

October 28, 1932

Mr. C. L. Cotant, Vice-president,
Bank of America,
San Diego, California.

My dear Mr. Cotant:

Enclosed find copy of order on the Title Insurance
& Trust Company, Los Angeles, instructing them to pay to you the
sum of \$751.00 from the funds of Order No. 1260081. This is to
pay off the \$750.00 note of the Morse Construction Company, which
you have that is unsecured. This order should be completed within a
short time. Yours very truly.

EF:KLM

W
10/29/32

November 7, 1932

Bank of America,
San Diego, California.

Attention Mr. C. L. Cotant, Vice President

My dear Mr. Cotant:

To say that I was surprised at your demand regarding
my obligations, and those of the Morse Construction Company and
Grossmont Park Company to you, is to put it mildly. In the first
place, while the stockholders of the Morse Construction Company
and Grossmont Park Company are members of the Fletcher family, they
are entirely separate corporations, there is no reason on earth why
they should pay my personal debts, and I am not going to ask them
so to do.

There is no man in California who can dispose of
this property any better than I can. I am willing to turn over to
you every dollar of revenue as and when it comes in, or let you col-
lect it if you want to. If you want to wipe me out completely
after my record of achievement in the development of San Diego
County you will be doing me the worst injustice one man can do to
another, however, in the long run, if there ^{are} any loans in San Diego
that can be worked out, it is the loans that we owe you. I should
have special consideration on account of endorsing the San Diego
Athletic Club notes amounting to about \$11,000, which otherwise
would have been a loss to you, and I feel sure it is only a matter of
time, with the stockholders liability running for nearly two years yet
that we will collect enough money to pay in full the balance due on
the Athletic Club notes.

I make the following propositions: First - that we
deed you our equity in the Marshall Ranch 710 acres, on which there
is owing about \$55,000. This means nearly \$55,000 loss to me. Marshall
owed you about \$78,000, the property was yours, and if I had not taken
it at that time you would undoubtedly have been owing it today. Copy
of my letter to Mr. Wente is herewith attached, and fully explains the
situation.

Proposition No. 2: I will deed you the 8th & Ash Streets
property on which there is a \$34,700 trust deed. I will also deed you
lots 2, 29, 30 and 31, Block 15 of Solana Beach, with two houses, all

of which is being held as additional security. The county assessor reduced values 25 percent last year, yet the appraised value of these properties last year was \$71,375, as made by the county assessor. I was offered \$75,000 for the 8th & Ash Streets property alone five years ago, while the other properties are easily worth today \$9,000 or \$10,000.

Will you accept these deeds to these properties above mentioned and give Mrs. Fletcher and me a release, this to cancel our entire obligation in relation thereto, making us a loss of over \$100,000.00?

The other individual loans of my own to you are all secured excepting \$2,000 and excepting \$2668.99 one of the Athletic Club notes. I am willing to put up any reasonable security in the form of land, with and without improvements, to protect these loans.

The Morse Construction Company only owes you around \$12,000.00 all of which is secured. You have an order on a trust which will pay you the \$750.00 unsecured note. Another note of \$1700.00 you have 30 shares of Los Angeles First National Bank stock, worth today 50, and in addition 8 shares of Southern California Gas Company stock selling between 90 and 100, on today's market, which more than protects the loan.

Another \$1500 loan you have a nice house and lot as security, at Solana Beach, with sidewalks, curbs, paving all in and paid for, worth \$4,000, and we are paying taxes on \$2775 value this last year.

Another \$2,000 loan is secured by the King house in Solana Beach, with sidewalks, curbs, paving in and paid for, no assessments. This property cost \$7,000 and is appraised by the county assessor at \$4075.00.

On the note on which you have the Miles trust deed as security, there is due you about \$1100.00, but there is still due the Morse Construction Company an additional \$1200. This property is also improved with sidewalks, curbs, etc, and Miles has never failed to pay. He is in business there in Solana Beach, so in addition to the \$1100 you are bound to get there is an additional \$1200 that you can hold as additional security for anything you want.

The only other Morse Construction Company loan is \$5170.00 on the Solana Beach garage. This cost us \$18,000. We are collecting \$115.00 a month rent from thoroly responsible people and this money is paid over to you monthly.

If you want more security on the Morse Construction Company account in some form or other we will be glad to give it.

The Grossmont Park Company owes you a little over \$22,800. Every bit of it is secured except a note for \$4500.00. On the other hand you have all of Lot "E", 500 acres. The loan on this was reduced from \$25,000 to \$16,855.00. It includes 18 or 20 houses, Guyamaca Lodge, and property worth \$175,000 of anybody's money.

Another loan of \$570.00 known as the Hooley loan has been reduced from \$1000 and is secured by a nice house and lot within half block of El Cajon Boulevard. We sold it for \$2500.00 and a contract is out for that amount at the present time.

The other loan of \$1,000 is on the Varis house, so-called and is not ours. We are not on the paper at all. It includes the house and lot in Solana Beach, the appraised value of which is \$1900.00, and we will carry it along or deed it to the Bank of America, just as you see fit.

I have already offered to have you collect rents on all of these houses at Solana Beach thru Mr. Simms, and will be glad to turn over to you every dollar of income from these properties, making the payments direct to the bank, both the Morse Construction Company and Grossmont Park Co. if you want to.

I ask you to look again at the statements of the Morse Construction Company and Grossmont Park Company, of which we are not ashamed. They are deserving of being carried.

This leaves only the Athletic Club obligation of around \$10,300, on which you have the Ingraham contract of \$5900.00, protected by real estate which originally sold at \$10,000, planted to avocados, splendid residential property. I am willing to add any reasonable amount of security to protect you, preferably in the form of good real estate or improved avocado lands.

I hope that you will take a sympathetic interest in this matter. If you bring a suit it eventually means involuntary insolvency and taking away forever the spirit of a man who has tried to do things for this community. I refer you to G. A. Davidson, E. O. Hodge, Emil Klick, or any of the older boys who have knowledge of my activities, in addition to raising a family of ten boys and girls, thanks to a splendid woman, their mother. I am sure I can handle and sell these properties better than you can if given time, and pledge myself to concentrate on this. I now have two parties negotiating to buy 5 acres with the lodge and cottages for \$15,000, at Guyamaca Lake. This will be cash, and I hope to get an answer this week. I am willing to make excessive losses in order to pay you up at the earliest possible moment. I have nothing to be

ashamed of in my record of 45 years in San Diego.

Things are picking up with us here, and what I need is a year's moratorium so I do not have to worry and can get back on the job of selling again, for times are really looking up in the real estate game to some extent, and with the election over, no matter who wins, I believe new confidence will prevail and times gradually get a little better. We have carried this thing on thru three of the hardest years of our lives. It is hard for me not to believe but what you will help me carry on.

If you desire it, each company would be willing to sign a year's note for its obligations, with a reasonable value for releases to be agreed upon in advance, to put me in a position to liquidate these properties and pay you out in full. This also applies to the personal obligations of Mrs. Fletcher and myself, if you do not care to take over the properties on my offer as mentioned above.

Yours very truly,

(signed) Ed Fletcher

EF:KLM

October 18, 1939

Mr. Lloyd Mulit, Vice-president
Bank of America,
and
Mr. Harley Yakel
Capitol Company
San Diego, California.

My dear Mr. Mulit and Mr. Yakel:

At our recent conference with Judge Day it was agreed that we can make a reservation for water, limiting the amount in thousand of gallons, and our understanding was roughly 40,000 or 45,000 gallons a month. Since then you have employed Mr. Covert, hydraulic engineer, to determine the amount of water available from the springs, and also his estimate of the amount used by the eight properties in question.

We are satisfied with the amount, which we understand is about 40,000 gallons a month, but the method of reservation is unfair to us, and I am sure you have no intention of making it so. Mr. Yakel's statement is that the reservation should read one-fifth of the total amount of water that is developed now.

If we are only allowed 1/5th of the developed water during the summer we would be compelled immediately to spend \$3,000 to \$5,000 in building storage tanks in order to conserve our 1/5th during the winter when it is going to waste, in order to have it available for next summer's use. However, if the Bank of America will give us a written agreement that we can continue the joint usage of water, as has been in the past so we will not be forced to build new storage tanks, and always keeping within our quota, a letter along these lines will be satisfactory to us. Of course, it is understood that we would continue using the pipe lines already installed, and we will at all times pay our proportion of any maintenance of the pipe line. This could be included in the agreement.

If a separate agreement or letter will be drawn up as above I see no reason why we could not put the reservation which you plan in the deed now, give it to Ed Jr and he will take it up to Mrs. Fletcher to sign and will myself.

expansion of in my record of 43 years in the office.

Things are picking up with us here, and what I need is a year's vacation so I do not have to worry and get back on the job of selling again, for there are really looking up in the real estate game to some extent, and with the election over, no matter who wins, I believe new conditions will prevail and times gradually get a little better. I have carried this thing on this time of the hardest years of our lives. It is hard for me not to believe but what you will help me carry on.

If you desire it, each company would be willing to sign a year's note for its obligations, with a reasonable value for the property to be placed upon in advance, to put me in a position to liquidate these properties and pay you out in full. This also applies to the personal obligations of Mrs. Fletcher and family, if you do not care to take over the properties on my offer as mentioned above.

Yours very truly,

W.H.M.

Also we wish a letter from the Capital City Company or Bank of America stating that we may remove our brookstone furniture and equipment on January 1st, next. This letter should be put in the deed. If you can deed you the property with these usual restrictions which will then show them of record, and you can deed subject to same.

In deeding you the Grossmont property, in Pier Tract and Solana Beach property a clause should be put in that you will only deed these properties out subject to current usual restrictions, conditions and reservations put in all our deeds. Of course, you can deed you the property with these usual restrictions which will then show them of record, and you can deed subject to same.

Yours very truly,

W.H.M.

W.H.M.

W.H.M.

October 13, 1933

December 13, 1938

Mr. C.L. Cotant, Vice-President
Bank of America
San Diego, California

Re: - F.&W. THUM COMPANY

My dear Mr. Cotant:

The F.&W. Thum Company are suing me for \$140,000, they cannot get blood out of a turnip and I have told them so.

I have offered to give them a deed to the property which they are holding as security, Fletcher Hills, and they have refused it and filed suit and stated they will demand a deficiency judgment. I have requested them to write to Walter Whitcomb, to you and Mr. Sutherland to find out what my financial situation is, and I hope you will urge them to cooperate with me instead of making it a matter of persecution for no real estate is selling in the back country, and Mrs. Fletcher and I are just drifting along from day to day financially.

The Thum deal originally started thirty years ago where I put my time against their money. The three Thum brothers controlled the property. I was to have 25% of the net profits after they got back their money and interest. In six years I sold off 500 or 600 acres for enough to pay for the whole thing. My interest was worth thirty thousand odd according to their own statement in 1928. Two of the Thum brothers have died, the other is in an asylum, and the children are demanding their pound of flesh. Enclosed find copy of my last letter to them that is explanatory.

The fact is, the Thum brothers have gotten their money back and interest and \$64,000 in profit, while I have over \$100,000 invested in the property which I have offered to lose, and yet they will not accept but have told me to my face that they will sell me out. Personally, I hope it is a bluff and believe it is.

Anything that you can do in my behalf will be appreciated if they take the matter up with you.

Sincerely yours,

EP/jv
Encl.

cc-A.J. Sutherland, Security Trust & Savings Bank
cc-Walter Whitcomb, First Natl. Bank

Ed Fletcher Papers

1870-1955

MSS.81

Box: 5 Folder: 20

General Correspondence - Cotant, C.L.



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