924.

Trustees,
S. L. Studios,
San Diego, California.

Gentlemen:

The offer of compromise as outlined by Messrs. Eekles, Lowerison and Wolstencroft is satisfactory and accepted by us, providing a re-organization is effected within sixty days from date, otherwise null and void.

Yours truly,

GROSSMONT PARK COMPANY

By

EF:KLM

AGREEMENT

THIS AGREEMENT, Made and entered into this _____ day of January, 1925, by and between ORA F. ECKLES, J. H. LOWERISON, H. A. WOLSTENOROFF,

and GROSSMONT PARK COMPANY, hereinafter termed the Trustors, and ED FLETCHER, hereinafter termed the Trustee, WITNESSETH AS FOLLOWS:

(1) That said trustors are the owners and holders of certain obligations heretofore existing against S. L. Studios, a trust estate, and the trustees thereof, or own and hold certain interests in property heretofore held by said S. L. Studios and its trustees, which interests are hereby agreed to be as follows:

By virtue of a first mortgage with accrued interest, etc.,

Due Ora F. Eckles,
J. E. Lowerison,
H. A. Wolstenoroff,

\$ _____
\$ _____
\$ _____

By virtue of a second mortgage,

Due Ora F. Eckles,
J. E. Lowerison,
H. A. Wolstenoroff,
Benson Lumber Company,

\$ _____
\$ _____
\$ _____
\$ _____

By virtue of a reversionary interest in real property standing in the name of S. L. Studios and its trustees, due to Grossmont Park Company a sum hereafter to be determined as follows: Take the acreage already sold on Grossmont, determine its sale price per acre on the average, and allow seventy-five per cent (75%) of the equivalent price applied to the acreage held by S. L. Studios.

(2) That the affairs of said S. L. Studios and its trustees are now so involved as to endanger the interests and investment of all said trustors. That said Ed Fletcher has entered into certain preliminary arrangements and has worked out a plan for

liquidation and re-organization of said Studios, including the organization of a corporation of the name of "Grossmont Studios, Inc.", and including also arrangements for the use and occupation of said premises on a valuable rental basis. That it is the desire of these trustees to cooperate with said Ed Fletcher, and to give him necessary authority to carry out his plans and tentative arrangements for the mutual protection of said trustees.

(3) That said parties above designated as trustees do therefore and hereby appoint and create the said Ed Fletcher trustee for them, in connection with their interests herein recited, and for the purposes hereinafter declared and provided for.

(4) The parties hereto will execute and deliver to said Grossmont Studios, Inc., a corporation, such quit-claim deeds, releases or other transfers as may be required to vest in said corporation all of their claims, interests and rights now outstanding against S. L. Studios, its trustees, or properties standing in its name or in the name of such trustees. In consideration of the release and transfer by said S. L. Studios and its trustees to said Grossmont Studios, Inc., of all their right, title and interest in and to all real and personal property in their possession or under their control, it is understood that each unit-holder of said S. L. Studios who shall elect to do so, is to receive capital stock of said Grossmont Studios, Inc., in exchange for his interest in said S. L. Studios, at the rate of one share of stock for each _____ Dollars,

(5) _____) held in said trust estate. It is further understood that a certain lease executed by S. L. Studios to Hart, Loring & Wells is to remain in full force and effect, and also

All such releases and transfers will be promptly made and delivered to the said Ed Fletcher, in escrow for the benefit of said

Grossmont Studios, Inc., but the said Ed Fletcher shall not complete delivery thereof until he has in his possession all instruments necessary to clear the title of all charges herein mentioned, and to place said corporation in full and unincumbered possession of the assets of said S. L. Studios, with the exceptions hereinabove noted. Thereupon said Ed Fletcher shall complete the delivery of all such instruments, and shall cause such title to be vested in said corporation in exchange for the shares of its capital stock to be issued as hereinafter appears.

(5) In further consideration for the assignments and releases to be made by the trustors herein, each of them shall receive shares of capital stock of Grossmont Studios, Inc., at the par value thereof, equal in amount to the respective sums above set forth in Paragraph (1). Such shares shall, however, be issued to the said Ed Fletcher as trustee for each respective trustor herein, and the said trustee shall hold, vote and control such shares of capital stock for a period of ten (10) years hereafter, or until such time as he may voluntarily resign from the office of trustee herein created.

(6) Said trustee shall apply the dividends to be received from such corporation upon the stock so held by him as follows: First, in re-payment to himself of outlay already made by him, or hereafter to be incurred for experting of books of S. L. Studios, payment of accrued taxes, legal expenses, and other expenditures necessary to the preliminary arrangements and further administration of this trust. It is agreed, however, that said trustee shall receive no compensation for his own services until such time as each of said trustors has received, in the way of dividends, an amount equal to the sum specified in Paragraph (1) above. Thereafter the rate of compensation for such trustee shall be mutually agreed upon.

(7) After payment of such expenses, the dividends

accruing to the respective blocks of stock shall be paid to the equitable owners thereof, and at the expiration of said term of ten years, or at any earlier termination of this trust, such stock, and the whole thereof, shall be transferred to the trustees herein, their heirs or assigns.

(8) Nothing herein contained shall prevent any trustor from making an assignment of his interest in such capital stock, but he may assign the same, or any part thereof, subject to the terms of this agreement.

(9) In the event of any misunderstanding or dispute regarding the powers or activities of said trustee, it is hereby agreed that the same shall be determined by a Board of Arbitration, consisting of three members to be selected in the customary manner, and that each and every party to this agreement will abide by the decision of such Board, and make performance according to its requirement.

(10) If, through any cause not within the control of the parties to this agreement, it is impossible to clear the title to said property and secure issuance of the capital stock as above provided, within ninety (90) days from the date hereof, any party or parties to this agreement may terminate the same by giving written notice to said trustee, whereupon all the provisions hereof shall become of no effect, and all instruments placed in escrow shall be returned to the makers thereof.

15-21

A G R E E M E N T

THIS AGREEMENT, made in duplicate this 15th day of January, 1925, by and between F. M. WHITE, WM. R. WHEELER, RAYMOND WELLS, ED FLETCHER JR., and CLAUDE D. CHAMBERS, Trustees of S.L. Studios a trust estate, parties of the first part, and ED FLETCHER, of the City of San Diego, County of San Diego, State of California, party of the second part;

WITNESSETH: That whereas the parties of the first part are the duly qualified and acting Trustees of the S. L. Studios, a trust estate, which is the owner of certain studio properties located at Grossmont, in the County of San Diego, State of California, and

Whereas said trust estate is indebted to various and sundry persons and corporations in a sum of approximately \$40,000.00, and

Whereas, there has been issued to various and sundry parties the sum of approximately \$106,000.00 face value trust certificates of said trust estate, and

Whereas, it is the desire of the Trustees of said trust estate to provide a method for the payment of the obligations of said trust estate hereinbefore mentioned, and to provide means whereby the studio properties owned by said trust estate may be placed in operation to the end that those persons who have invested money in stock may derive an income therefrom, and

Whereas, the party of the second part has heretofore, or is about to incorporate a new corporation for the purpose of taking over the properties of said trust estate, to arrange for the payment of the obligations of said trust estate and arrange for the issuance of shares of stock in said new corporation to the present owners of trust certificates in said trust estate.

NOW THEREFORE, It is Agreed, by the Trustees of said trust estate that they will transfer by proper deeds and assignments to a corporation to be organized by the party of the second part, all the right, title and interest in the property now owned by said trust estate, upon the following conditions, to-wit:

That said corporation, when incorporated, shall pay to the various creditors in stock, par value, in the new corporation, the amount of their respective claims; that said corporation shall pay in stock, par value, 75% of the value of the land upon which said studio buildings are located, to the party of the second part, said 75% of the value of said land to be determined by an examination of the books of the party of the second part and the Grossmont Park Company, and be based upon the price of all lands heretofore sold by the said party of the second part and the Grossmont Park Company at Grossmont.

That said corporation, when incorporated, shall issue or cause to be issued to the parties now owning trust certificates in the S. L. Studios, a trust estate, stock in said new corporation on a basis of thirty-five (35¢) cents on the dollar, said valuation to be based upon the preferred trust certificates in said trust estate.

The party of the second part, in consideration of the covenants and agreements hereinbefore made by and on behalf of the parties of the first part, agrees that he will cause to be incorporated a corporation under the laws of the State of California, and procure the necessary permit from the Corporation Commissioner of said State to issue stock in said corporation; that he will have said corporation when incorporated and when said permit to issue stock shall have been obtained, issue stock to all of the creditors of S. L. Studios, a trust estate for the amount of their respective claims against said trust estate; and that he will accept stock in said new corporation

of the par value of 75% of the value of the land upon which said studio buildings are located, said valuation to be determined by an examination of his books and the books of the Grossmont Park Company, and being based upon the price of all lands heretofore sold by the said party of the second part and the said Grossmont Park Company at Grossmont; that he will cause said corporation to issue to each and every holder of preferred trust certificates in the S. L. Studios, a trust estate, stock certificates in the new corporation at their par value to the extent of 35% of the face value of said preferred trust certificates in said trust estate; that he will procure a mortgage in the sum of not to exceed \$20,000.00 upon said property to be conveyed to said corporation with which to provide funds to properly equip the studio building now on said property so that the same may become immediately available as a studio within which to produce motion pictures. That said mortgage is to be paid off as follows: \$5000.00 one year from date; \$5000.00 within two years from date; and the balance within three years from date.

This agreement is made, and it is mutually understood and agreed by and between the parties hereto, that the conditions herein contained are to be carried out promptly to the end that said studio may be made a paying institution. It is further mutually understood and agreed that in the event said party of the second part shall fail to carry out the terms and conditions herein contained on his part to be performed, within a period of sixty (60) days from the date hereof, then and in that event this agreement shall be null and void, and of no further force or effect.

immediate possession to be given of studio in party of second part.
IN WITNESS WHEREOF, we have hereunto set our hands and seals the day and date first above written.

S. L. STUDIOS, A Trust Estate

By

J. M. White
President

Ernest L. Chamberlain
Secretary

Parties of the First Part

J M White

Ed Fletcher

Samuel M. D.

Wm. Wheeler

Oliver L. Chamber

Board of Trustees

Ed Fletcher

Party of the Second Part

Burl
Surrend
C. L. Swann

Ed Fletcher Papers

1870-1955

MSS.81

Box: 64 Folder: 14

Business Records - Land Companies - Grossmont Park Company - S-L Studios, Grossmont Studios - S-LS: Deeds and miscellaneous papers list of creditors, complaintants



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