

San Francisco, California
October 26, 1934

Colonel Ed Fletcher
1020-9th Street
San Diego, California

Dear Colonel Fletcher:

Since granting you the option under date of July 31, 1934, to purchase the timber property then subject to the terms of the Trust Indenture from Hotchkiss Redwood Company to Wells Fargo Bank & Union Trust Co., as Trustee, dated May 1, 1925, said property has been sold and the Committee now has legal title thereto.

In order to facilitate further negotiations for the sale of said property to the Federal Government, we hereby give and grant to you a new exclusive option to purchase said property for the term or period up to and including January 1, 1935, at the price and upon the terms and conditions following:

Price:

Fifty cents per thousand board feet for all Redwood timber, and twenty-five cents per thousand board feet for all other varieties of timber thereon, as shown by a cruise thereof approved by the Committee. In the event the parties are unable to agree upon the quantity of timber on said property, a cruise shall be made by a qualified cruiser satisfactory to both parties, and his findings shall be conclusive.

Said price shall be paid upon the delivery of a deed to the property free and clear of liens or encumbrances, and taxes shall be pro-rated as of the date of closing.

In the event this option is exercised, you shall notify the Committee in writing on or before January 1, 1935, and the transaction shall be consummated within ten days thereafter.

Terms and Conditions:

This option is granted solely to enable you to effect a sale to the United States of America, and the same is not transferable or assignable by you except to the United States of America, and the effectiveness of the exercise hereof is dependent upon the consummation of a sale to the United States of America upon the terms and conditions herein set forth.

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Upon the expiration of the term of this option, each and every agreement, obligation or commitment to you shall cease and terminate, and we shall be free to own, hold or sell said property in the same manner and to the same extent as though you had not participated in any negotiations for the sale thereof by agreement or otherwise.

Upon signing your acceptance on the copy of this agreement inclosed for that purpose and returning the same to the Committee, this agreement shall then be in full force and effect.

By order of the Committee.

HOTCHKISS REDWOOD COMPANY BOND-
HOLDERS' PROTECTIVE COMMITTEE

By Dean Witter
Chairman

Attest:

STATE OF CALIFORNIA, }
City and County of San Francisco } ss.

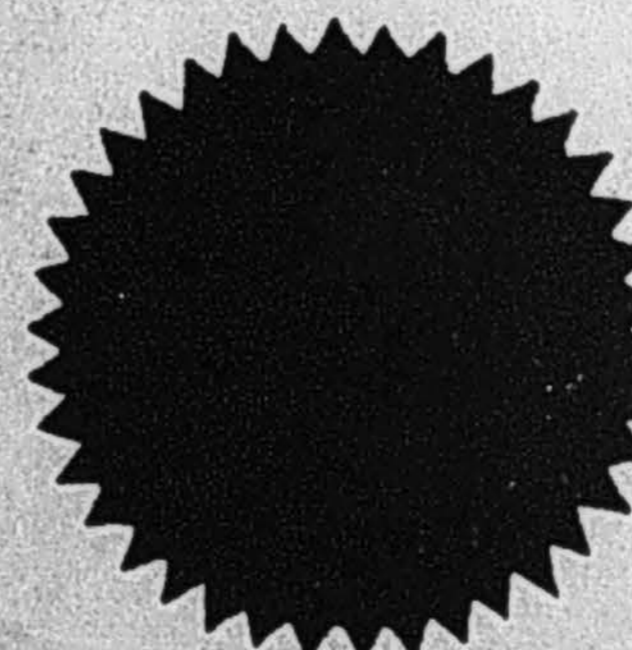
On this 29th day of October in the year One Thousand Nine Hundred and Thirty-Four before me, EDITH GOEWY, a Notary Public, in and for the City and County of San Francisco, residing therein, duly commissioned and sworn, personally appeared

- - - DEAN WITTER - - Chairman

HOTCHKISS REDWOOD COMPANY BOND-HOLDERS' PROTECTIVE COMMITTEE - - -

known to me to be the person, or persons, whose name is subscribed to the within instrument, and acknowledged that he executed the same, as Chairman of such Committee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the City and County of San Francisco, the day and year in this certificate first above written.



(General)

NOTARY PUBLIC IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.
MY COMMISSION EXPIRES NOVEMBER 22, 1936.

NEW YORK
SAN FRANCISCO
LOS ANGELES
SEATTLE
PORTLAND

DEAN WITTER & Co.

MEMBERS
NEW YORK STOCK EXCHANGE NEW YORK CURB ASSOCIATION
NEW YORK COTTON EXCHANGE NEW YORK COFFEE & SUGAR EXCHANGE
CHICAGO STOCK EXCHANGE CHICAGO BOARD OF TRADE
COMMODITY EXCHANGE, INC.
SAN FRANCISCO STOCK EXCHANGE

SACRAMENTO
OAKLAND
TACOMA
HONOLULU
FRESNO
SAN DIEGO

486 CALIFORNIA STREET
SAN FRANCISCO

October 29, 1934.

Colonel Ed Fletcher,
1020-9th Street,
San Diego, California.

Dear Colonel Fletcher:

I am sorry to have missed seeing you on Friday afternoon but have the message you left with Miss Gardinier. Congratulations on your progress and on your able handling of this matter. I am enclosing a letter extending the option on the Hotchkiss property to January 1, 1935.

No meeting of the directors of Hobbs, Wall & Co. nor of the committee has as yet been held so I am unable to forward you a formal letter with reference to the Hobbs, Wall properties. I personally favor the granting of your request for a 60 day extension of this option also and believe that my recommendation will have influence with the committee.

DW:IG
Encl.

Very truly yours,

Dean Witter

San Francisco, California
November 1, 1934

Colonel Ed Fletcher
1020-9th Street
San Diego, California

Dear Colonel Fletcher:

Heretofore this Committee entered into an option and agreement with you relative to the sale of certain of the properties subject to the lien of the Trust Indenture from Hobbs, Wall and Company to Wells Fargo Bank & Union Trust Co., as Trustee, dated October 1, 1924, which option and agreement expired on November 1, 1934. You have requested this Committee to execute a new option and agreement with you upon the same terms and conditions. Up to the present time no proceedings have been taken by the Trustee to effect a sale of said properties under the provisions of said Indenture, and obviously the Committee at this time is in the same position it was at the time it executed the original option and agreement, and is not in a position to give an option upon properties to which it has not title, and only in the contingency that a sale is ordered by the Trustee and the Committee is the successful bidder, would the Committee ever be in a position to deliver an option to you upon said properties.

However, as heretofore indicated to you, if the Federal Government is still interested in purchasing said properties, and will pay therefor \$150,000, plus a sum equal to fifty cents per thousand board feet for all redwood timber and twenty-five cents per thousand board feet for all other varieties of timber upon said properties, as shown by a cruise approved by the Committee, the Committee will cooperate to bring about a sale of said properties to the Federal Government at such price. As you have been heretofore advised, before a sale can be made, it will be necessary for the Trustee to take certain proceedings and give the notices required by law, all of which will require a considerable time. Unless a sale were reasonably certain, it would be inadvisable to take such proceedings or incur the expense incident thereto, as doing so would virtually commit the Committee to assume control of properties which, under present conditions, are and should continue to be operated.

The Committee is willing, though, to cooperate with you in negotiations to effect a sale of such properties to the Federal Government on or prior to January 1, 1935, and if the Government decides, on or prior to said date, to purchase such

Colonel Ed Fletcher-2

properties, the Committee will exercise such powers as are vested in it to bring about a sale of all of the properties under said Indenture in accordance with the provisions of the Trust Indenture, and the acquisition thereof by the Committee for resale of that portion consisting of timber and timber lands, mill and railroad, to the Government.

The Committee is furthermore willing and agrees, in the event it acquires title to said properties (and the Committee does not agree to bid said price, or any amount other than such amount as, in its sole discretion, it may determine to bid, if it elects to bid at all), and a sale thereof is thereafter made by the Committee to the Federal Government under such agreement negotiated by you, to pay you a commission of three per cent of the amount paid to the Committee by the Federal Government for said properties, when said sum has been paid to the Committee. Furthermore, in the event such sale takes place, and the Federal Government, under and pursuant to an agreement theretofore negotiated by you, bids for the properties and acquires the same for an amount not less than the price hereinbefore specified, the Committee is willing and agrees to pay you a commission of two and one-half per cent of the amount paid by the Federal Government for said properties, when the Committee is in funds as a result of such sale. Unless, however, a definite commitment is made by the Federal Government to acquire the properties from the Committee (subject always to a sale being made under the Trust Indenture and the Committee acquiring the same, all as above set forth) on or before January 1, 1935, the Committee shall be released from every agreement, obligation or commitment to you, so that it shall thereafter be free to negotiate for the sale of the properties to whomsoever it chooses without any liability for commission to you or any obligation to you or any one else.

Upon signing your acceptance on the copy hereof inclosed for that purpose and returning the same to the Committee, this agreement shall then be in full force and effect.

By order of the Committee.

HOBBS, WALL AND COMPANY BONDHOLDERS'
PROTECTIVE COMMITTEE

By

Dean Witter
Chairman

Attest:

Secretary

COPI

ASSUMED
copy of Dean
Witter letter
CSM

December 5th, 1934.

Dear George:

After our telephone conversation Sunday I conferred with Harold and we felt that a meeting of you, Quinn and Gartner with Harold, Fletcher and myself might result in an agreement as to representation of our various interests so as to avoid getting our wires crossed with result that the deal might fail. Accordingly I wired Colonel Fletcher asking him if he could come again next week at our expense and he replied that he could but not before Tuesday or Wednesday.

Marjorie telephoned me your wire this morning after I had sent a dayletter to your office and I wired you again suggesting Wednesday. Please confirm this time tentatively. Colonel Fletcher has appointments with Governor Merriam and other officials in Sacramento the latter part of the week so I trust arrangements from your end can be left flexible enough so that there might be a day as loosey either way.

I think it will be necessary to have both Quinn and Gartner available and that they should be in a position to speak for the syndicate so that a definite and final arrangement can be arrived at if possible.

On receipt of this would you be kind enough to send me a nightletter to the above address confirming the understanding that the three of you will be available on or about next Wednesday so that I may wire Colonel Fletcher before he starts east?

Sincerely,

Mr. George Leisure,
c/o Donovan & Leisure,
Shoreham Building,
Washington, D. C.

Assumes
copy of
Oct 1934
letter
com

Colonel Ed Fletcher,
1020 9th Street,
San Diego, California.

My dear Colonel:

In considering a sale of the so-called David Ward Estate tract of timberlands in Humboldt and Del Norte Counties, California, comprising approximately 16,000 acres, we hereby advise you that we will accept a net sum of \$820,000.00 for this property free and clear from all encumbrances, and if you effect a sale of the property we will pay you out of the sum so received by us one-half of any tax penalties which may be cancelled under the law.

This proposal concerns only the David Ward Estate timberlands and does not concern any other timberlands owned by any of us.

If a sale of the timberlands is made to the Government it is understood that the proper Government agency will fix the total gross price to be paid, not less than the aforementioned sum of \$820,000.00, and in the event of the Government failing to fix a price in excess of the aforementioned sum on or before March 1, 1935 then we reserve the right to cancel this offer any time after March 1, 1935 and to make such offers and proposals as we see fit.

Very truly yours,

Dated:

STATE OF CALIFORNIA, } ss.
City and County of San Francisco

On this Fifth day of November in the year One Thousand Nine Hundred and Thirty-Four

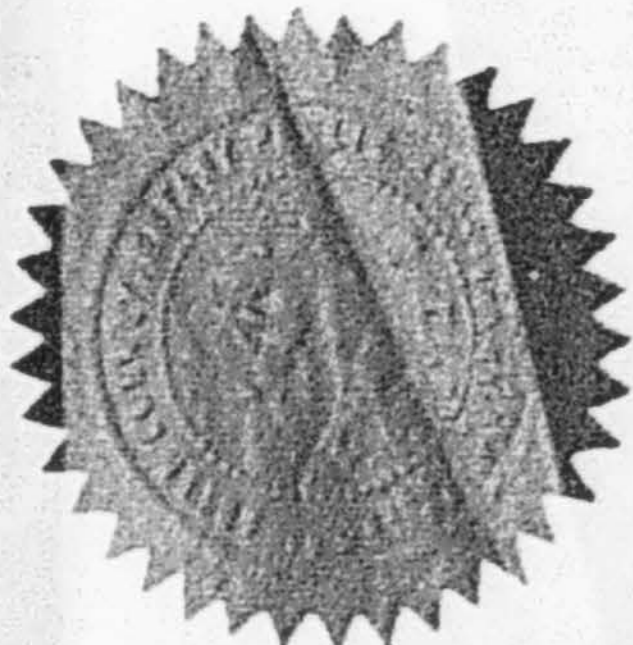
before me, EDITH GOEWY, a Notary Public, in and for the City and County of San Francisco, residing therein, duly commissioned and sworn, personally appeared

DEAN WITTER - - Chairman, HOBBS, WALL AND COMPANY
BOLDHOLDERS' PROTECTIVE COMMITTEE - - - -

known to me to be the person, or persons, whose name is subscribed to the within instrument, and acknowledged that he executed the same, as such Chairman.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the City and County of San Francisco, the day and year in this certificate first above written.

Edith Goewy
NOTARY PUBLIC IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.
MY COMMISSION EXPIRES NOVEMBER 22, 1936.



(General)

Ed Fletcher Papers

1870-1955

MSS.81

Box: 34 Folder: 32

General Correspondence - Witter, Dean



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