

Sawyer

The agreement is to be made with the Grossmont Park Company, a corporation. The agreed price is fifty percent of the list price marked in red. It also includes the following property in the Brier Tract:

Lots 26 - 27 - 12 - 11	\$1,000	each
" 29 - 30 - 31 - 32	1,250	"
" 33 - 41 - 43	1,000	"
" 44 - 40	900	"
" 42 - 39	1,250	"
" 37 - 20	800	"
" 38	900	
" 19	1,750	"
" 8	1,500	
" 7	900	
" 6	900	
" 5 - 4	1,250	"
" 3	1,000	
" 2	900	
" 1	1,250	

It is understood that Sawyer is also to have one-half of the profits of the adjoining tract of land to the west, approximately 40 acres. In case any lands are sold to the studio corporation it is understood that each is to share alike in the profits. That said Fletcher will cooperate in every way in securing land for temporary use for the corporation.

Sawyer

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.

This to hold good for five years from date in case the studio is in continuous operation for five years, or some clause of that kind whereby this arrangement is cancelled if the things busts up/
That the Grossmont Park Co. is to have the final say as to the bona fide price of the property is to be sold at and the usual commission is to be paid, which is to be deducted before net profits are determined.

B. W. Sinclair	\$ 1,000.
Quayle Bros.	2,000.
Jasper Fifield	2,000.
Wm. Carpenter	1,000.
Colonel Fletcher	1,000.
Fred Cox (with "Union")	500.
E. W. Porter (Mayor La Mesa)	500.
James Orr	500.
Henry Levy	500.
J. L. Dalton	500.
Mrs. L. Bloom	500.
Frank Martzman	500.
Dove & Robinson.	500.
Seltzer	1,000.
Whenn Electrical Co.	500.
Robert Winn	500.

(Copy)

THE UNITED STATES NATIONAL BANK
of San Diego, California

April 22, 1924.

S. L. Studios,
La Mesa, Calif.

Gentlemen:

We are still holding the three thousand shares of
Common Stock in the S L Studios intact, having received no
order from the Corporation Commissioner to dispose of it in any
way.

Yours very truly,

J. L. Russell,
Assistant Cashier.

JLR.T

February 16, 1925

Grossmont Studios, Inc.,
Grossmont, California

Gentlemen:

The Board of Trustees of S. L. Studios have made an examination of the alleged claims due by S. L. Studios and have satisfied ourselves that the claims set forth in the attached list are correct. There may be other claims of which we have no knowledge that may be legal claims against the S. L. Studios.

It is our understanding that stock will be issued by your Corporation in payment of these claims. We wish it further understood that in the event any further claims are presented which are determined to be legal claims against the S. L. Studios, stock shall be issued by your Corporation in payment for such claims as well.



Wm. R. Tucker

Ed. Fletcher Jr.

Claude L. Chambers

Trustees of S. L. Studios, a
Trust Estate

LEGAL CREDITORS - S. L. STUDIOS

February 12, 1925

W. M. Rumsey, Surveyor	920 Eighth Street	\$ 179.87
Robt. Cordtz, Advertising	1241 India Street	45.14
Seymour & Seymour	522 Union Bldg.	47.05
Dodge & Carlisle, Trucking	P. O. Box 972	79.04
W. C. Merritt Company, Plumbing	727 Seventh Street	364.56
Bledsoe Company, Furniture	1100 Sixth Street	101.71
H. V. Lee Company, Painting	1041 Columbia Street	233.36
Whenn Electric Company	955 Eighth Street	797.44
Ross Bros., Trucking	860 Third Street	89.40
M. G. White Company, Insurance	241 Spreckels Building	363.00
Chas. R. McCormick Lumber Co.	3835 University Ave.	1,771.97
R. Francis, Plumbing	La Mesa	130.34
Geo. H. Stone, Legal	653 Spreckels Bldg.	1,000.00
Quayle Bros., Architects	601 Spreckels Bldg.	658.58
P. M. Johnson, Furniture	Johnson-Saum	790.00
P. H. O'Brien		98.58
Oliver Whaley		108.58
Salary, R.D. McLeod	Arno Hotel	349.36
Checks " "		1,356.75
Advances by R. Hart, Dec. 5, to Jan. 12		1,134.39
E. J. Shulter, Salary		575.00
A. H. Arnett note		977.88
Claude L. Chambers		1,000.00

12 16 2.00

Escrow Instructions 12/31/21.

→ 2' C - 3/16/23 - no 3' -

→ 2' C 8/30/22.

7' 1' → 2' C 1 Sawyer, etc 8/30/22

(1' 3/1/23 → 2' C 90671/

(1' 2' C 4-7-23 → 2' C

7' 1' → 2' C Sawyer 12/31/21

7' 1' → 2' C 1 Sawyer 1-9-22

2' → 12/31/21 2' C Sawyer

(1' 12/4/23, 2' C 1 Sawyer 1-30/22 → 2' C 1 Sawyer)

1' → 2' C 1 Sawyer 8/30/22

100%
1600

MEMORANDUM

Col. Fletcher has announced that the action which has been brought by the Grossmont Park Company to recover the property occupied by the S. L. Studios, is being brought solely for the benefit of the bona fide investors in the S. L. Studios, and that in the event the property is recovered, that there will immediately be organized a new corporation to which the property will be deeded, and the bona fide investors in the S. L. Studios will receive share for share in this new company.

The undersigned committee of S. L. unit holders welcome this as being the only practical plan whereby the property can be placed on a successful basis and brought out of the chaotic condition which now exists, and we are very grateful to the Grossmont Park Company for their services in our behalf, and we desire to publicly express our confidence in the good faith of the plan to recover this property cleared from its present inefficient management and place it on a successful basis.

Telephone

Sanders don't file suit

MOST BEAUTIFUL AND EFFICIENT MOVING PICTURE STUDIO IN THE WORLD

"S I Studios - San Diego"

A TRUST ESTATE (UNINCORPORATED)

EXECUTIVE OFFICES

652-653-654 SPRECKELS BLDG.

PHONE MAIN 2072

San Diego, California

All. & ce pt.

W. H. Hatcher
and
E. M. White

Wilson

Porter & S. O. D.

Cot S. O. D.

Martynau S. O. D.

Trind S. O. D.

Keen S. O. D.

\$ 25.00

Warrick

The following lots from Brier Tract No. 1475, filed in the office of the County Recorder of San Diego County, California, September 11, 1912:

Lots 26, 27, 12, 11

29, 30, 31, except W 40 ft.,
and 32 except E 30 ft.

33, 41, 43

44, 40

42, 39

37, 20

38

19

8

7

6

5, 4

3

2

1

13

25

28

Listed price
\$ 1,000 each

1,250 "

1,000 "

900 "

1,250 "

800 "

900 "

1,750 "

1,500 "

900 "

900 "

1,250 "

1,000 "

900 "

1,250 "

Also approximately forty (40) acres adjoining said Brier Tract on the west, list price \$ per acre

Also, the following lots in Subdivision No. 2 of a part of Grossmont Park, San Diego County, California, according to map No. 1318 filed February 23, 1911 in the office of the County Recorder of San Diego County, California:

Lots

206

207

208

209

210

211

212

213

214

215

216

217

218

219

220

221

222

223

231

232

233

234

List Price

\$ 700

800

800

600

600

600

600

600

700

700

700

700

700

700

700

700

800

800

800

800

800

900

	Lots	List Price
1	235	\$ 800
	236	800
2	243	700
	244	700
3	245	700
	246	700
4	247	700
	248	1,000
5	249	600
	250	600
6	251	700
	252	600
7	253	600
	254	600
8	255	700
	256	900
9	257	700
	258	700
10	259	700
	260	800
11	261	500
	262	650
12	263	650
	264	700
13	265	700
	266	700
14	267	700
	268	700
15	269	700
	270	700
16	271	700
	272	700
17	273	700
	274	600
18	275	600
	277	650
19	281	2,000
	282	700
20	283	700
	284	700
21	285	700
	286	700
22	287	600
	288	600
23	289	600
24	276	600

1	29 850 00	
2	Alma T Lehman Stock paid for by Sawyer	\$ 500.00
3	Office Furniture	200.00
4	Section 11	
5	Advances purported to have been made by Sawyer	5.416.93
6	Item cash withdrann	\$52.183.04 (by whom and credited to what)
7	S E Bickford	700.00
8	A Lehman	500.00
9	Film City Land Co	1.005.50
10	Cash withdrawn)To whom and for what)	2.428.08
11	Superintendence & Salaries (Check this up)	6.110.00
12	Labor Credited to Sawyers Account (why)	950.00
13	Credit to A H Sawyer	500.00
14	" "	2.400.00
15	Purprted to have been paidto McLeod	4.194 50
16	Commisions to Sawyer	6.050.00
17	Organization expense by Sawyer	2.734.45
18	Credited to Sawyer	1.686.75
19	Hotel Expense Sawyer	343.65
20	Credited to Sawyer Acct	824.05
21	Travelling Expense	1.749.68
22	Credited to Sawyer Acct	112.43
23	" " " "	448.55
24	Rent (credit to Sawyers Acct	600.00
25	Credit to Sawyers Acct	847.45
26	Hartman Acct	5.373.00
27	Luhin	505.00
28		2.964.52
29		
30		
31		
32		

OFFICES OF
METRO PICTURES CORPORATION.

29 850 00

1		
2	Alma T Lehman Stock paid for by Sawyer	\$ 500.00
3	Office Furniture	200.00
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28		2,964.52
29		
30		
31		
32		

1. Atlanta	J. J. Burke	108 Walton Street.
2. Buffalo	H. W. Kahn	259 Franklin Street.
3. Boston	M. Hill	60 Church street.
4. Chicago	L. A. Rozelle	831 S. Wabash Ave.
5. Cincinnati	Jos. Klein	7th & main Streets.
6. Cleveland	C. E. Almy	506 Clev. Film Exch. Bldg. & E. 21st St. & Payne Ave.
7. Dallas	L. Bickel	308 So. Harwood Street.
8. Detroit	F. J. Nugent	134 E. Elizabeth Street.
9. Denver	F. P. Brown	2102 Broadway.
10. Kansas City, Mo.	S. L. Haldeman	1706-8 Wyandotte Street.
11. Los Angeles	B. F. Rosenberg	820 So. Olive Street.
12. Minneapolis	A. H. Fischer	74 Western Ave.
13. New York	A. Abeles	729 Seventh Ave.
14. New Haven	Wm. A. Scully	126 Meadow Street.
15. New Orleans	C. J. Briant	1401 Tulane Street.
16. Omaha	S. McIntyre J. Elwell	1512 Davenport Street. 125 S. Hudson Street.
17. Pittsburgh	A. E. Atkinson	1016 Forbes Street.
18. Philadelphia	R. Lynch	1321 Vine Street.
19. Seattle	C. Stearn	2002 Third Ave.
20. San Francisco	F. W. Voigt	247 Golden Gate Ave.
21. Salt Lake City	G. L. Cloward	58 E. Fourth South.
22. St. Louis	Chas. Werner	3318 Lindell Blvd.
23. Washington	G. W. Fuller	916 G. Street N. W.
24. Toronto	A. Kohen	1205 Royal Bank Bldg.
25. Hollywood	Jos. W. Engel	6300 Romaine Street.

PROPOSITION COVERING LEASE
ON S-L STUDIOS.

It is suggested that a company be organized for the purpose of leasing ~~from~~ the S-L studios, for a term of five years, on the following terms;

The capacity of the S-L studio is estimated to be SEVEN companies.

The Company will pay to the S-L studios, \$100.00 per week rental for each company using space until three company's are in operation, and \$50.00 per week rental for each additional company up to the maximum capacity of seven company's.

The company will in addition to the above rentals, pay to the S-L studios one-half (50%) of the profits realized from the operation of the studio, details of operation are appended herewith:

OPERATION:

Contracts will be executed with producing company's renting space along the general lines as covered in form of contract attached herewith. This contract will be modified to meet the following conditions.

Each producing company will pay a flat rental of \$300.00 weekly, which will cover actual space required for their sets, office space, dressing rooms, studio equipment, and use of personell as follows:

Managing director and technical director, in a supervisory capacity, one electrician and one property man as needed. All other help required shall be charged for on a basis of cost plus 10%. All sets built, material used, properties, costumes, transportation, truckage etc charged on a basis of cost plus 10%. Current supplied by meter charge at cost.

Extensive experience has shown that the smallest producing unit in operation never spend less than Seven hundred and fifty dollars (\$750.00) weekly for the items detailed above under the cost plus 10% basis.

Following estimate of profits is based on a minimum operation of THREE company's and a maximum operation of SEVEN company's, the capacity of the studio.

GROSS WEEKLY EXPENSE:		MINIMUM.	MAXIMUM.
Rent		\$ 300.00	\$500.00
Technical director		150.00	150.00
Painter		40.00	40.00
	Assistant Pa'		25.00
Two property men		70.00	Five Prop men 175.00
" electricians		90.00	" electr' 225.00
" carpenters		80.00	Three Garpt' 120.00
Laborer		25.00	Two laborers 50.00
Chauffeur		35.00	" chauffeurs 70.00
Book-keeper & Stenographer		35.00	35.00
		\$ 825.00	\$1.390.00
GROSS WEEKLY RETURNS		MINIMUM.	MAXIMUM.
Rent from three producing Company's		\$ 900.00	Seven \$2.100.00
Labor materials etc 10% prof'		225.00	525.00
Gross intake		\$1.125.00	\$2.625.00
Net profit Weekly.		\$ 300.00	\$1.235.00

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1 THIS AGREEMENT, made and entered into this _____ day
2 of _____, 1924, by and between

3 , party of the first part, and

4 , party of the second part:

5 WITNESSETH: That,

6 WHEREAS, the party of the first part controls a fully
7 equipped motion picture studio together with the equipment, fa-
8 cilities and organization necessary for the manufacture and pro-
9 duction of motion pictures; and

10 WHEREAS, the party of the second part is desirous of
11 obtaining the use of such portions of said studio plant, equip-
12 ment and facilities as shall be necessary for the manufacture
13 and production of certain motion pictures to be manufactured by
14 the party of the second part;

15 NOW, THEREFORE, in consideration of the premises and
16 of the mutual covenants, premises and agreements herein set
17 forth, the parties hereto agree as follows:

18 1st: It is agreed that the party of the second part
19 shall have, and it is hereby granted the use of the necessary
20 stage space, dressing room facilities, office accommodations,
21 and generally the said studio, grounds and facilities controll-
22 ed by the party of the first part for the following compensa-
23 tion to be paid by the party of the second part to the party of
24 the first part, to-wit:

25 (a) For the use of Studio, stage-space, grounds,
26 dressing rooms, office accommodations, and projection room, (in-
27 cluding operator), cutting rooms, vault space, storage space
28 for special properties, use of stock scenery owned by the
29 party of the first part, and toward the general overhead ex-
30 pense in the nature of indirect charges for the use of the ad-
31 vice and services of the managing head of the first party, for
32 such motion picture producing company operated by said second

1 party upon said premises, the sum of FOUR HUNDRED (\$400.00) Dol-
2 lars per week for each and every week or proportionately or part
3 thereof, the party of the second part shall use said studio
4 grounds, stage, space, dressing rooms, or office accommodations,
5 or shall use or occupy any part thereof, it being understood
6 that the party of the first part and other motion picture pro-
7 ducing companies are using and will use such studio, buildings,
8 grounds and facilities in the production of other motion pic-
9 tures, and that the use thereof as granted to the second party
10 hereunder is concurrent use with the party of the first part and
11 such other producing companies.

12 (b) For the use of all stage properties already
13 owned or acquired by the party of the first part at the rate
14 of approximately five (5) per cent of the valuation thereof for
15 use for the first week, and at the rate of approximately two
16 and one-half (2½) per cent of such valuation for each and every
17 succeeding week.

18 (c) For the use of all electric current consumed in
19 the use of Arc Lamps of lighting apparatus, the actual cost of
20 such electric current, and ~~for~~ the use of arc lamps at the rate
21 of seventy-five cents per day for each arc lamp.

22 (d) For the use of automobiles owned by the party
23 of the first part at the rate of \$1.50 per hour, including driver,
24 Any transportation facilities procured on the outside at cost.

25 (e) It is agreed that for the use of any properties
26 or equipment not possessed by the party of the first part upon
27 its said premises, the party of the second part shall pay the
28 actual cost of obtaining the use of the same.

29 And: For all services, labor and material furnished
30 to or on behalf of the party of the second part in the produc-
31 tion of its motion pictures, the party of the second part shall
32 pay to the party of the first part the actual cost thereof plus

1 ten (10) per cent upon the gross amount of such cost. It is
2 further agreed that anything built or constructed excluding
3 interior and exterior sets, for the party of the second part and
4 for which it shall pay the cost thereof plus ten (10) per Cent
5 as last above provided, shall thereupon become the property of
6 the party of the second part, and in like manner any properties,
7 equipment or other articles purchased outright for the party of
8 the second part, and which it shall have paid the cost thereof,
9 as herein provided, shall thereupon become the property of the
10 party of the second part. The party of the second part is here-
11 by given the right to check and audit all figures of the party
12 of the first part. It is agreed that said percentage of ten
13 (10) per cent shall be computed upon the cost of all labor,
14 services, or materials entering into the manufacture of such
15 motion pictures. The party of the second part shall not be re-
16 quired to pay such percentage of ten (10) per cent upon labora-
17 tory expenses or cost of the negative or positive film used in
18 the manufacture of such pictures.

19 3rd: It is further agreed that the sums of money
20 herein agreed to be paid to the party of the first part by the
21 party of the second part, shall be paid in the following manner,
22 to-wit:

23 (a) Said weekly rental of Four Hundred (\$400.00)
24 Dollars per week in subdivision (a) of paragraph 1st hereof,
25 shall be paid weekly in advance per each and every week or pro-
26 portionately for any part thereof that the second party shall
27 use said studio premises.

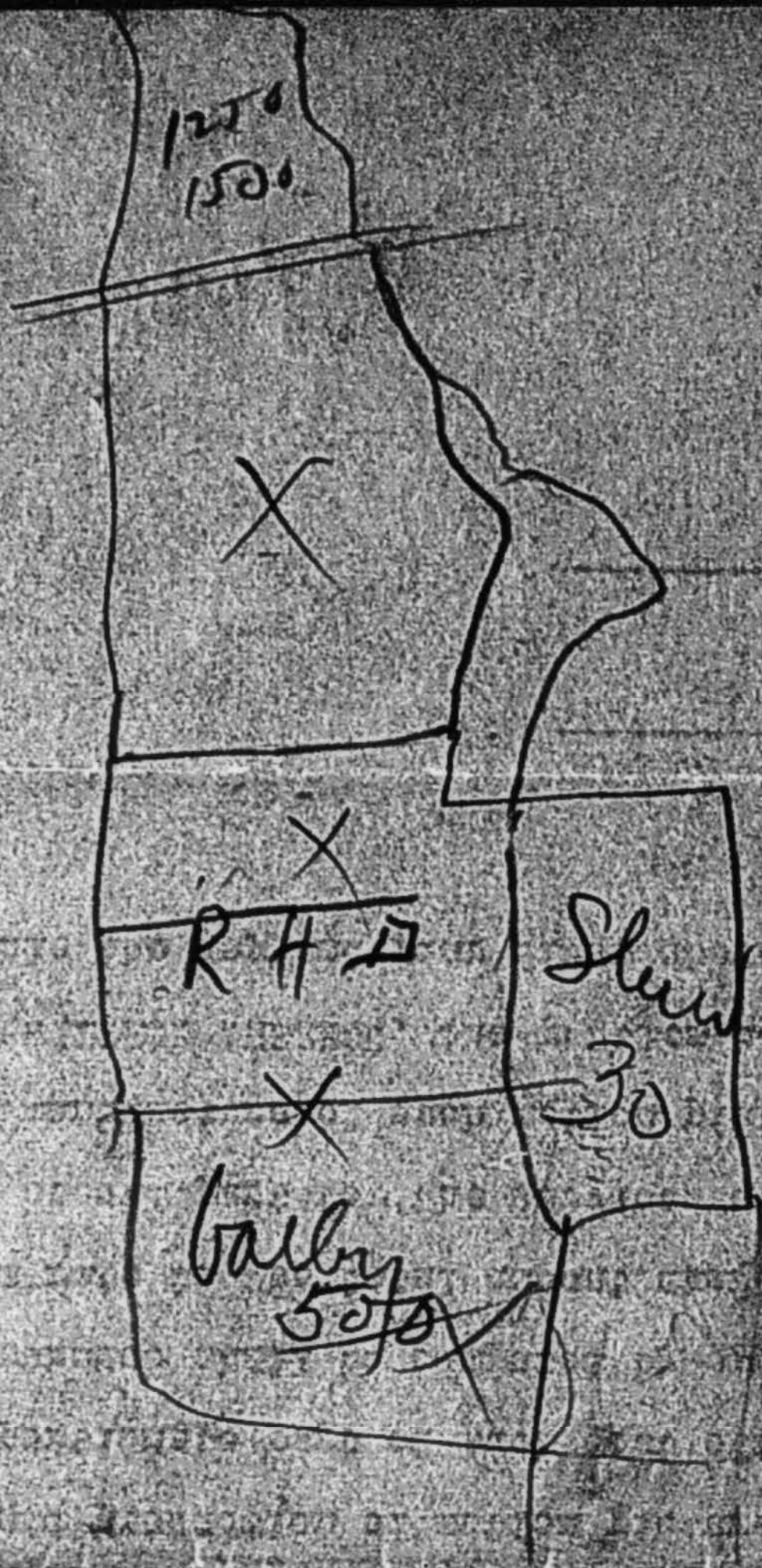
28 (b) As to all other amounts agreed to be paid here-
29 under the party of the second part shall, on Wednesday of each
30 week, pay to the party of the first part all such amounts accru-
31 ing during the preceeding week.
32

4th: It is further agreed that any loss or damage to any
1 articles or property furnished to the party of the second part
2 hereunder which is occasioned by the party of the second part,
3 or its employees or representatives, shall be paid for by said
4 party of the second part.

5 5th: It is further understood and agreed that the
6 first party shall not, under any circumstances, be responsible
7 for any loss or damage of any film, equipment or other property
8 of the party of the second part, which said second party may have
9 in or about said studio premises, by fire, water, accident or
10 any other cause whatever.

11 6th: It is further agreed that the party of the
12 second part shall also pay to the party of the first part, their
13 ~~part of the~~ proportioned/cost of the Working Men's Compensation Insurance
14 upon all employees of the party of the first part engaged in the
15 manufacture and production of motion pictures under this contract,
16 and such proportionate part of such cost of such Working Men's Com-
17 pensation Insurance shall be computed by applying the standard
18 State premium rate to the total amount chargeable against the
19 party of the second part for the services of such employees in
20 or about the manufacture of such motion pictures.

21 IN WITNESS WHEREOF, the parties hereto have set their
22 hands and seals the day and year first above written.
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Not used

MINUTES OF THE TRUSTEES' MEETING OF THE S.L. STUDIOS - SAN DIEGO.
-----000-----

A meeting of the trustees of the S.L. Studios - San Diego, is held at the City of San Diego, County of San Diego, and State of California, this _____ day of April, 1923.

PRESENT: Trustees Arthur H. Sawyer

ABSENT: Trustees Bert Lubin, David McCann, Chas. J. Hunt,
and A. J. Hughes.

President Arthur H. Sawyer in the Chair.

The President states that all of the other trustees have presented to him their written resignations as trustees of the S.L. Studios - San Diego to become effective forthwith; all of said resignations being duly acknowledged, and announces that the said resignations of Bert Lubin, David McCann, Chas. J. Hunt, and A. J. Hughes, duly acknowledged, are hereby filed of record in the archives of the S.L. Studios - San Diego, and attached to these minutes and by reference thereto incorporated therein and made a part of these minutes.

The President announces that he accepts the resignations of Bert Lubin, David McCann, Chas. J. Hunt, and A. J. Hughes, as trustees of the S.L. Studios - San Diego, being all of the trustees with the exception of Arthur H. Sawyer.

The President then states that he nominates and appoints Ed Fletcher, as trustee of the S.L. Studios - San Diego to fill an existing vacancy, and presents and files an instrument in writing, signed and acknowledged by the President appointing the said Ed Fletcher, trustee of the S.L. Studios - San Diego; said appointment being attached to the original Declaration of Trust of the S.L. Studios - San Diego, dated January 3, 1922; and the said Ed Fletcher being then present signifies his acceptance of such appointment, by signing his

acceptance of such office as trustee, subject to the conditions specified in said acceptance, and acknowledging the same at the end of the said Declaration of Trust, dated January 3, 1922, all in the manner and form provided in said Declaration of Trust.

Whereupon Arthur H. Sawyer and Ed Fletcher nominate and appoint F. M. White, as trustee of the S.L. Studios - San Diego to fill an existing vacancy, and present and file an instrument in writing, signed and acknowledged by the said trustees appointing the said F. M. White, trustee of the S. L. Studios - San Diego; said appointment being attached to the original Declaration of Trust of the S.L. Studios - San Diego, dated January 3, 1922; and the said F. M. White, being then present, signifies his acceptance of such appointment, by signing his acceptance of such office as trustee, subject to the conditions specified in said acceptance, and acknowledging the same at the end of the said Declaration of Trust, dated January 3, 1922, all in the manner and form provided in said Declaration of Trust.

Whereupon Arthur H. Sawyer, Ed Fletcher, and F. M. White nominate and appoint J. H. Shreve, as trustee of the S.L. Studios - San Diego to fill an existing vacancy, and present and file an instrument in writing, signed and acknowledged by the said trustees appointing the said J. H. Shreve, trustee of the S. L. Studios - San Diego; said appointment being attached to the original Declaration of Trust of the S.L. Studios - San Diego, dated January 3, 1922; and the said J. H. Shreve, being then present, signifies his acceptance of such appointment, by signing his acceptance of such office as trustee, subject to the conditions specified in said acceptance, and acknowledging the same at the end of the said Declaration of Trust, dated January 3, 1922, all in the manner and form provided in said Declaration of Trust.

Whereupon Arthur H. Sawyer, Ed Fletcher, F. M. White, and J. H. Shreve, nominate and appoint E. W. Porter, as trustee of the S.L. Studios - San Diego to fill an existing vacancy, and present and file an instrument in writing, signed and acknowledged by the said trustees appointing the said E. W. Porter, trustee of the S.L. Studios - San Diego; said appointment being attached to the original Declaration of Trust of the S.L. Studios - San Diego, dated January 3, 1922; and the said E. W. Porter, being then present, signifies his acceptance of such appointment, by signing his acceptance of such office as trustee, subject to the conditions specified in said acceptance, and acknowledging the same at the end of the said Declaration of Trust, dated January 3, 1922, all in the manner and form provided in said Declaration of Trust.

Whereupon all of the trustees agreed and consented to the holding of a meeting, so signifying their willingness by written consent as follows.

920 - 8th Street,
San Diego, Calif.

We, the undersigned, being all of the trustees of the S.L. Studios - San Diego, do hereby consent and agree to the holding of a meeting of said trustees at the above address on this _____ day of April, 1923.

Whereupon the President announced that there was a quorum present, and that the first order of business would be the organization of a new Board of Trustees.

Not used

The undersigned Ed Fletcher, F. M. White, J. H. Shreve and E. W. Porter, appointed by written appointment, duly acknowledged, as Trustees of the S. L. Studios-San Diego, to fill existing vacancies, pursuant to that certain written Declaration of Trust of date January 3rd, 1922, the original of which is attached hereto, and by reference thereto made a part hereof, do hereby, each for himself, signify his acceptance of the trust set forth in said Declaration of Trust, PROVIDED, that neither the said Ed Fletcher, F. M. White, J. H. Shreve nor E. W. Porter, nor either or any of them assume or become responsible for any of the acts or obligations of the former trustees, or any of them, of said S. L. Studios-San Diego, and specifically stipulate that no personal obligation, liability or duty is assumed by the undersigned by virtue of their acceptance of this appointment, or otherwise in connection herewith, save and excepting only as provided in said Declaration of Trust.

(SEAL)
(SEAL)
(SEAL)
(SEAL)

STATE OF CALIFORNIA,)
COUNTY OF SAN DIEGO.) SS.

On this _____ day of April, A.D. 1923, before me, _____

_____ A Notary Public in and for said County of San Diego, State of California, personally appeared Ed Fletcher, F. M. White, J. H. Shreve and E. W. Porter, personally known to me to be the persons whose names are subscribed to the foregoing Acceptance of appointment as Trustee, and acknowledged that they and each of them executed said acceptance as and for their act and deed, and for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal the day and year aforesaid in this certificate.

(Seal)

Notary Public in and for the County of San Diego, State of California.

280-76

Notation by H. E. Millsbaugh
Representative Dinky Dean Production Co.
Hollywood, Calif.

In order to complete the S. L. Studios the following is necessary.

It will have to have complete lavatory equipment
projection room

props

cuper hewitts, sun arcs, etc.,

generator, overhead lighting, etc

carpenter ship equipment

complete sets

It will cost about \$10,000

We can pay \$450 a week and would rent the total equipment.

There is room there for 3 or 4 companies at the same time.

San Diego, Calif.
May 9, 1924.

To The Shareholders of S. L. Studios,
San Diego, California.

Ladies and Gentlemen:

We, the committee appointed to examine the books and business of the S. L. Studios as managed by Hart-Loring-Wells, Trustees, since December 15th, beg to report as follows:

In going over the books of the S. L. Studios since December 15, 1923, we find that on the date of December 15, 1923, there was against the S. L. Studios as confirmed by Vreeland and Everts' audit of the books of the S. L. Studios, an indebtedness of \$9,696.72. This amount was not the total indebtedness, but only covered in reality certain open accounts, but did not represent the actual indebtedness against the S. L. Studios.

Between the dates of December 15, 1923 and May 5, 1924, the period over which our report covers, there has been found and added to this list an additional indebtedness of \$21,423.84, which makes a total indebtedness of \$31,120.56, irrespective of two mortgages which are also against the property - a first mortgage for \$8,800 and a second mortgage of \$21,638 - or making a total actual indebtedness against the S. L. Studios of \$61,558.56. All this is as per financial statement attached, issued May 5th and made a part of this report.

Since December 15, 1923, as the money was available, and from time to time, certain disbursements of indebtedness of the S. L. Studios have been made. The Trustees have tried to act fairly in our judgment, and disbursed these accounts pro-rata according to the amount of money they had on

hand to pay off bills, taking into consideration the size of the account. In this way they have actually disbursed with \$2,839.46 off the books of the Company under open accounts.

In addition, through one way or another, either through forfeiture of lease contracts, returning lumber to the lumber companies at 100¢ on the dollar, or actually paying off labor bills, they have disbursed an additional \$20,082.69, the largest single item of this being \$12,584.60 to A. H. Sawyer. This amount was due A. H. Sawyer according to the books of the S. L. Studios, and through an agreement and release of stock made by the Trustees with A. H. Sawyer, said Sawyer agreed to take \$12,584.60 worth of preferred stock in the S. L. Studios for this account with the provision that it be done with the sanction of the Corporation Commissioner. This the Corporation Commissioner refused to allow, but it still stands as an actual disbursement on the books of the Company, as the Trustees have a signed release to that effect.

There have been additional disbursements. \$1900 has been paid off on the mortgages, and an additional salary release, as shown by the books of the Company, of \$800. This \$800 was due according to the books of the Company, H. Loring and R. Hart as Trustees, being salary at the rate of \$50 a week. This salary release has been signed by H. Loring and R. Hart, and is on the books of the Company.

There has been an additional receipt of \$500 covering ground rent for office of the Hart-Loring-Wells Corporation, it being a five-year lease at \$100 a year, and the \$500 was paid in advance. This makes a total of disbursements and receipts amounting to \$23,282.69, leaving a balance indebtedness of \$38,275.87, all as per financial statement herewith

attached.

In covering a summary of this report, this committee feels that certain items should be considered, especially the amended lease of January 28, 1924, said lease being from S. L. Studios, San Diego, to Grossmont Pictures Corporation. There has been considerable controversy over this lease in the past two or three weeks, and to make ourselves clear, we wish to quote a certain portion of that lease, being as follows:

"Now, therefore, in consideration of the covenants herein, said S. L. Studios-San Diego, an unincorporated trust estate, as lessor, does hereby lease, demise, and let unto Grossmont Pictures Corporation, lessee, and said lessee does hereby hire and take all that certain property located at Grossmont, San Diego County, California, bounded and described as follows: (certain property described) and also all furniture, fixtures and equipment contained in the studio building located on said property, including sets, electrical and other equipment and materials now on the ground, and also any and all buildings other than the studio building, and all materials now located on said ground. Said property to be used and occupied for the purpose of carrying on the manufacture of motion pictures and the necessary allied and supporting industries and businesses."

Respectfully submitted,

Long Trig. May. 17-1924.

Col. W. Fletcher

Dear Mr. Fletcher

The undersigned Trustee of S. L. Studios
and Stockholder Committee. Linc. of the Ymca
Spirits that you are a necessary member of
The Board of Trustees of said S. L. Studios. Respectfully
request that you accept the Position of Trustee
that you were elected to today.

Fortune Loring

Robert Hart
Raymond Hill
Ed. Porter

Sam White
Helen M. Lewis
Clara Chamber

December 16, 1924.

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

Gentlemen:

The offer of compromise as outlined by Messrs.
Eckles, 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

Wood
Barkley
Hempson

San Diego, California,
December 23, 1924.

TO THE SHAREHOLDERS OF THE S. L. STUDIOS:

Your Trustees have had certified accountants, Messrs. Vreeland & Everts, examine the books of the S. L. Studios. We find that approximately \$102,000 in cash was received by the trustees; that the assets of the studios today are practically offset by the liabilities.

The Grossmont Park Co. gave a deed to nearly 20 acres of land, free of cost, with a reservation that the property was to revert to the Grossmont Park Company in case a studio was not completed within a definite time and operated continuously thereafter for one year as a moving picture studio. This condition has not been lived up to, but no formal action to recover has as yet been taken by the Grossmont Park Company in relation thereto.

Your trustees have had an appraisal made of the improvements on the property. The present building can be replaced with the improvements for approximately \$40,000 to \$50,000. As an offset we find a first mortgage in favor of Messrs. Eckles, Lowerison and Wolstencroft in the sum of approximately \$30,000, with no interest paid for nearly two years.

We find there are additional legal liabilities to numerous creditors in the sum of approximately \$10,000, not including interest. In other words, we have a building and improvements that can be duplicated for \$45,000 or \$50,000, with a first mortgage against these improvements including interest of approximately \$30,000, with additional unpaid accounts against the S. L. Studios in excess of \$10,000. The obligations of the S. L. Studios today are in excess of the value of the improvements that have been put on the property.

Mr. Sawyer and his associates, the original trustees resigned in the fall of 1923 and elected in their places Messrs. Hart, Loring and Wells. Trustees Hart, Loring and Wells entered into a contract in writing with Mr. Sawyer personally which relieves him from any legal obligation, according to the advice of our attorney and can only be upset by showing fraud, which means endless litigation to the Supreme Court of the State. Mr. Sawyer has blown up so far as we can ascertain. His present whereabouts we do not know. We have heard he has been in a sanitarium for several months in the East, and we see no possibility of ever reclaiming a dollar. It would be simply waste of money to attempt to do so.

On May 7, 1924 we wrote a letter to the district attorney of San Diego County, asking that the financial trouble of the S. L. Studios be placed before the Grand Jury of San Diego County and gave a list of witnesses we suggested be called before the Grand Jury. No action was ever taken by the District Attorney nor the Grand Jury.

The above is the condition in which we found the affairs of the S. L. Studios when we took office on May 17th, 1924.

The only solution of this problem, as we see it, is in a re-organization. After numerous conferences with the owners of the first mortgage and trust deed, we secured from them, on December 15, 1924, the following letter:

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

Gentlemen:

Providing you can bring about an agreement that leaves the studio property and lands free of encumbrance and the property deeded to a new corporation, and stock given in full payment thereof, we agree to take in stock, face value of our obligation against S. L. Studios providing the other indebtedness against S. L. Studios does likewise, and providing the stockholders of S. L. Studios will take stock on the basis of 35 cents on the dollar for cash invested by them.

It is understood and agreed that for the lands that you turned in to the corporation originally, you will get stock on the following basis: Take the acreage sold on Grossmont, determine its sale price per acre on the average, and you are to have stock based on 75 percent of that cost.

Yours very truly,

(signed) Ova F. Eckles
J. E. Lowerison
H. A. Wolstencroft."

The following letter we have received from the Grossmont Park Company dated December 16, 1924:

" Trustees S. L. Studios,
San Diego, Calif.

Gentlemen:

The offer of compromise as outlined by Messrs. Eckles, 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 Ed Fletcher, President".

Your trustees feel that this is the only solution of our problem and should be accepted. By so doing we will have roughly 20 acres of land and our building, as is, free of debt and we believe financial arrangements can be made to complete and furnish same ready for occupancy. We have numerous offers to rent and the trustees or board of directors of the new corporation can, we feel, put the studio on an income paying basis.

We recommend the name of the new corporation be "Grossmont Studios, Incorporated", or some similar name in lieu of the present "S. L. Studios".

Before taking any action in the matter, your trustees desire an expression from the S. L. Studios shareholders as to whether or not a re-organization as outlined above should be effected, therefore, kindly sign the enclosed postal card expressing your opinion by "yes" or "no" that your trustees may have the benefit of your desire in the matter and at an early date.

F. M. WHITE
WM. R. WHEELER
C. C. CHAMBERS
ED FLETCHER
RAYMOND WELLS
Trustees S. L. STUDIOS.

17 17 1924 m 14 76
To the Shareholders of the S. L. Studios:

Your Trustees have had certified accountants,

Messrs. Vreeland & Everts, examine the books of the S. L. Studios. We find that approximately \$102,000 in cash was received by the trustees; that the assets of the studios today are practically offset by the liabilities.

The Grossmont Park Company gave a deed to nearly 20 acres of land, free of cost, with a reservation that the property was to revert to the Grossmont Park Company in case a studio was not completed within a definite time and operated continuously thereafter for one year as a moving picture studio. This condition has not been lived up to, but no formal action has as yet been taken by the Grossmont Park Company in relation thereto.

Your Trustees have had an appraisal made of the improvements on the property. The present building can be replaced with the improvements for approximately \$40,000 to \$50,000. As an offset we find a first mortgage in favor of Messrs. Eckles, Lowerison and Wolstencroft in the sum of \$29,000, with no interest paid since nearly two years.

We find there are additional legal liabilities to numerous creditors in the sum of approximately \$10,000, not including interest. In other words, we have a building and improvements that can be duplicated for \$45,000 or \$50,000, with a first mortgage against these improvements including interest of approximately \$30,000, with additional unpaid accounts against the S. L. Studios in excess of \$10,000 -- The obligations of the S. L. Studios today are in excess of the value of the improvements that have been put on the property.

Mr. Sawyer and his associates, the original trustees resigned on the 17th and elected in their places Messrs Hart, Loring and Wells. Trustees Hart and Loring and Wells entered into a contract in writing with Mr. Sawyer personally which relieves

him from any legal obligation, according to the advice of our attorney and can only be upset by showing fraud, which means endless litigation to the Supreme Court of the State. Mr. Sawyer has blown up as far as we can ascertain. His present whereabouts we do not know. We have heard he has been in a sanitarium for several months in the East, and we see no possibility of ever reclaiming a dollar. It would be simply waste of money to attempt to do so. X

The above is the condition in which we found the affairs of the S. L. Studios when we took office on May 17th, 1924.

The only solution of this problem as we see it is in a re-organization. After numerous conferences with the owners of the first mortgage and trust deed, we secured from them on December 15, 1924, the following letter:

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

Gentlemen:

Providing you can bring about an agreement that leaves the studio property and lands free of encumbrance and the property deeded to a new corporation and stock given in full payment thereof, we agree to take in stock, face value of our obligation against S. L. Studios providing the other indebtedness against S. L. Studios does likewise, and providing the stockholders of S. L. Studios will take stock on the basis of 35 cents on the dollar for cash invested by them.

It is understood and agreed that for the lands that you turned in to the corporation originally you will get stock on the following basis: Take the acreage sold on Grossmont, determine its sale price per acre on the average, and you are to have stock based on 75 percent of that cost.

Yours very truly,
OVA F. ECKLES
J. E. LOWERISON
H. A. WOLSTENCROFT

The following letter we have received from the Grossmont Park Company dated December 16, 1924:

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

Gentlemen:

The offer of compromise as outlined by Messrs.

Ekles, 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 Ed Fletcher, President".

Your trustees feel that this is the only solution of our problem and should be accepted. By so doing we will have roughly 20 acres of land and our building, as is, free of debt and we believe financial arrangements can be made to complete and furnish same ready for occupancy. We have numerous offers to rent and the trustees, or board of directors of the new corporation can *via feel* ~~unquestionably~~ put the studio on an income paying basis.

We recommend the name of the new corporation be "Grossmont Studios, Incorporated", or some similar name in lieu of the present name, S. L. Studios.

Before taking any action in the matter, your trustees desire an expression from the S. L. Studios shareholders as to whether or not a re-organization as outlined above should be effected, therefore, kindly sign the enclosed postal card expressing your opinion by "yes" or "no" that your trustees may have the benefit of your desire in the matter and at an early date.

S. L. Studios

- ✓ Dr. Robt. Donnell, Grant Hotel, San Diego. Paid \$360 but got no stock
- ✓ Robert Hart. - Ask him if he cashed \$1500 of the Gas Company's bonds
How much cash did he put up.
- ✓ W. J. Page *1980 Alameda Drive -*
Paid \$1,000 by check for stock and doesn't owe anything
Books show there is a \$1,000 note of Mr. Page's and there is
a question as to its genuineness.
- ✓ J. H. Shreve - *Union Nat'l Bank - City*
Ask him what connection he had with the sale of stock for
Hart and how much stock and how many mortgages or cash
he sold for Mr. Hart and transferred into S. L. Studio stock.
Hart furnished the securities and it would be interesting
to find out what Hart got for them.
- ✓ A. S. Ahrens: *806 Beech.*
Ask him what he knows - on general principles.
- ✓ Alex Reynolds, Jr.
Ask him what arrangement he had with Mr. Sawyer for promoting
the Film City Land Company.
- ✓ Mrs. Goebel, La Mesa *(See Mrs. Goebel)*
(Try and get her address) *325 Spring*
- ✓ Robert Warwick - 510 Spreckels Bldg. City
Ask him what he knows on general principal.
- ✓ Geo. H. Stone - Spreckels Bldg., City
Find out what he knows, also ask him to produce papers and
list of those people that Sawyer sold stock to, took the
money and has never given any stock in return.
- ✓ Dr. F. G. Touvant, 120 Fir St., San Diego
- ✓ Mrs. Ralph Moody, 247 Date St., "
- ✓ Mrs. C. E. Olds, 120 Fir St. "
- ✓ Eddie Schalter, La Mesa
- ✓ Mrs. Rosa Kieferle - Owl Drug Bldg., San Diego Paid \$350 for *(o. n. 2)*
~~###~~ a contract to go to work out there as an actress
- ✓ Mrs. Hendley (?) La Jolla
- ✓ Dr. M. C. Harding (?) Paid \$1200 and did not get any stock.
- ✓ Mrs. Chase - Date Street - La Mesa
Paid \$1200 but did not receive any stock.
- ✓ Jo Clark, Lessem Apts. City
~~###~~ Stenographer in the office. Was in state only 4 months
when got commission as notary. Sawyer signed paper.
- ✓ Mrs. K. Vitan, 1323 - 2d St., City
Dressmaker who bought stock on promise of having dressmaking
shop there.

✓ Fred Behn

Paid \$1500 for a contract for a barber shop. ~~He is~~
in Vallejo-if wanted will come.

✓ M. Behn --

Paid \$1500 for contract for cleaning establishment.

Handwritten: 12/15/31
Mrs. Anna ~~Graham~~ *Graham*

939-54
~~Grant Hotel building (?)~~ *1048 1/2 St.*
paid for a contract for hairdressing.

Frank Fitzhugh, 2515 Front St., City

Paid \$500 for a contract for a contract to go into
the movies.

W. G. Gossesburen

Roll D. McLeod -
3979 Park Blvd -

Mrs. Mooday says the object of the meeting this after-
noon is to raise \$3500 to pay Col. Fletcher his \$600 for the money
he paid out for the audit, and pay Mr. White his \$2,000. Doesn't
remember what the balance was for. If they raise that they could get
a quitclaim deed to the Grossmont Park Company property.

Quite important to say that the books have been taken up.

From the papers of Ed Fletcher:

FROM THE PAPERS regarding the S&L STUDIOS, which became GROSSMONT STUDIOS, the following letters were removed to the correspondence files:

CROUCH, CHARLES

Crouch to Stone, George H., 12/12/21

Crouch to Fletcher [2 letters] 12/31/21, 10/13/22

Fletcher to Crouch [2 letters] 9/2/22, 10/18/22

FLETCHER, ED JR. to Fletcher, 7/2/24

GOTTESBUREN, A.

Fletcher to Gottesburen, 5/7/24

Gottesburen to Fletcher, 5/19/24

JONES, H.H., to Fletcher, 3/22/22

SAN DIEGO CHAMBER OF COMMERCE

S.D. Chamber of Commerce to S&L Studios, 10/6/22

S&L Studios to S.D. Chamber of Commerce, 11/6/22

SLOANE, HARRISON

Trustees of S&L Studios to Sloane, 2/16/25

Sloane to Fletcher [3 letters] 2/24/25, 5/2/29, 5/10/29

Fletcher to Sloane, 5/3/29

Grossmont Studios to Sloane [2 letters] 2/25/25, 5/15/25

Sloane to Grossmont Studios [3 letters] 5/7/25, 8/1/25, 5/9/29

Fletcher to STERN, CHARLES F., 1/26/25

SOUTHERN TITLE AND TRUST COMPANY to Fletcher, 5/3/29

TAYLOR, B.H.

Grossmont Studios to Taylor [2 letters] 3/2/29, 5/11/29

SANDERS, HUGH

Fletcher to Sanders [3 letters] 4/3/24, 4/22/24, 4/24/24

WERNER, E.P.

Fletcher to Werner, 6/6/22

Werner to Fletcher, 6/7/22

WHITE, F.M., (BENSON LUMBER COMPANY)

White to Fletcher [2 letters] 6/10/22, 7/1/24

Fletcher to Stone, 8/31/22

S&L Studios to White, 9/1/22

White to S&L Studios, 11/14/22

Fletcher to White [3 letters] 1/4/24, 7/9/24, 8/8/24

Also the following complete files were removed:

CALIFORNIA STATE CORPORATION COMMISSION

CHAMBERS, CLAUDE L.-BOARD OF TRUSTEES (S&L STUDIOS)

HART, ROBERT

HAWKINS, F.T.

MCCANN, DAVID

SAN DIEGO CINEMA CORPORATION

SAWYER, ARTHUR H.

WARWICK, ROBERT

WELLS, RAYMOND

WHALEY, OLIVER
WOLSTENCROFT, H.A.

Ed Fletcher Papers

1870-1955

MSS.81

Box: 64 Folder: 15

**Business Records - Land Companies - Grossmont
Park Company - S-L Studios, Grossmont
Studios - S-LS: Board of Trustees: William A.
Wheeler, Ed Fletcher, Jr. and Claude Chambers**



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